

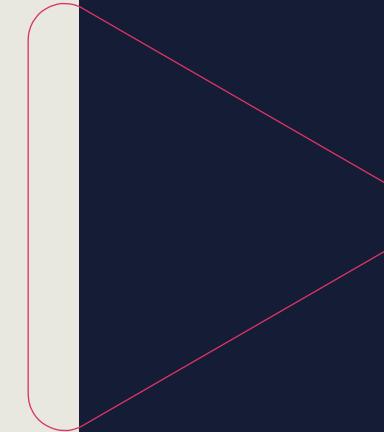


PMP® EXAM PREP

PMI Authorized Training Partner

BOOTCAMP

Session 4



Instructor: Priscilla Bakx-Kabai, MCE,
PMP®, ACP®, DASSM, LSSGB

Attendance Alert

Please make sure you log into Zoom with your correct first name and last name and enter the same information for every session.

PMP® Exam Prep

This course will assist learners in preparing for PMI's PMP Exam (2021 Update)

HOUSEKEEPING

Resources & Materials



This class will be recorded for quality assurance purposes.

For any issues regarding accessing resources via Percipio, please ask for support via the Q&A or by contacting Skillsoft.



Library ▾

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English (US) ▾

My Profile ▾

Home

Need help? We're here.

What do you need help with?



Assignments

Compliance

Activity

Digital Badges

Playlist

Skills

Account Information

Help

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Get started



Knowledge Base



What's new?

IS Live ATTENDANCE REQUIRED?

- YES, if you are taking this training to register for the PMP exam live attendance is required. However, this is the exception rule for the 8 Day Bootcamp – You are allowed to miss up to two sessions if you make up the sessions by watching their replays.
- If you miss more than 15 mins at any time beyond the two sessions allowed, you will need to make it up by attending the live session in a different 8-day cohort*.

*Please see the Bootcamp calendar at <http://calendar.skillsoft.com/> for information about upcoming sessions.



IN CASE OF ABSENCE

You can request a replay for a previous session by asking in the Q&A or for a past/current session by emailing the Mentoring Team 48 hours after the session ends using the email address

mentoring@skillsoft.com

Please indicate the following in your request:

- The Bootcamp Cohort you are attending
- The Session Number
- The Date and Time Attended in New York Time Zone
- Example:

PMP ATP Bootcamp: 8 Day NA Cohort June/July/August 2022 Cohort
Session 7 Recording
Aug 2, 2022, 1:00 PM New York Time

REPLAY LIMIT:

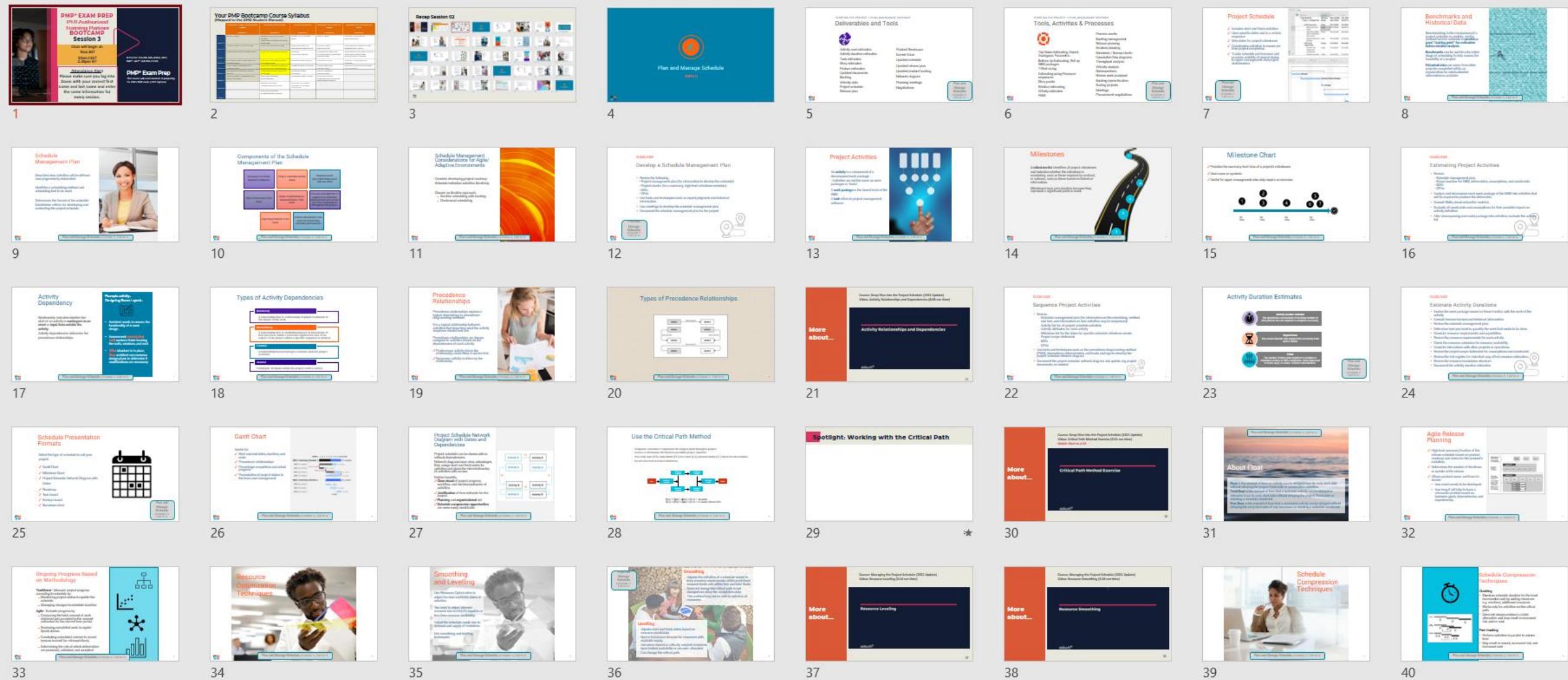
There is no limit to request a replay for study purposes.

Your PMP Bootcamp Course Syllabus

(Mapped to the PMP Student Manual)

Creating a High-Performing Team		Starting the Project	Doing the Work	Keeping the Team on Track	Keeping the Business in Mind
	Lesson 1	Lesson 2	Lesson 3	Lesson 4	Lesson 5
Topic A	Build a Team	Determine Appropriate Project Methodology/Methods and Practices	Assess and Manage Risks	Lead a Team	Manage Compliance Requirements
Topic B	Define Team Ground Rules	Plan and Manage Scope	Execute Project to Deliver Business Value	Support Team Performance	Evaluate and Deliver Project Benefits and Value
Topic C	Negotiate Project Agreements	Plan and Manage Schedule	Manage Communications	Address and Remove Impediments, Obstacles, and Blockers	Evaluate and Address Internal and External Business Environment Changes
Topic D	Empower Team Members and Stakeholders	Plan and Manage Budget and Resources	Engage Stakeholders	Manage Conflict	Support Organizational Change
Topic E	Train Team Members and Stakeholders	Plan and Manage Quality of Products and Deliverables	Create Project Artifacts	Collaborate with Stakeholders	Employ Continuous Process Improvement
Topic F	Engage and Support Virtual Teams	Integrate Project Planning Activities	Manage Project Changes	Mentor Relevant Stakeholders	
Topic G	Build Shared Understanding about a Project	Plan and Manage Procurement	Manage Project Issues	Apply Emotional Intelligence to Promote Team Performance	
Topic H		Establish Project Governance Structure	Ensure Knowledge Transfer for Project Continuity		
Topic I		Plan and Manage Project/Phase Closure			

Recap Session 03





Plan and Manage Procurement

TOPIC G

Deliverables and Tools



- Statement of Work
- Procurement Management Plan
- Source selection criteria
- Selected sellers
- Change Control Log
- Agreement
- Change Requests



- Make or Buy Analysis
- Market research
- Meetings
- Expert judgment
- Proposal Evaluation Techniques
- Negotiations
- Bidder Conferences
- Change Control Process

Procurement Strategy

The approach by the buyer to determine the project delivery method and the type of legally binding agreement(s) that should be used to deliver the desired results.



Delivery Solution

The goal of procurement is the delivery of procured goods or services by the supplier to the procuring organization.

Solution Delivery Phase	Description
Planning and analysis	Customer requirements are documented
Detailed design	Solution is documented
Implementation or installation	Solution is implemented or installed
Testing	Solution is tested
Training	Training is provided to the customer
Handover	Solution is formally handed over to the customer
Support and maintenance	Solution is transferred to customer support



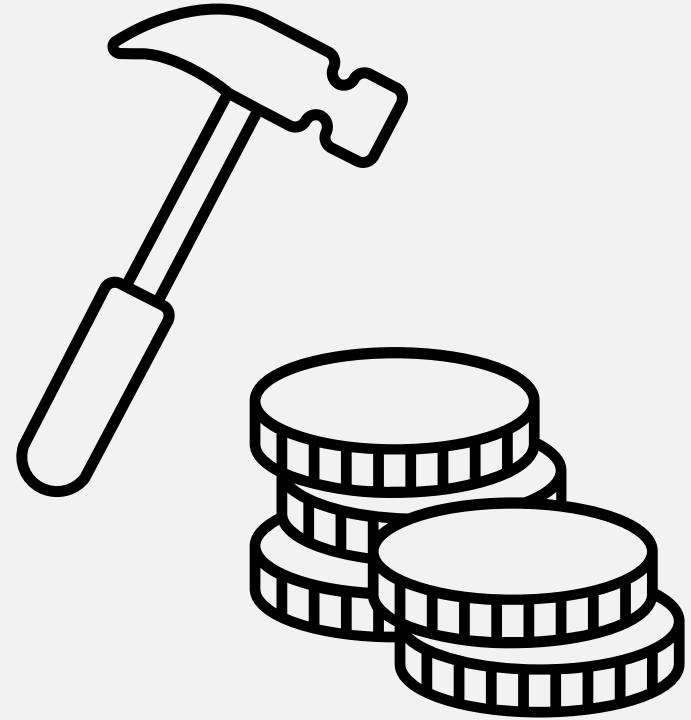
Make or Buy?

Make-or-buy analysis - The process of gathering and organizing data about product requirements and analyzing them against available alternatives including the purchase or internal manufacture of the product.

Make-or-buy decisions - Decisions made regarding the external purchase or internal manufacture of a product.

Make-or-buy decision considerations:

- What is the impact on cost, time, or quality?
- Is there an ongoing need for the specific skill set?
- How steep is the learning curve?
- Are required resources readily available within the organization?



Course: Deep Dive into Project Procurement (2021 Update)
Video: Make-or-buy Analysis (5:55 run time)

More
about...

Make-or-buy Analysis

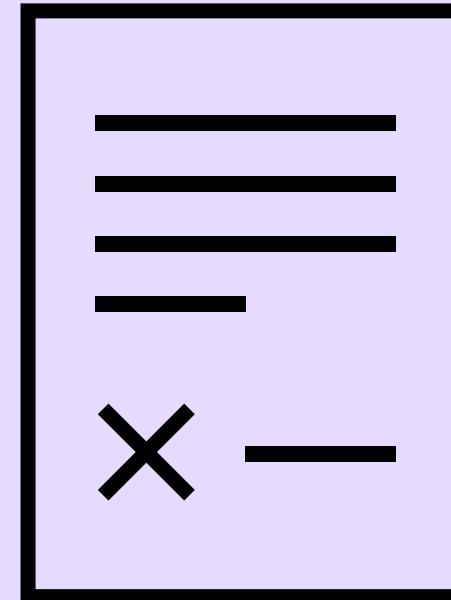


Procurement SOW

The Statement of Work (SOW) describes the procurement item in sufficient detail to allow prospective sellers to determine if they are capable of providing the products, services, or results.

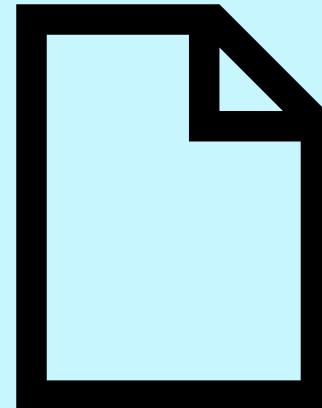
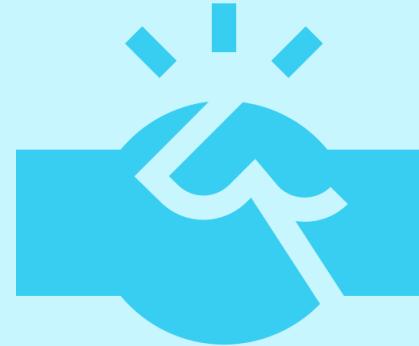
- ✓ Distributed to potential vendors to evaluate their capability to perform the work or provide the services.
- ✓ Serves as a basis to develop the procurement documents during the solicitation process.
- ✓ A project scope baseline is used to create the procurement SOW.

summary
scope
deliverables
fees



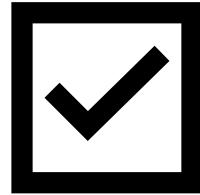
Procurement Management Plan

- ✓ Specifies the types of contracts that will be used
- ✓ Describes the process for obtaining and evaluating bids
- ✓ Mandates standardized procurement documents
- ✓ Describes how providers will be managed



Source Selection Criteria

A set of attributes desired by the buyer which a seller is required to meet or exceed to be selected for a contract. Some of these are:



- ✓ Overall or life-cycle cost
- ✓ Understanding of need
- ✓ Technical capability
- ✓ Management approach
- ✓ Technical approach
- ✓ Warranty
- ✓ Financial capacity
- ✓ Production capacity and interest
- ✓ Business size and type
- ✓ Past performance of sellers
- ✓ References
- ✓ Intellectual property rights
- ✓ Proprietary rights

Plan and Manage
Procurement
LESSON 2
TOPIC G

Qualified Vendors

- ✓ Vendors approved to deliver products, services, or results based on the procurement requirements identified for a project.
- ✓ The list of qualified vendors can be based on historical information about the vendors.
- ✓ If the required resources are new to the organization, market research can help to "vet" them.

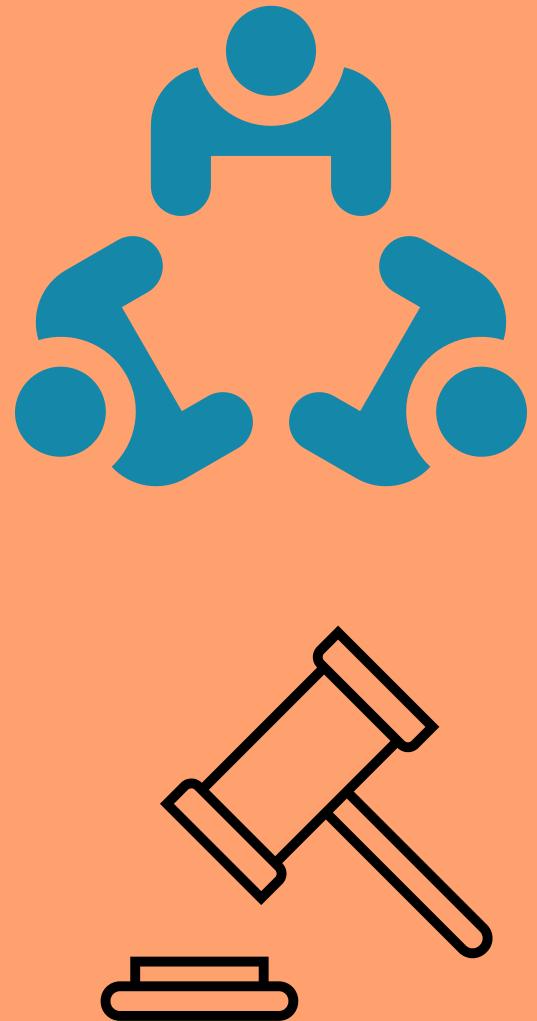


Bidder Conferences

These are meetings with prospective sellers prior to the preparation of a bid or proposal to ensure **all prospective vendors have a clear and common understanding of the procurement.**

Also known as contractor conferences, vendor conferences, or pre-bid conferences.

- ✓ Buyer explains the requirements, proposed terms, and conditions; buyer clarifies the vendors' queries.
- ✓ Buyer ensures all prospective vendors have a clear and common understanding of technical and contractual requirements of the procurement.



External Resource Requirements and Needs

Sometimes you need to move beyond the organization to secure services and expertise from outside sources on a contract or short-term basis.

External resource are used commonly. It helps businesses to focus more on their core competencies.



Supplier and Contracts

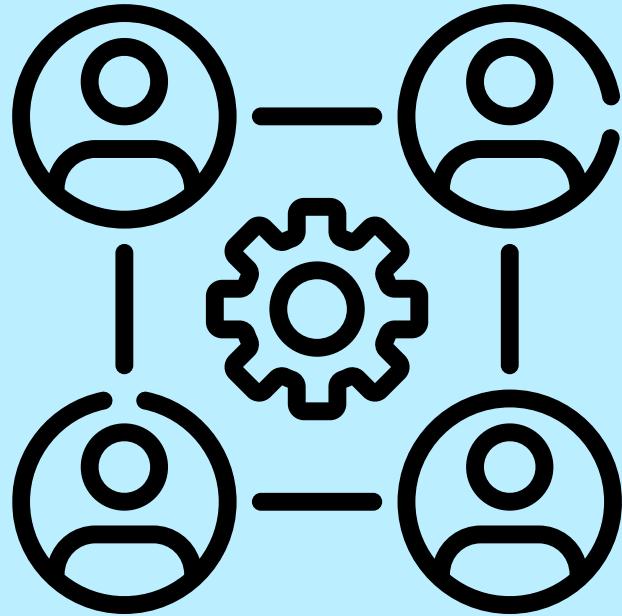
Contract - A mutually binding agreement that obligates the seller (**supplier**) to provide the specified project or service or result and obligates the buyer to pay for it.

- ✓ Customized for each agreement
- ✓ Contract types:
 - Fixed-price
 - Cost-reimbursable
 - Time-and-material (T&M)
- ✓ Agile contract types
 - Capped Time and Materials Contracts
 - Target Cost Contracts
 - Incremental Delivery Contracts

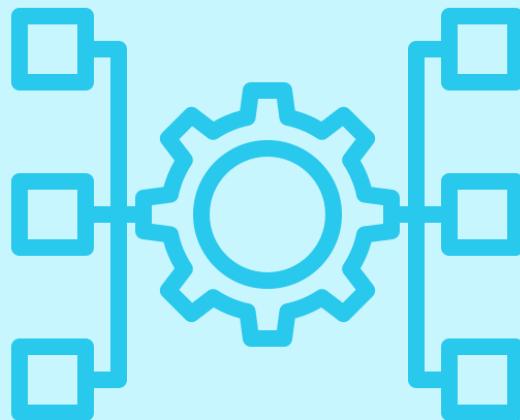


Communicating with Suppliers and Vendors

- ✓ Critical component of the procurement process due to the people involved.
- ✓ Consult the Communications Management Plan for provisions for working with vendors or suppliers, such as:
 - Periodic progress reports of supplier activities.
 - Advance notification of potential supplier cost overruns or schedule delays, and acknowledgement by the project manager to the supplier.
 - Formal acceptance by the project manager of supplier's contract deliverables.



Components of Contracts



- ✓ Description of the work being procured for the project, its deliverables, and scope
- ✓ Delivery date and schedule information
- ✓ Identification of authority, where appropriate
- ✓ Responsibilities of both parties
- ✓ Management of technical and business aspects
- ✓ Price and payment terms
- ✓ Provisions for termination
- ✓ Applicable guarantees and warranties

Traditional Contract Types

Contract type	Description
Fixed-price	<ul style="list-style-type: none">An agreement that sets the fee that will be paid for a defined scope of work regardless of the cost or effort to deliver it.Also known as a lump sum contract.Provides maximum protection to buyer but requires a lengthy preparation and bid evaluation.Suited for projects with a high degree of certainty about their parameters.
Cost-reimbursable	<ul style="list-style-type: none">A contract involving payment to the seller for the seller's actual costs, plus a fee typically representing the seller's profit.Includes incentives for meeting certain objectives, such as costs, schedule, or technical performance targets.Suited for projects when parameters are uncertain.
Time and Material (T&M)	<ul style="list-style-type: none">A type of contract that is a hybrid contractual arrangement containing aspects of both cost-reimbursable and fixed-price contracts.Combines a negotiated hourly rate and full reimbursement for materials.Include not-to-exceed values and time limits to prevent unlimited cost growth.Suited for projects when a precise statement of work cannot be quickly prescribed.



Agile Contract Types

Contract Type	Description
Capped Time and Materials Contracts	<ul style="list-style-type: none">• Works like traditional Time and Materials contracts.• However, an upper limit is set on customers' payment.• Customers pay up for the capped cost limit.• Suppliers benefit in case of early time-frame changes.
Target Cost Contracts	<ul style="list-style-type: none">• Supplier and customer agree on final price during project cost negotiation.• Primarily for mutual cost savings if contract value runs below budget.• These contracts may allow both parties to face additional costs if it exceeds budget.
Incremental Delivery Contracts	<ul style="list-style-type: none">• Customers review contracts during the contract life cycle at pre-negotiated designated points of the contract lifecycle.• Customers can make required changes, continue or terminate the project at these points.

**More
about...**

Course: Deep Dive into Project Procurement (2021 Update)
Video: Contract Types and Procurement Considerations (2:04 run time)

Contract Types and Procurement Considerations

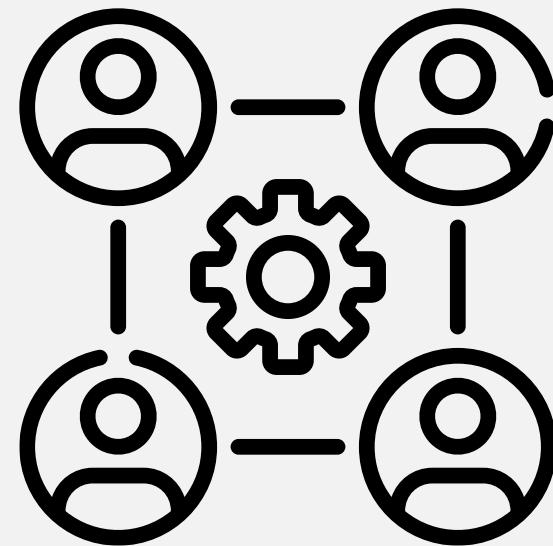
A photograph of two women laughing together. One woman has short grey hair and is wearing a blue and white striped cardigan over a yellow skirt. The other woman has curly dark hair and is wearing a white blouse with brown geometric patterns. They are sitting on a dark wooden coffee table in a bright room with large windows and a brick wall. A chandelier hangs above them.

Notify the appropriate entity
(usually **Accounts Payable**)
when work has been fulfilled
and contracts can be paid.

Contract Change Control System

The system used to collect, track, adjudicate, and communicate changes to a contract.

- ✓ Might be a component of the integrated change control system or a separate system.
- ✓ Specifically dedicated to control contract changes.
- ✓ Specifies the process by which project contract changes can be made.
- ✓ Includes the documentation, dispute-resolution processes, and approval levels to authorize the changes to contract specifications.



Types of Contract Changes

Component	Description
Administrative changes	Non-substantive changes, usually about the way the contract is administered.
Contract modification	A substantive change to the contract requirements such as a new deadline or a change to the product requirements.
Supplemental agreement	An additional agreement related to the contract but negotiated separately.
Constructive changes	Changes that the buyer may have caused through action or inaction.
Termination of contract	A contract may be terminated due to vendor default or for customer convenience. Defaults are due to nonperformance, such as late deliveries and poor quality, or nonperformance of some or all project requirements.



Legal Concepts when Managing Disputes

Seek legal advice if the terms of a contract have not been met.

Negotiate settlements to arrive at a final equitable settlement of all outstanding issues, claims, and disputes by negotiation.

Legal Issue	Description
Warranty	A promise, explicit or implied, that goods or services will meet a pre-determined standard. The standard may cover reliability, fitness for use, and safety.
Waiver	The giving up of a contract right, even inadvertently.
Breach of contract	Failure to meet some or all of the obligations of a contract. It may result in damages paid to the injured party, litigation, or other ramifications.
Cease and desist (C&D) letter	A letter sent to an individual or a business to stop (cease) allegedly illegal activities and to not undertake them again (desist). Often used as a warning of impending legal action if it is ignored.

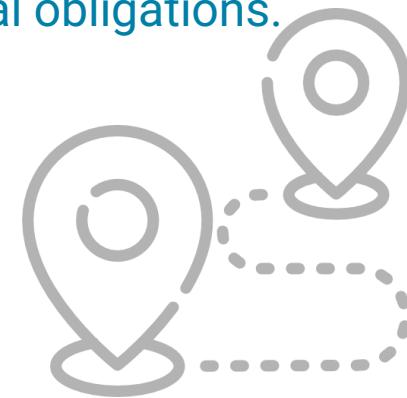


GUIDELINES

Handle Disputes

- Be aware of important legal terms e.g., 'warranty', 'waiver', and 'breach of contract' that can, if ignored, have a significant impact on the project.
- Consult with the legal department or an outside legal expert so you thoroughly understand any contracts that affect your project.
- If your contract isn't written specifically to exclude inadvertent waivers, avoid waiving your contract rights by:
 - Accepting a product that fails to meet standards for quality or performance.
 - Accepting late deliveries.
 - Overlooking an aspect of nonconformance to contractual obligations.

Plan and Manage
Procurement
LESSON 2
TOPIC G

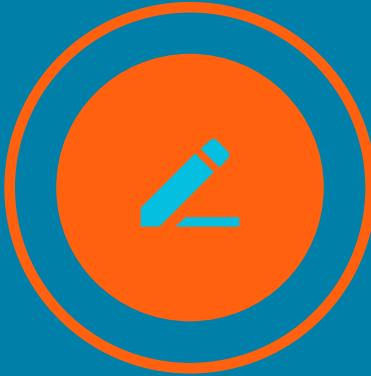


GUIDELINES

Manage Suppliers and Contracts

- Index and store all contract correspondence for ease of retrieval.
- Develop and implement an effective contract change control system.
- Evaluate the risk of each contract change request.
- Document all contract changes and incorporate any effects of the changes into the project plan.
- Develop and implement an effective performance reporting system for the seller.
- Specify any performance reporting criteria to apply to the seller.
- Set performance milestones to monitor project progress.
- If work is performed at another site, conduct site visits to determine how the seller's work is progressing.
- Submit approved invoices for payment in accordance with the contract and the project's payment system.





Establish Project Governance Structure

TOPIC H

Deliverables and Tools



Stakeholder Artifacts



Meetings

Leverage Organizational Process Assets

PMIS

Update documents

Project Governance



Establish Project Governance Structure, LESSON 2, TOPIC H



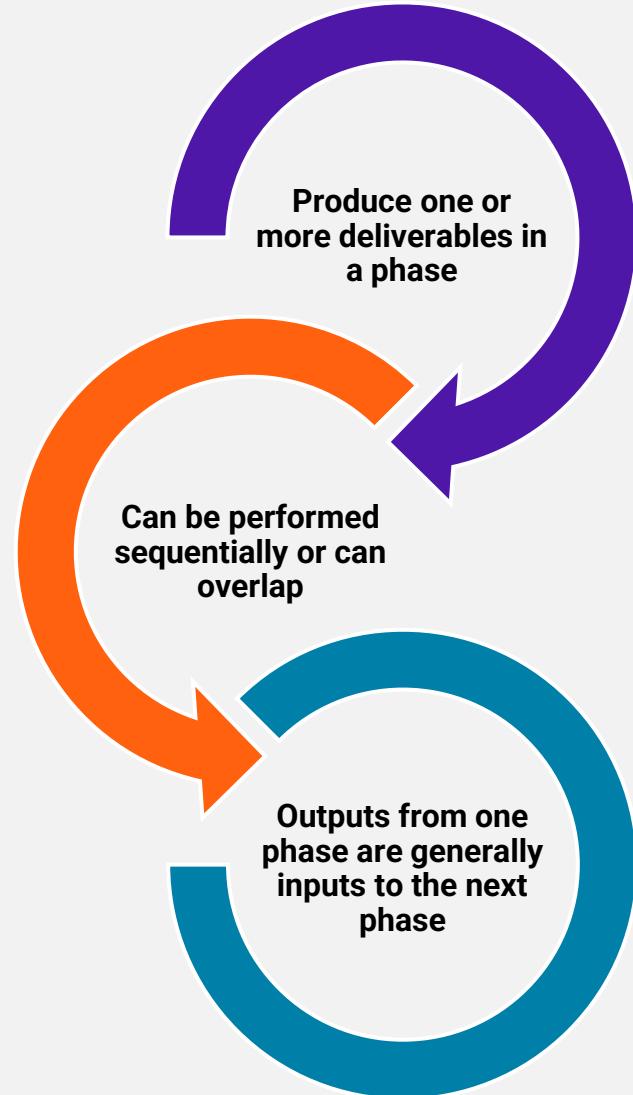
Project Governance

Components:

- ✓ Project success and deliverable acceptance criteria
- ✓ Process to identify, escalate, and resolve issues
- ✓ Relationship between project team, organizational groups, and external stakeholders
- ✓ Project organization chart with project roles
- ✓ Communication processes and procedures
- ✓ Processes for project decision-making
- ✓ Guidelines for aligning project governance and organizational strategy
- ✓ Project life cycle approach
- ✓ Process for stage gate or phase reviews
- ✓ Process for review and approval of changes above the project manager's authority
- ✓ Process to align internal stakeholders with project process requirements

Project Phases

A collection of logically related project activities that culminates in the completion of one or more deliverables.



Apply Governance to the Project Life Cycle

- ✓ At the beginning of a phase, verify and validate the former assumptions made to the project, analyze risks, and provide detailed explanation of the phase's deliverables.
- ✓ After the phase's key deliverables are produced, a review ensures completeness and acceptance.
- ✓ A phase can be closed, or the project terminated when huge risks are involved for the project or when the objectives are no longer required.



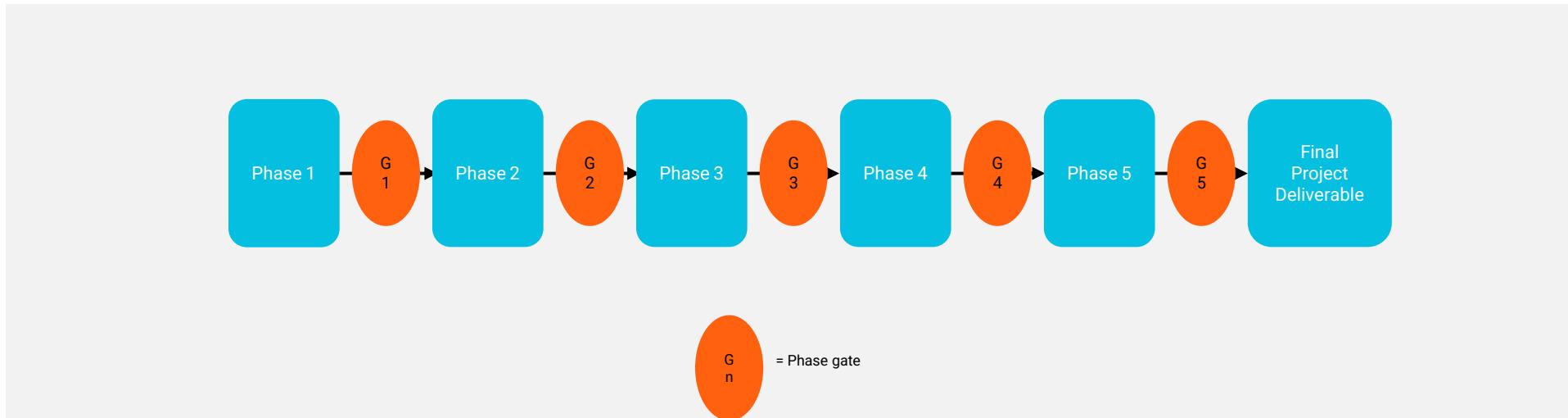
Phase Gates

A review at the end of a phase in which a decision is made to continue to the next phase, to continue with modification, or to end a project or program.

Synonyms include governance gate, tollgate, and kill point.

Used to check if each phase has fulfilled the exit criteria and is eligible to move to the next step.

Software development projects use a specialized type of phase gate called a quality gate.





Phase-to-Phase Relationships

Sequential relationships contain consecutive phases that start only when the previous phase is complete. This relationship reduces the level of uncertainty, which may eliminate the option for shortening a project's schedule.

Overlapping relationships contain phases that start prior to the previous phase ending. This relationship increases the level of risk and may cause rework if something from the previous phase directly affects the next phase.

**More
about...**

Course: Selecting a Project Management Approach (2021 Update)
Video: Characteristics of Project Phases (5:15 run time)

Characteristics of Project Phases

GUIDELINES

Determine Appropriate Governance for a Project

- Involve the organization's decision managers i.e. senior managers.
- Choose the most appropriate governance goals and try to keep them simple.
- Select a group of experienced individuals to be responsible for all governance activities.
- Practice governance for projects, programs, and portfolios.
- Keep the governance process transparent to the project stakeholders.
- Remember that governance is an evolutionary process and take advantage of the lessons you have learned during it.

Establish Project
Governance
Structure, LESSON
2, TOPIC H





Plan and Manage Project/Phase Closure

TOPIC I

Deliverables and Tools



Definition of Done
Accepted Deliverables



No specific tools

Close Project or Phase

Several important activities occur during closeout:

- ✓ The planned work is completed.
- ✓ Project or phase information is archived.
- ✓ Project team resources are released to pursue other endeavors.



Close Project or Phase Criteria

Closure Reasons:

- The project or phase successfully met its completion objectives.
- Requirements changed during execution and the project is no longer feasible.
- Funding is no longer available to complete the requirements.
- Significant risks make the successful completion of the project impossible.
- The organization no longer needs the project deliverables.
- External factors eliminate the need for the project.
Examples of these factors include:
 - Change in laws or regulations.
 - Merger or acquisition that affects the organization.
 - Global or national economic changes.



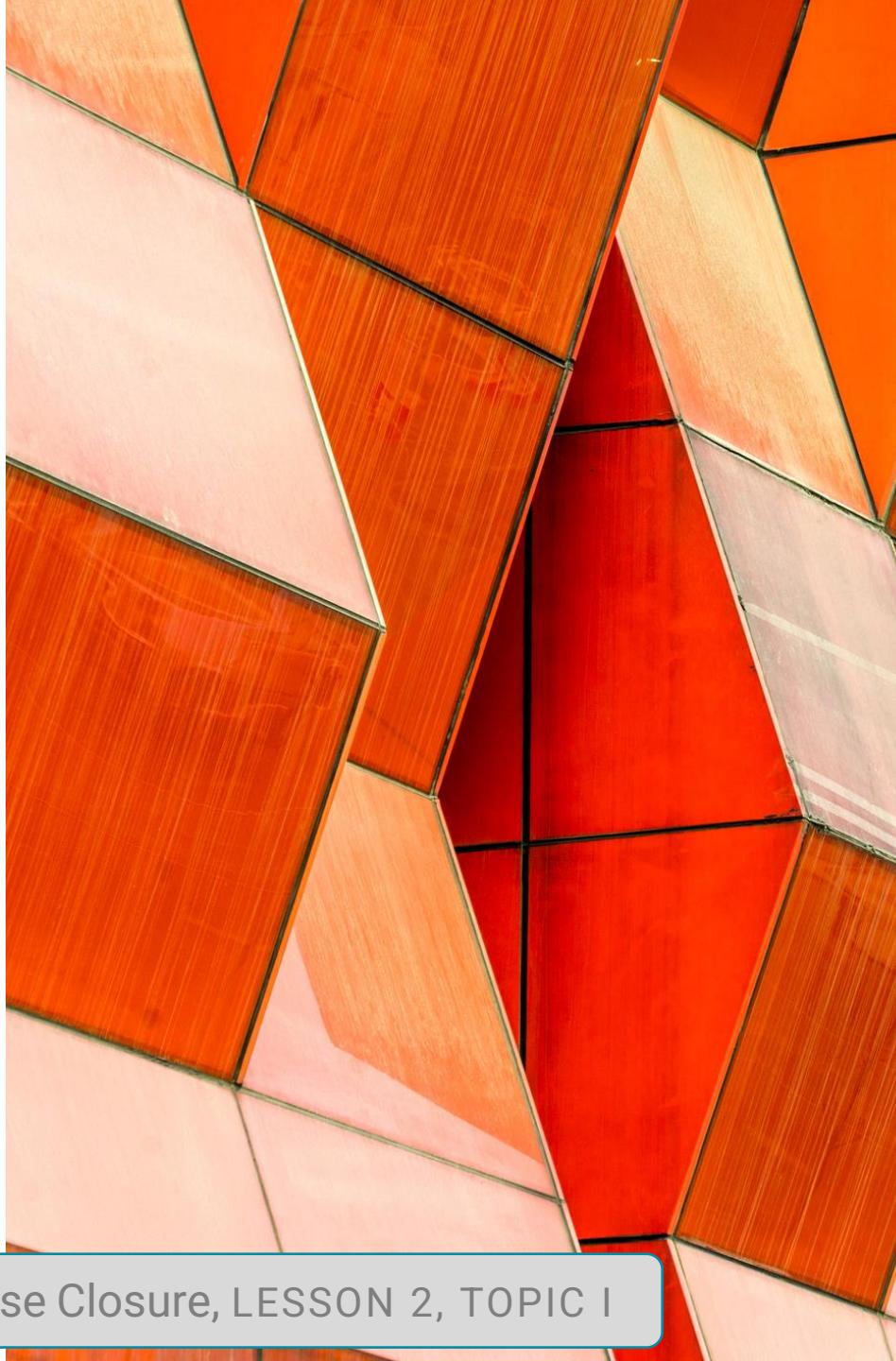
Close Procurements

- ✓ Close procurements when the contract terms of a procurement have been satisfied by both buyer and seller.
- ✓ This occurs throughout the life of the project, not during project closure.
- ✓ Keep contracts open only for the necessary period, to avoid erroneous or unintentional charges against the contract.



Acceptance of Project Deliverables

- ✓ Project deliverables are deemed accepted when acceptance criteria have been met.
- ✓ These criteria generally refer to some or all of the requirements that were established at the beginning of the project (and which might have been modified during the project's life cycle).
- ✓ Deliverables that meet these acceptance criteria are formally signed off and approved by the customer or sponsor.



Payments

- ✓ Payments made to a supplier or vendor are made in accordance with the terms of the contract between the buyer and the supplier or vendor.
- ✓ Unless a contract is closed at the completion of the project or phase, payment will most likely have been made at the time of contract closure.
- ✓ It should not be delayed until project or phase closure (unless specified in the contract), to avoid the potential for accidental charges to the contract.



Knowledge Management



Plan and Manage Project/Phase Closure, LESSON 2, TOPIC 1

Use the Lessons-Learned Register

Considerations:

- ✓ Scheduling lessons learned
- ✓ Conflict management lessons learned
- ✓ Sellers lessons learned
- ✓ Customer lessons learned
- ✓ Strategic lessons learned
- ✓ Tactical lessons learned
- ✓ Any other aspects of lessons learned





Knowledge Management

- ✓ Knowledge management during project or phase closure consists of finalizing the lessons-learned register, which is compiled throughout the project life cycle.
- ✓ This document should then be added to the lessons-learned repository, which is a database of lessons learned from multiple projects.
- ✓ At the close of the project – the lessons learned should be added to the Knowledge Management/Lessons Learned repository

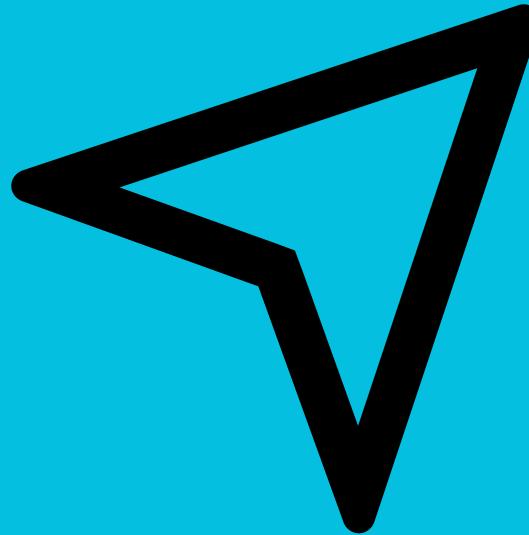
Transition Planning Artifacts

Coordination and strategy about how to best deliver and transition the product and other deliverables is needed.

Releasing and deploying deliverables in the most suitable manner ensures end-user awareness and increases the proper usages and adoption of outputs.

Preparation of artifacts includes:

- ✓ Training
- ✓ Documentation
- ✓ Communication
- ✓ Support



Transition Readiness

Releasing, delivering, and deploying the project's work into an environment that is not ready may negate its value.

Examine the readiness of all parties and **prepare them** for delivery, including:

- ✓ End users
- ✓ The business
- ✓ The physical resources
- ✓ The project team

Most critical in situations **where there is an upgrade** or improvement to an existing product or service.

Assess the readiness of all parties, implement the transition plans accordingly, and capture lessons learned for the **next release** or project.



GUIDELINES

Close Out a Project or Phase

- Review the project management plan.
- If applicable, use a project termination checklist.
- Gather and organize performance measurement documentation, product documentation, and other relevant project records.
- Confirm project's products meet compliance requirements.
- Release project resources.
- Update records to ensure that they reflect final specifications.
- Be sure to update the resource pool database to reflect new skills and increased levels of proficiency.
- Analyze project success and effectiveness and document lessons learned.
- Prepare lessons-learned reports and a final project report.
- Obtain project approval and formal project acceptance.
- Archive a complete set of indexed project records.
- Celebrate the success of the project with the team and other stakeholders.

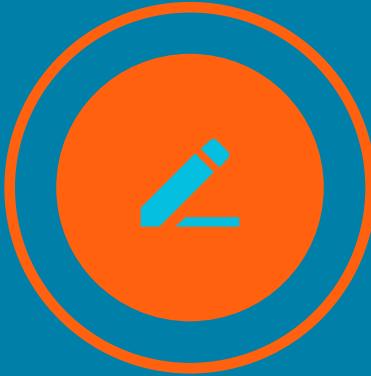


LESSON 3

DOING THE WORK

- Assess and Manage Risks
- Execute Project to Deliver Business Value
- Manage Communications
- Engage Stakeholders
- Create Project Artifacts
- Manage Project Changes
- Manage Project Issues
- Ensure Knowledge Transfer to Project Continuity





Assess and Manage Risks

TOPIC A

Deliverables and Tools



Risk Management Plan

Risk Register



Organizational Process Assets

Meetings

Expert judgment

Risk analysis techniques

Update Risk Register

Risk probability and impact assessment

Monitor and manage risks



Risk

Positive risks, or **opportunities**, produce a positive project outcome.

Negative risks, or **threats**, have a negative impact on the project.



Defining Risk Management Approach

Consider the **likelihood** that the risk event will occur and the **potential impact** of the risk.



Risk Management Plan

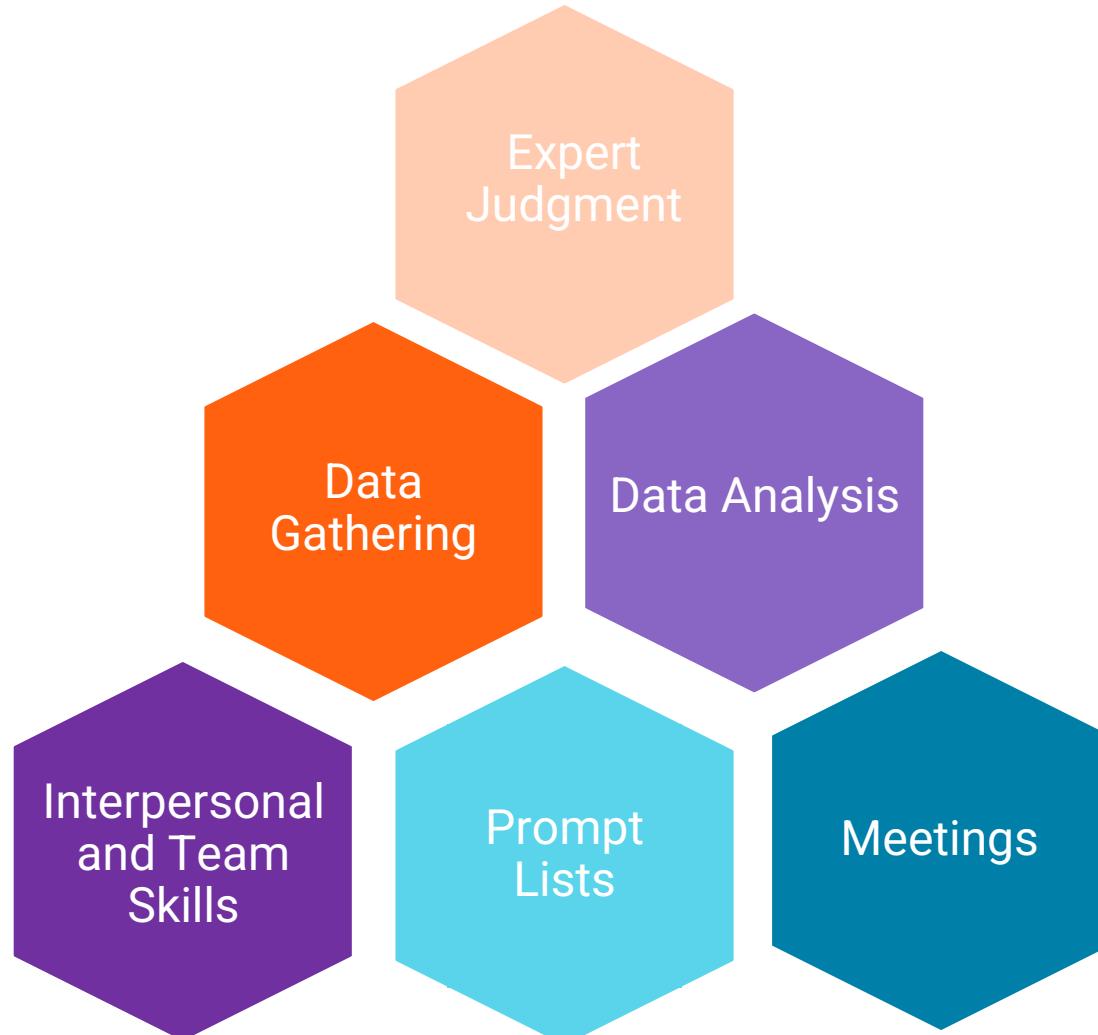
impact
definition of risk
timing risk categories
probability
reporting risk probability
stakeholders risk appetite
funding role
document risk strategy
responsibility impact matrix
methodology

Risk Management Plan

- ✓ Risk strategy
- ✓ Methodology
- ✓ Roles and responsibilities
- ✓ Funding
- ✓ Timing
- ✓ Risk categories
- ✓ Stakeholder risk appetite
- ✓ Definition of risk probability and impact
- ✓ Probability and impact matrix
- ✓ Reporting formats
- ✓ Tracking documents



Risk Identification Techniques



Spotlight: Identifying Project Risks

Course: Deep Dive into Project Risk (2021 Update)

Video: Risk Identification Tools and Techniques (8:28 run time)

More
about...

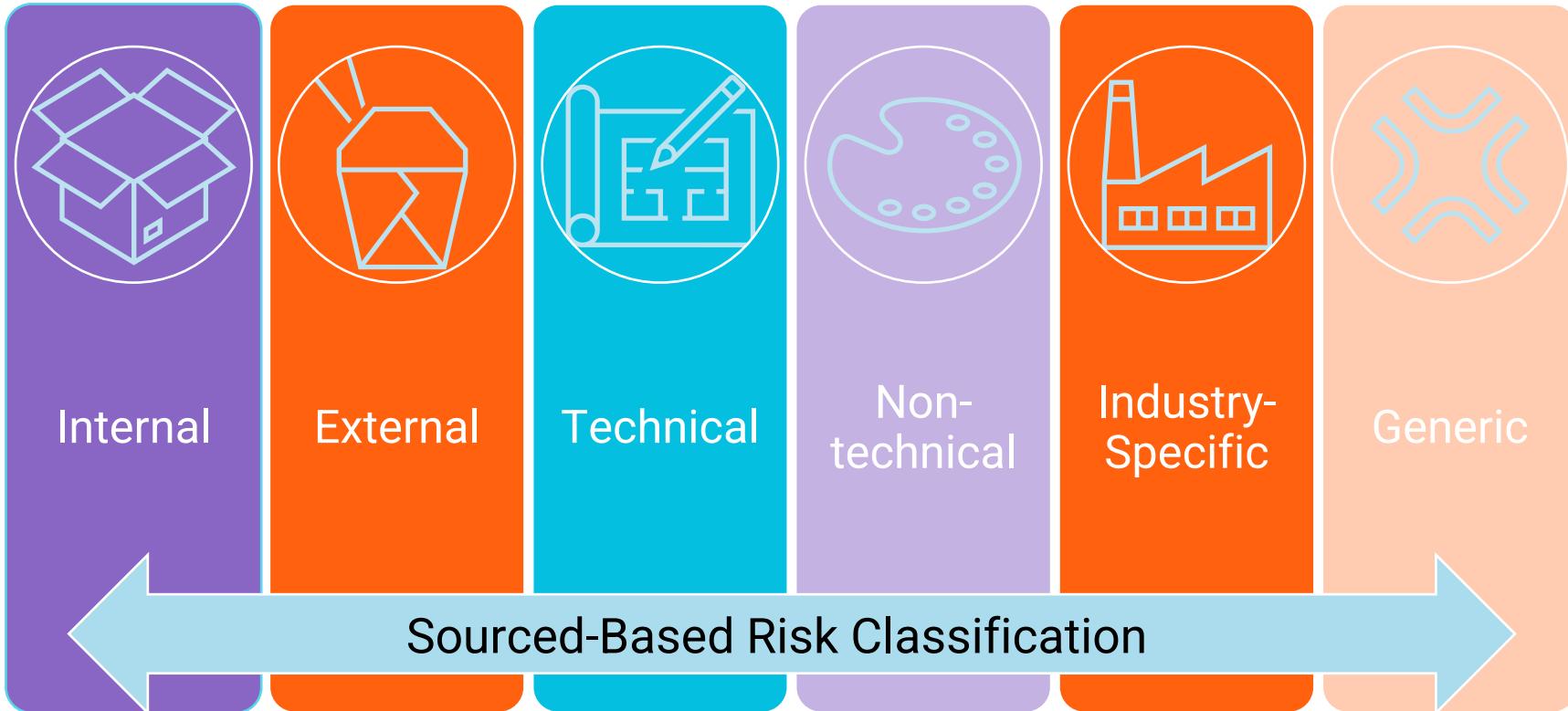
Risk Identification Tools and Techniques



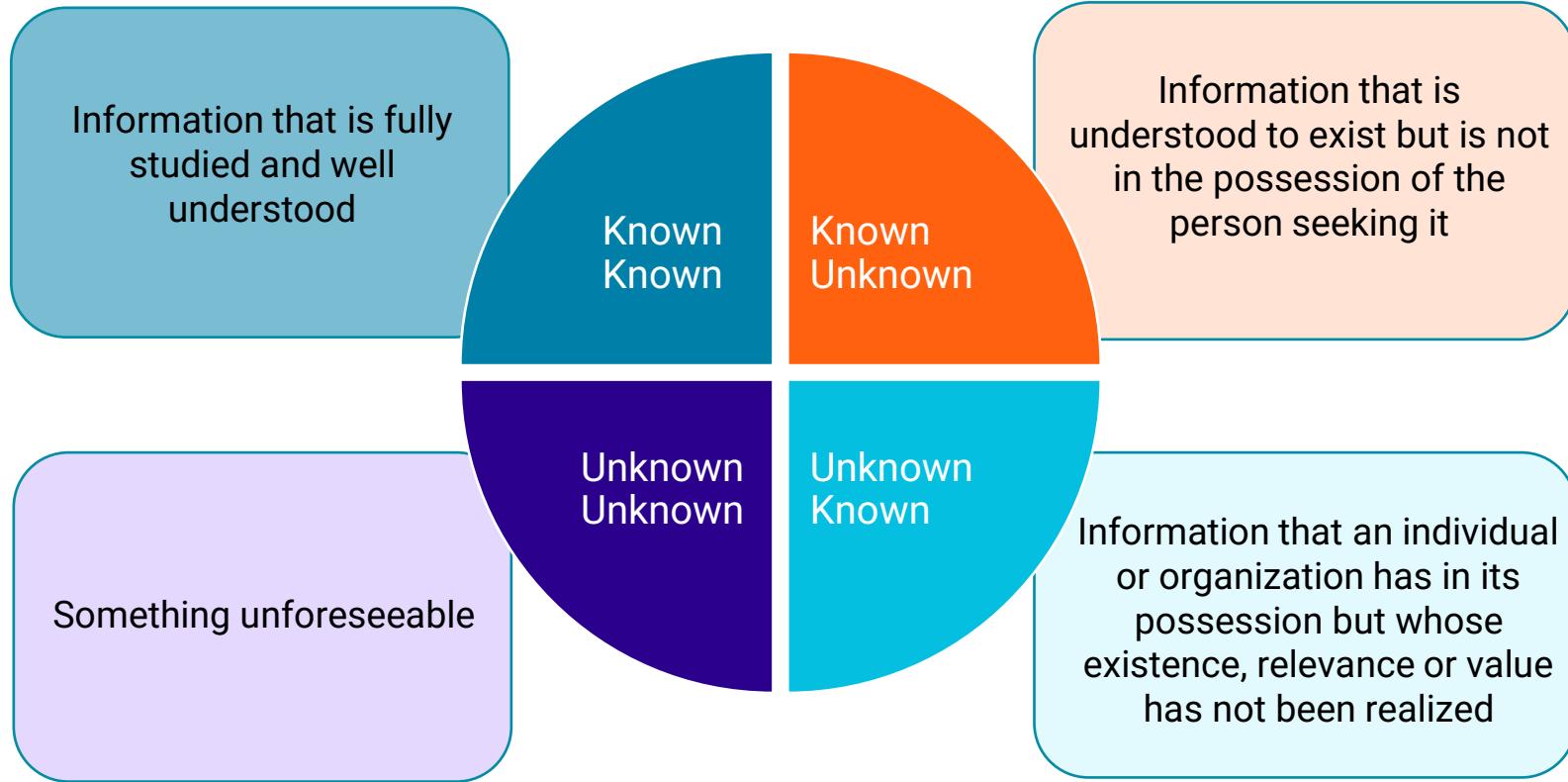
Risk Classification Approaches



Risk Classification Approaches



Risk Classifications



GUIDELINES

Iteratively Identify, Assess, and Prioritize Risks

- Identify risks in every project segment and work package before the project begins.
- Perform a structured review with key stakeholders of documentation from other planning processes to ensure understanding.
- Identify risks and triggers using risk identification techniques.
- Be consistent with risk approach but be mindful of emerging special circumstances.
- Consult relevant historical information for problems and resolutions e.g. risk response plans, final reports, and lessons learned from previous, similar projects.
- Group identified risks into categories reflecting common, relevant risks.
- Use analysis results to initiate the risk register.

Assess and
Manage Risks,
LESSON 3,
TOPIC A





Qualitative Risk Analysis

- ✓ Focuses on high priority risks
- ✓ Subjective, based on team's perception of risks
- ✓ Provides the list of prioritized risks for further actions

Course: Deep Dive into Project Risk (2021 Update)
Video: Qualitative Risk Analysis (4:15 run time)

More
about...

Qualitative Risk Analysis



Probability and Impact Matrix

Probability	Threats					Opportunities					Probability
	0.05	0.09	0.18	0.36	0.72	0.72	0.36	0.18	0.09	0.05	
Very High 0.90	0.04	0.07	0.14	0.28	0.56	0.56	0.28	0.14	0.07	0.04	Very High 0.90
High 0.70	0.03	0.05	0.10	0.20	0.40	0.40	0.20	0.10	0.05	0.03	High 0.70
Medium 0.50	0.02	0.03	0.06	0.12	0.24	0.24	0.12	0.06	0.03	0.02	Medium 0.50
Low 0.30	0.01	0.01	0.02	0.04	0.08	0.08	0.04	0.02	0.01	0.01	Low 0.30
Very Low 0.10	Very Low 0.05	Low 0.10	Moderate 0.20	High 0.40	Very High 0.80	Very High 0.80	High 0.40	Moderate 0.20	Low 0.10	Very Low 0.05	Very Low 0.10
Negative Impact					Positive Impact						

Quantitative Risk Analysis

Quantifies overall project risk exposure.

Provides additional quantitative risk information to support risk response planning.

Costly, so best for:

- ✓ Large or complex projects
- ✓ Strategically important projects
- ✓ When required by contract or key stakeholder.



Course: Deep Dive into Project Risk (2021 Update)
Video: Quantitative Risk Analysis (5:13 run time)

More
about...

Quantitative Risk Analysis



Risk Response

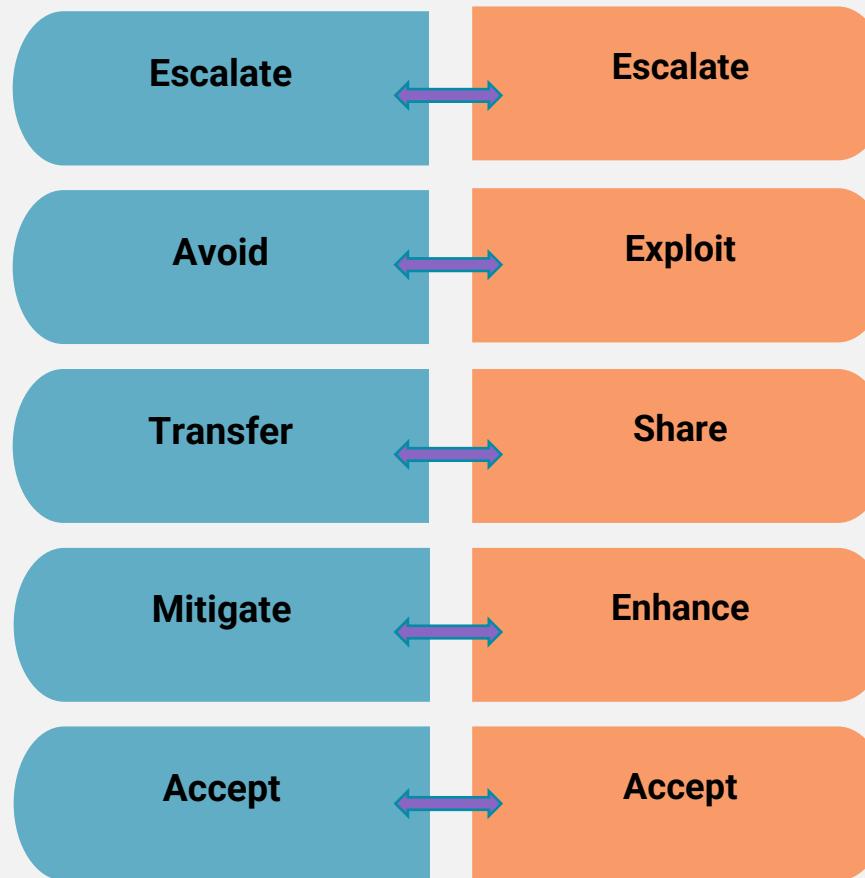
- ✓ Assign a person to implement that action.
- ✓ Develop options, select strategies, and agree on actions to address overall risk exposure and response
- ✓ Address risks by priority—greatest to least.
- ✓ Add resources and activities to the budget, schedule, and project management plan to support risk responses. Assign a response to each risk.
- ✓ Choose from various risk response strategies to determine a response for each risk.
- ✓ Develop a fallback plan in case the primary strategy is not effective.
- ✓ Review secondary risks - These are risks that could occur as a result of implementing a risk response.



Risk Response Strategies

- ✓ Prepare strategies for threats (**negative**) as well as opportunities (**positive**).
- ✓ Plan and implement strategies for **individual** project risks and **overall** project risk.

Negative Positive



**More
about...**

Course: Deep Dive into Project Risk (2021 Update)

Video: Risk Responses (9:45 run time)

Watch: Start to 6:44

Risk Responses



Contingency Response Strategies

- ✓ Develop strategies **in advance**, before things go wrong.
- ✓ Use if and when identified risks become issues.
- ✓ Allow you to **react quickly** and appropriately to the risk event, mitigating its negative impact or increasing its potential benefits.
- ✓ Strategies should be **holistic**, including time, cost, and impact estimates.



GUIDELINES

Determine and Implement Risk Responses

- Examine identified risks to determine causes and effects on project objectives.
- Brainstorm strategies for each risk.
- Choose the most effective response strategy for each identified risk.
- Ask the project sponsor for help if the rating will exceed organization's risk threshold.
- Identify backup strategies for risks with high risk factor scores.
- Quantify contingency reserve requirement to deal with accepted and unknown risks.
- Consult the risk management plan to understand the content and format of the risk response plan.
- Incorporate the risk response plan into the overall project plan to implement and monitor strategies.





Execute Project to Deliver Business Value

TOPIC B

Deliverables and Tools



No specific deliverables



No specific tools



Lead on Value Delivery

- ✓ **Communicate** the vision.
- ✓ **Model** attentive and responsive behaviors.

Execute Project to Deliver Business Value, LESSON 3, TOPIC B



Create a Culture of Urgency for Value Delivery

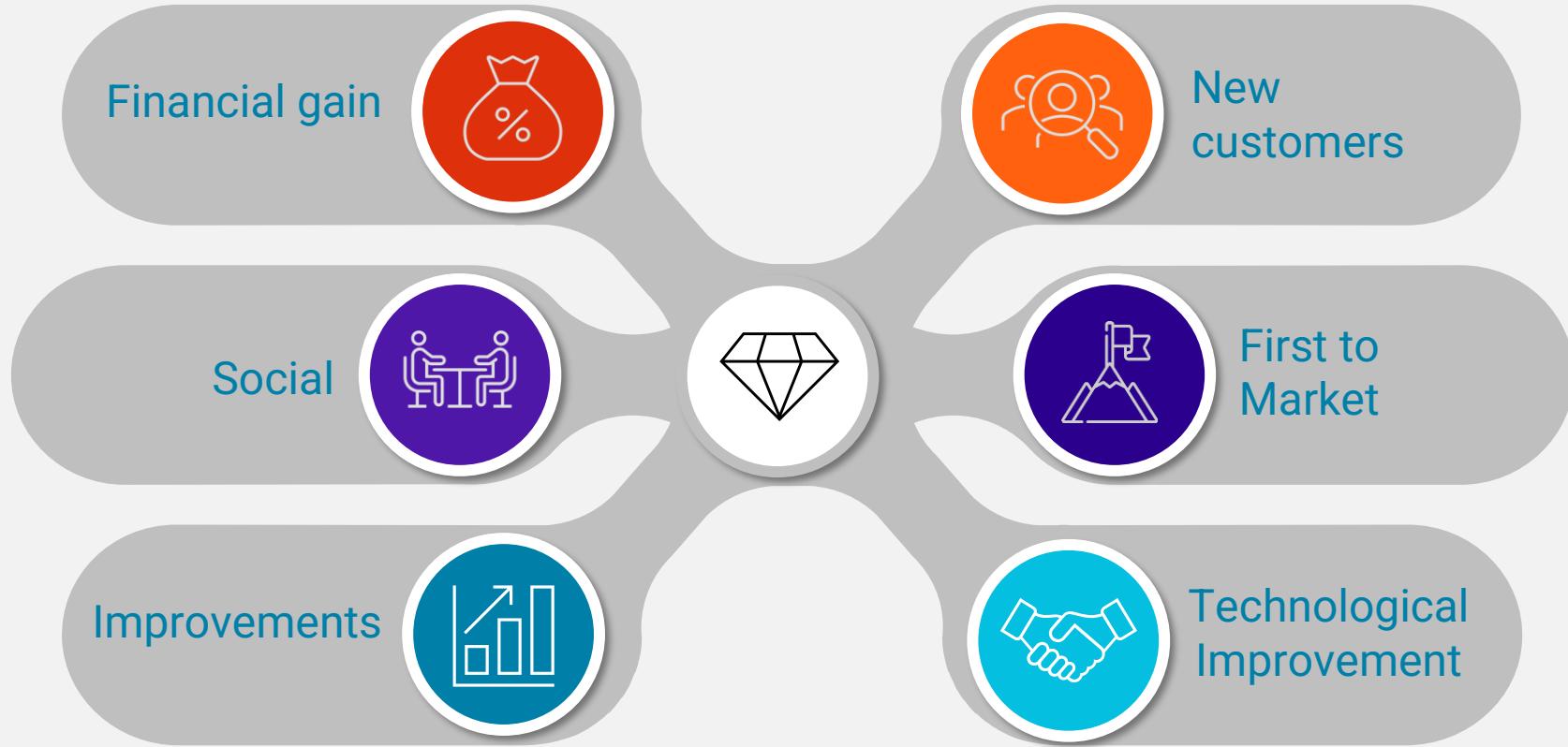
Establish and cultivate that urgency in your culture as an ongoing task.

Lead by **communicating** the project's **importance** and **vision**.

Commit to and **be accountable** for striving towards that vision.

Represent the voice of the customer to create relevancy and personalize the value

Business Value



Execute Project to Deliver Business Value, LESSON 3, TOPIC B

Examine Business Value

Determine exactly what is of value through examination, evaluation, and confirmation.

Use a variety of means for determining what is of value.



Execute Project to Deliver Business Value, LESSON 3, TOPIC B

GUIDELINES

Measure Ongoing Progress

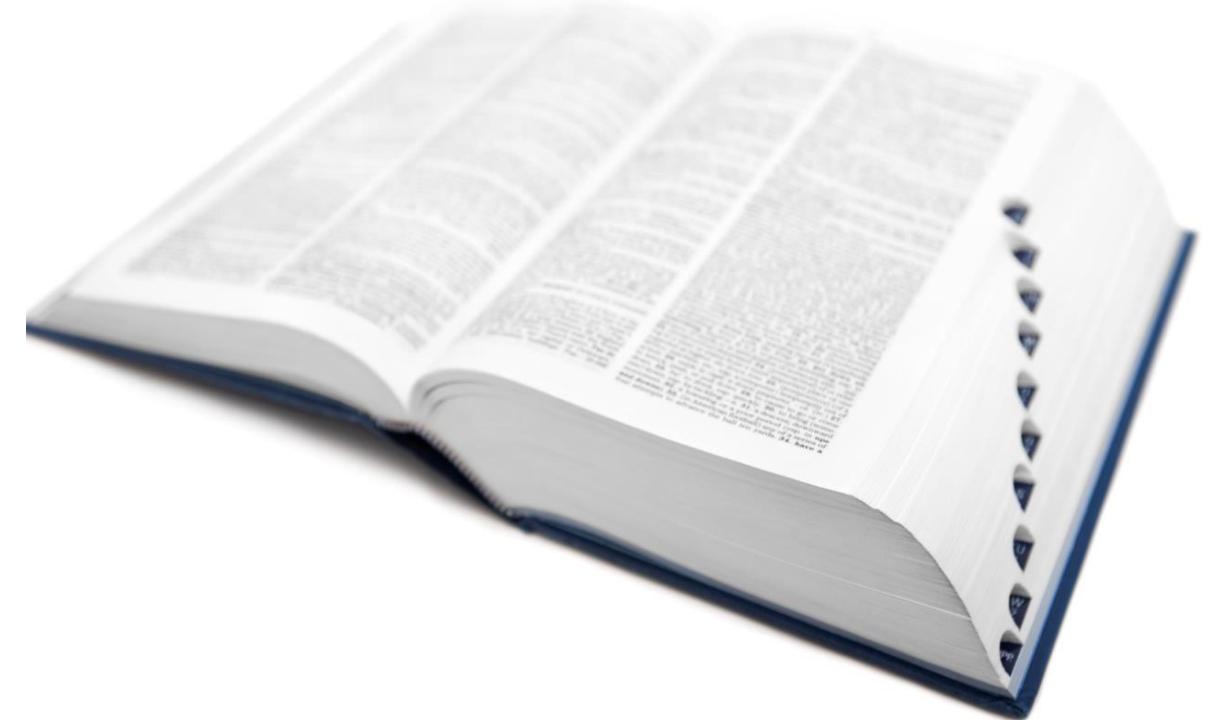
- Define value from the customer's, business, and/or user's perspective.
- Determine value expectations.
- Set targets and baselines based on expectations.
- Employ metrics that communicate progress towards value expectations.
- Use efficient data collection metrics and methods.
- Collect data at regular intervals.
- Present progress data to stakeholders.
- Compare progress with baselines and expectations.
- Improve on success or correct areas where progress does not meet expectations.

Execute Project to
Deliver Business
Value, LESSON 3,
TOPIC B



VOCABULARY

FROM TODAY'S SESSION



Statement of Work (SOW)



DEFINITION

A narrative description of products, services, or results to be delivered by the project.

Procurement Management Plan



DEFINITION

A component of the project or program management plan that describes how a project team will acquire goods and services from outside of the performing organization.

Control Procurements Process



DEFINITION

The process of managing procurement relationships, monitoring contract performance, making changes and corrections as appropriate, and closing out contracts.

Project Governance



DEFINITION

The framework, functions, and processes that guide project management activities in order to create a unique product, service, or result to meet organizational, strategic, and operational goals.

Knowledge Management



DEFINITION

A store of historical information about lessons learned in projects.

Risk



DEFINITION

An uncertain event or condition that, if it occurs, has a positive or negative effect on one or more project objectives.

Trigger Condition



DEFINITION

An event or situation that indicates that a risk is about to occur.

Project Risk Management



DEFINITION

The project management knowledge area that includes the processes of conducting risk management planning, identification, analysis, response planning, response implementation, and monitoring risk on a project.

Risk Management Plan



DEFINITION

A component of the project, program, or portfolio management plan that describes how risk management activities will be structured and performed.

Risk Threshold



DEFINITION

The maximum amount of risk, and the potential impact of that risk occurring, that a project manager or key stakeholder is willing to accept.

Risk Appetite



DEFINITION

The degree of uncertainty an organization or individual is willing to accept in anticipation of a reward.

Risk Tolerance



DEFINITION

The level of risk exposure above which risks are addressed and below which risks may be accepted.

Qualitative Risk Analysis



DEFINITION

The process of prioritizing individual project risks for further analysis or action by assessing their probability of occurrence and impact as well as other characteristics.

Probability and Impact Matrix



DEFINITION

A grid for mapping the probability of each risk occurrence and its potential impact on project objectives.

Quantitative Risk Analysis



DEFINITION

The process of numerically analyzing the combined effect of identified individual project risks and other sources of uncertainty on overall project objectives.

Risk Response



DEFINITION

An action to address a risk.

Contingency Response Strategies



DEFINITION

Responses which may be used in the event that a specific trigger occurs. Also known as “contingency plan” or “fallback plan”.

Business Value



DEFINITION

The net quantifiable benefit derived from a business endeavor. The benefit may be tangible, intangible, or both.

DAILY BOOTCAMP SURVEY

Please share your thoughts.

At the end of each Bootcamp session please let us know how we are doing. Your feedback helps us to offer the best possible Bootcamp experience.

Thank you for attending Session 4!