# PROJECT ARCO RISK MANAGEMENT PLAN

## Version History

Project ARCO has been given the mandate to design, develop and implement a new system processing claim to improve efficiency, reduce processing time and enhance customers satisfaction. The project kicked off on the 22nd of April, the first RAID meeting was held on the 24th of April with the purpose of discussing, identifying and assessing and managing any potential risks that may affect the project from delivering its objectives on time. Some risks surrounding the project have been found and can be found on the Docs & File section of Slack. Some unknown risks that could affect this project are poor communication, unclear roles and responsibilities, time and in experienced team members.

The project manager, team members and stakeholders are conscious of these risks and have been documented in the highlights reports and monitored on the RAIDs log. The identified risks are likely to be reduced in subsequent meetings with the project manager, business analyst and the development teams. More information would be obtained from the client and sponsor so the high level and low level requirements would be approved and signed off next week. To mitigate the risks posed on this project, the project team would ensure the requirements are based on the available budget to avoid any possible delays.

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| --- | --- | --- | --- | --- | --- |
| Version number | Implemented by | Revision date | Approved by | Approval date | Reason |
| 1.0 | Mo Jones | 20/April/2025 |  |  | Initial risk management plan |
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1. **Purpose of the risk management plan**

The objective of the risk management plan is to describe the approach to the management of risks withing the project ARCO and help the project team to be able to recognize and evaluate the risks that may pose a threat to the overall success of delivering this project. Inadequate management of risk can result in the project failing.

The purpose of the risk management plan is to

* Provide a comprehensive method and approach to reduce risks
* Report on any potential or harmful risks
* Ensure all risks are managed accurately, accordingly and consistently

**2.0** **Processes**

The project ARCO risks will be managed and managed in the following way.

* Identifying
* Logs
* Carrying out assessments
* Management (checking project progress and escalating potential risks)
* Closure

Risks would be identified by the Project ARCO team members, project sponsor. This document is subject to review, change, addition and the contents are based on the project progress.

**2.1** **Risk Identification**

Risks will be identified at anytime during the project lifecycle by the project team, sponsor and any stakeholders. Each team member will be encouraged regularly to identify any risks that could possibly develop throughout the project lifecycle. The RAIDS log will be maintained and updated by the PMO team, this log will be updated on a regular basis (weekly). Weekly meetings will be held on every Thursdays after the general team meetings which will be for reports discussions where members of the team will identify and review the possible risks to the RAIDs log.

Other sources of risks identification would include interviews with clients, stakeholders, lessons learnt logs from previous similar or related projects and general internet searches.

**2.2** **Risk analysis**

This will show the likelihood of a risk occurring and its potential impact on the project’s schedule, costs, stakeholders and resources. It will explain the preventive measures and contingency plans for risks if they occur.

2.2.1 **Qualitative Risk analysis**

Project ARCO will use RAG (Red, Amber & Green) method to enable the team to determine the level of risk and how to mitigate it which will be analyzed on a weekly basis. This involves the risk being prioritized and the probability of occurrence being calculated. Once risks has been logged, the project manager will assess the probability and impact of each identified risks happening with input from the project team with the below approach

Probability and impact on how it will be color coded.

|  |  |  |  |
| --- | --- | --- | --- |
| HIGH |  |  |  |
| MEDIUM |  |  |  |
| HIGH |  |  |  |
|  | LOW | MEDIUM | HIGH |
|  |  |  |  |

IMPACT

PROBABILITY

**2.2.2** **Quantitative Risk analysis**

The project manager and the assistant project manager will be in charge of assessing the impact and probability of each risks that may occur and will be using numerical data and statistical methods to assess the impacts of risks in the project lifecycle as this will give more precise understanding of project ARCO potential risks. This will help the project manager in evaluating valuable information to make decisions in the planning, resource allocation, schedule, budget and project scope.

**2.3** **Risk response planning**

|  |  |  |
| --- | --- | --- |
| **Risk type** | **Description** | **Mitigation plan** |
| Prevention | To stop risks before it occurs | RAG method, RACI Matrix, continuous use of qualitative measures to prevent risks from happening |
| Reduction | To ensure that any risk that occur during the project is reduced as much as possible | Effective and constant meetings with stakeholders at each stage of the project |
| Transfer | To be transferred to the various and appropriate teams that will mitigate it | Subgroups and project team members are tasked to be more proactive and handle tasks seriously as they come. |
| Acceptance | The team accepting the risk problems and delays that may happen during the project | Accepting risks as they come, continue to monitor and further develop further risk mitigation plans |
| Contingency | To minimize as much as possible the impact of unforeseen circumstances on the project | Preparing team for unforeseen circumstances and continuously update the team members on the expectations |

**2.4** **Risk monitoring, controlling and reporting**

Project ARCO will be observing the risks every week during the project and will taking steps to make sure that:

* All risks and probabilities assessment are correct always
* Risk response, mitigation plans and contingency plans are in place
* Progress is being made constantly
* Reports are being documented and updated constantly
* Review dates are continuous with appropriate team members

**2.5 Risk management Plan approval**

Name:

Title:

Role:

Date:

Signature: