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**Risk Management**

In project management there are different plans that need to be made in order for the project to succeed. Whether it’s a plan of action or a plan of contingency, preparing for a project should be a very important aspect of any project managers course of action. Planning for various risks is one of those important task that is necessary in making sure that there are no unforeseen problems. In the case that was given to use, risk is the main focus for the project manager that was hired. One thing to note about risk is that it can be both positive and negative, because a risk is a situation that may or may not occur. A positive risk can be referred to as an opportunity, while a negative risk can be a situation you may want to avoid or mitigate.

In the given selection there are a couple of risks that can be identified. If we start with the negative risk, the scheduling of students days is the first one. Since these are part-time employees as well as students, that means that they may have abnormal schedules. If they are all the same year and major, 90% of them may have class schedules that are very similar. This leads to the problem that the business may have shifts in which they have an abundance of student works, which is good, but there will also be shifts in which not enough employees will be on hand, causing delays in the productions of books. Considering the fact though that the chance of having a high percentage of the student employees having the same year, same major, same classes, and class schedule, is very unlikely, it’s not something to be concerned. It is though a medium impact situation, because it can cause the whole operation to stop dead in it’s tracks.

The next risks is dealing with technology, seeing as the whole business is set on using machines to produce a product. The risk of having printers and binding machines malfunction is a pretty high impact risk, because of how crucial that equipment is to containing the work. How likely this is to happen really depends on the equipment purchased, for example used printer vs. new printers. The used printer may last as long as the new printer or it may decide that after 3 orders it will kick the can and begin to malfunction. Another reason why this risk is high impact is that the printers may in fact malfunction in a subtle way. A printer may begin to start skipping every 50th page that needs to be printed, or may smudge ink over various pages of the book, requiring that the book be reprinted. This would end up wasting time and money, and in a business where a timely delivery is necessary, time is money, and time lost is detrimental.

Another risk that may occur is a change in when book orders are needed sooner than expected. The effects that this risk has on the business is in time delays. As these unforeseen order have to be fulfilled, more man-power is placed into them, distracting from orders that need to be done for other professors, in turn making the work on those orders delayed as well. Medium impact can be the label used for this risk because it may cause delays, but those problems can be remedied by having employees work more. Considering that the company is working with a University, in which each professor decides when they each want to get an order by, it’s highly likely that it will occur.

One last risk that may occur is if all the part-time employees that are students as well may decide to leave their employment due to school commitments. This risk can be given the category of high impact because just like the previous risk of malfunctioning machines, the whole business will stop running if there are no employees to work. It’s very reasonable that this may happen since all these students will know each other, and may end up joining the same student organizations that requires them to leave their job. That reason makes this risk highly likely.

Out of the 4 risks that were described above the 3 most critical would have to be the risks that would cause the business to screech to a stop. The printers malfunctioning, a majority of the students schedules coinciding together, and a large part of the student workers leaving the employment. These require the most attention when any type of contingency or mitigation plan is put in place, due to their high level of harm that they can cause to the business.

Now, how to go about planning for these risk? If we address two of the risk, students having similar schedules as their peers and a large majority of the student workers leaving at the same time, it because easier. A contingency plan could be that the business hire temporary workers from a local agency. This would help in both cases, in the first by aiding during the empty shifts, and in the second risk by refilling the empty spots. Of course this is a costly solution that fixes the problem after it has occurred. A mitigation strategy for the first risk is to screen all the part-time student workers by asking them what is their school schedule. This way you only hire the students that fit into your shifts, not the other way around. That’s the first, for the second risk, a mitigation plan would more than likely include hiring more non-student workers. This means you have, to a certain extent, a backup workforce. For the third risk of having the equipment malfunction, the contingency plan would have to include a backup equipment ready to roll when their is a problem. To lower the cost of that contingency plan, a technician’s number should be on hand to immediately send for him. A mitigation plan for this is to have regular maintenance checkups on the equipment, more specifically on the main equipment used. This would help to stop any future problem from happening and even stopping current ones before that get too large to fix.

All in all, just like many other projects, this one had many risk. The top three risks all seem to be common to manufacturing projects. Just like there are negative risks that can be detrimental to a business, like we saw above, there are also positive risks and opportunities. One thing is for sure, always have a plan in case things do go south, and you are left a sitting duck on water.