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**Course:** SOEN 6841 Software Project Management

**Journal URL:** <https://github.com/Priyanshu7175/SPM.git>

Week 3: (4 Feb to 10 Feb)

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**Key Concepts Learned:**

-This week we covered chapter 4 which has the topic of **Risk Management** .

**Risk** is the possibility of a negative consequence in an event.Software projects have risks that are involved in it which can affect the budget and delivery time of the project.This risks are categorized as technical, legal, organizational, safety, economic, engineering cost, schedule etc. Risk in software can vary from resource unavailability to wrong tool selection.These risks needs to be managed so we have to assess the risk.The techniques used for assessing are

-**Risk Identification** : The starting phase of risk assessment requires identifying the risk present in the project.A list of risks are found in this phase.

-**Risk Analysis** : This part helps in identifying the likelihood of a risk happening and deciding if the project is worth doing or not.

Impact vs Likelihood of Risk: A risk can have a very big impact but if the likelihood is 0.001% then it’s okay to ignore the risk, hence checking the likelihood and impact of risk is important.

But risk itself is not measurable so we quantify it by using risk exposure

i.e Risk probability \* Impact

-**Risk Prioritizatio**n: After analysis of risks then priority order of risks are made. So that team can focus on critical risks.

**Risk Control** the risk once identified needs to be controlled and assessed properly so that the project can be managed properly.The phases of risk control are

-Risk Planning: This needs to be done in the initial phase and helps in identifying the risks involved in the project.

-Resolution : This is where the risk is resolved and necessary steps are taken to resolve the risks.This phase can be done at any point of the project.

-Risk Monitoring : The risk needs to be monitored and managed properly.

**Types of strategies to control Risk:**

–Acceptance : The acceptance that the project will go on even with all the risks involved is one strategy .If this strategy is followed it is crucial to

1. Develop contingency plans

2. Identify risk-trigger points

3. Periodic review of risks and trigger points

4. Use contingency allowance (e.g., time, budget, staff)

So that risks can be controlled.

–Avoidance : Is a strategy where the project is changed to avoid the risks involved

–Risk transfer :This strategy involves transferring the risk ownership to a different party so that the risk ownership changes.

–Mitigation :This strategy involves taking steps to decrease the level of risk to a reasonable level and managing risks properly.

1.Adopt less complex processes

2.Plan for additional testing of complex elements

3.Use a more reliable or more stable vendor

4.Use a prototype in the development process

**Risk Reduction Leverage** (RRL) is a concept which quantifies the risk mitigation effort ,it is the ratio of risk reduction by cost of reduction.

***RRL*= Risk Before Mitigation−Risk After Mitigation**

**Cost of Mitigation**

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**Reflections on Case Study/course work:**

- The case study was about SaaS SaaS vendor's flagship software product.It shows that a product needs an understanding of market size,trends,competitors and potential where risk assessment plays a critical role. Risks identified in the study were offshore team related problems like communication gap,viability and other risks like cost,schedule and quality. Strategies that were taken into account were SLAs with service providers,standardized communication protocols, buffers in schedules etc.The mentioned strategies can help decrease the probability of risk i.e risk mitigation.

-In projects there is a certain chance of having risks thus risk management is a crucial part of project management. Risks, which can impact schedule or cost, must be categorized and prioritized. Steps should be taken to identify,assess and prioritize risks.

Risk mitigation or control involves finding potential risks, assessing the impact and making prioritization of specific risks , and allocating resources for tackling them. Active monitoring of risk is required.

**Collaborative Learning:**

-We had a team meeting where the work done up till now were discussed, we discussed the competitors for the financial literacy apps and the problem we will be working with and trying to solve. The next tasks to finalize the project initiation were decided which included market analysis points and project initiation content completion.

-We also discussed risk and risk mitigation steps like buffer schedule and resource allocation.

**Further Research/Readings:**

- Read "Risk Management: Concepts and Guidance" by Carl L. Pritchard a book that covers topics like risk management, covering principles, methodologies, and practical applications.This book gives practical real world examples on how to apply them. The case studies give real world insights which are applied by organizations.This book can help decision making easy when risks are involved in a project.

**Adjustments to Goals**

-Market Analysis points which included the Technology and User Experience,Feedback and Reviews,Regulatory Compliance contents need to be added to the project deliverable.

-Survey to check what people think about financial literacy and tools which will help to get a better view of the market.

-Read Chapter 5