

Characteristics	Low risk	Medium risk	High risk
The business benefit of the project is:	<input type="checkbox"/> Well defined	<input type="checkbox"/>	<input type="checkbox"/> Poorly defined
The scope of the project is:	<input type="checkbox"/> Well defined	<input type="checkbox"/>	<input type="checkbox"/> Poorly defined
The project sponsor is:	<input type="checkbox"/> Identified, committed, and enthusiastic	<input type="checkbox"/>	<input type="checkbox"/> Not identified or not enthusiastic
The business customer commitment level is:	<input type="checkbox"/> Passionate and enthusiastic	<input type="checkbox"/>	<input type="checkbox"/> Passive and hard to engage
The project manager has:	<input type="checkbox"/> Similar experience on multiple projects	<input type="checkbox"/>	<input type="checkbox"/> Little experience on similar projects
The project team is:	<input type="checkbox"/> Located together	<input type="checkbox"/>	<input type="checkbox"/> Dispersed at multiple sites
Project management processes and procedures are:	<input type="checkbox"/> Familiar and will be utilized	<input type="checkbox"/>	<input type="checkbox"/> Not familiar and will not be utilized
The business requirements of the project are:	<input type="checkbox"/> Understood and straightforward	<input type="checkbox"/>	<input type="checkbox"/> Very vague or very complex
The technical requirements are:	<input type="checkbox"/> Similar to other projects completed successfully	<input type="checkbox"/>	<input type="checkbox"/> New and complex
The total estimated effort hours are:	<input type="checkbox"/> Less than 1,000	<input type="checkbox"/>	<input type="checkbox"/> Greater than 5,000
The total estimated project duration is:	<input type="checkbox"/> Less than three months	<input type="checkbox"/>	<input type="checkbox"/> Longer than one year

Section II—Risk management strategy tables

High-risk factors/ Potential problems	Risk management activities
<p>The business benefit of the project is poorly defined</p> <ul style="list-style-type: none"> • Harder to get resources required • Hard to evaluate the value of the project to the organization • Hard to define scope changes in terms of cost/benefit • Hard to know if business value was achieved when project is complete 	<ul style="list-style-type: none"> • Try to get business customer to quantify the overall business value of the project • Look at the major requirements and try to quantify the value of the various deliverables • Document the intangible benefit that the project will achieve • Review prior similar projects to see how the benefits were quantified • Don't start the project while the business value is undefined
<p>The scope of the project is poorly defined</p> <ul style="list-style-type: none"> • Hard to provide sound estimates • May spend time and cost on areas out of scope • Hard to gather concise requirements • Difficult to write project definition and workplan • Hard to invoke scope-change procedures • Project deliverables are poorly defined 	<ul style="list-style-type: none"> • Focus on firming up scope in the planning process • Begin to define business requirements at a high level and then work upward to define scope • Document all scope assumptions when providing estimates of work, cost, or duration • Use pictures or diagrams to communicate scope and options • Establish firm scope-change procedures up front • Ensure the project definition and business requirements are formally approved and signed off on • Distribute scope statements to all stakeholders for confirmation • Do not begin project until scope is clear
<p>The project sponsor is not identified or not enthusiastic</p> <ul style="list-style-type: none"> • Project may not get the resources it needs • Project may not have the long-term commitment needed • Political battles may delay the project • Issues and change requests may not be resolved in a timely manner 	<ul style="list-style-type: none"> • Establish a strong steering committee to help guide the project • Establish a process for resolving disputes between organizations • Try to identify a different sponsor • Ask the sponsor to delegate full authority to another person who can act on their behalf • Don't start the project
<p>Customer commitment level is passive/hard to engage</p> <ul style="list-style-type: none"> • May point out low confidence in the business value • Harder to get customer time and resources needed • Harder to gather business requirements • Customers may undermine or work against the project 	<ul style="list-style-type: none"> • Account Manager to keep customers engaged and communicate the business benefit • Create user group to surface concerns and build enthusiasm • Ask for customer participation in planning and requirements gathering • Ask for help from the sponsor to generate excitement • Look for opportunities to sell project in fun settings and contexts • Be proactive in gaining commitments for customer resources when you need them • Don't start the project
<p>Project management experience is light</p> <ul style="list-style-type: none"> • May take longer to define the project and build workplan • May make more mistakes in judgment, causing rework and project delays • More difficulty organizing and managing a complex project • May not be familiar with sound project management practices • May not know when to call for help 	<ul style="list-style-type: none"> • Provide up-front project management training • Designate a more senior person to coach and mentor the project manager • Break the project into smaller pieces that are easier to manage • Put a strong quality-assurance process in place to ensure the project is on the right track • Make sure the major deliverables are formally approved • Utilize strong team leaders and team members to bring additional experience to bear