| Risk Management and Mitigation Plan | |  |
| --- | --- | --- |
| Project Name: Orra local online brand  Group code: NEXT81\_ONL1\_ERP8\_M1d  Project Manager: Noha Ibrahem |  |  |

# **Objective**

# The key objectives of this risk management plan are:

Identify potential risks associated with product quality, marketing strategy, and customer satisfaction.

Assess the likelihood and impact of each risk using qualitative and quantitative measures.

Develop mitigation strategies to minimize the negative impact of identified risks.

Ensure continuous monitoring of risks throughout the project lifecycle.

**Executive Summary**

ORRA’s expansion into new product lines such as sportswear, pajamas, and skincare has presented both opportunities and risks. The purpose of this risk management plan is to identify, assess, and mitigate potential risks that could impact the success of the project. By addressing risks proactively, the project aims to avoid delays, cost overruns, and quality issues, ensuring smooth execution and delivery.

**Risk 1:** Product Quality Issues

| **Scenario** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| --- | --- | --- |
| Poor raw materials lead to subpar skincare products, increasing return rates and customer dissatisfaction. | **High** | - Implement strict quality control measures.  - Switch raw material vendors to improve product quality.  - Test products before launch. |

**Risk 2:** Ineffective Marketing Campaign

| **Scenario** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| --- | --- | --- |
| Marketing campaigns fail to reach the target audience, leading to poor sales and brand visibility. | **High** | - Refine the target audience for campaigns through market research.  - Diversify marketing channels (social media, influencers, paid ads).  - Monitor campaign performance and optimize based on feedback. |

**RISK 3:** Delays in Product Launch

| **Scenario** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| --- | --- | --- |
| Delays in packaging design or production impact the timely launch of new products. | **Medium** | - Create a detailed project timeline and regularly monitor milestones.  - Ensure that suppliers and designers adhere to strict deadlines. |

**RISK 4:** Budget Overruns

| **Scenario** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| --- | --- | --- |
| Costs exceed the planned budget, particularly in marketing or logistics, reducing profitability | **Low** | - Maintain a detailed budget plan with contingency funds for unexpected costs.  - Regularly track expenses and adjust allocations accordingly. |

**RISK 5:** : Low Customer Engagement

| **Scenario** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| --- | --- | --- |
| Customers do not engage with the brand’s social media content or marketing efforts, reducing brand awareness. | **Medium** | - Use interactive social media content (polls, videos).  - Collaborate with influencers to reach a larger audience.  - Implement a customer feedback loop to improve engagement. |

**Appendix:**

**Probability chart:**

| **Probability** | | |
| --- | --- | --- |
|  | **Qualitative** | **Quantitative (if measurable)** |
| **Low** | Very low chance of risk occurring. | Less than <10% chance of risk occurring. |
|
| **Medium** | Medium chance of risk occurring. | 10%-49% chance of risk occurring. |
| **High** | High chance of risk occurring. | 50%-100% chance of risk occurring. |
|

**Impact chart:**

| **Types of Impact** | **Low** | **Medium** | **High** |
| --- | --- | --- | --- |
| **Financial** | Low financial impact,  costing the company $0-$14,000 | Medium financial impact,  costing the company $15,000-$29,000 | High financial impact,  costing the company $30,000 or more |
| **Operational** | Low impact to project operations, causing delays of a few days to a few weeks | Medium impact to project operations,  with potential to delay project by a month or more | High impact to project operations,  with potential to cause project failure |
| **People** | Low impact to employee attrition, with 5%+ of employees quitting | Medium impact to employee attrition, with 25%+ of employees quitting | High impact to employee attrition, with 50%+ employees quitting |

**Probability and Impact Matrix:**

| **Inherent Risk** | | | | |
| --- | --- | --- | --- | --- |
|  | | **Impact** | | |
| **Low** | **Medium** | **High** |
| **Probability** | **High** | Medium | High | High |
| **Medium** | Low | Medium | High |
| **Low** | Low | Low | Medium |