Risk management

Date: 24/11/2020

1. What is risk analysis and management? Distinguish between reactive risk management and proactive risk management.

Risk analysis is a process that helps to identify and analyze potential problems that could arise during a project.

Risk Management is the system of identifying, addressing and eliminating these problems before they can damage the project

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|  | Reactive | Proactive |
| Definition | A response based risk management approach, which is dependent on accident evaluation and audit based findings. | Adaptive, closed loop feedback control strategy based on measurement, observation of the present safety level and planned explicit target safety level with a creative intellectuality.” |
| Purpose | reduce the tendency of the same or similar accidents which happened in past being repeated in future | reduce the tendency of any accident happening in future by identifying the boundaries. |
| **Timeframe** | depends on past accidental analysis and response. | combines a mixed method of past, present and future prediction before finding solutions to avoid risks. |
| **Flexibility** | less flexible to changes and challenges. | this lets it be very adaptive and flexible to changing environment. |

1. What types of risks are likely encountered during software development?

There are three main classifications of risks which can affect a software project:

1. Project risks
2. Technical risks
3. Business risks

**1. Project risks:** Project risks concern differ forms of budgetary, schedule, personnel, resource, and customer-related problems. A vital project risk is schedule slippage. Since the software is intangible, it is very tough to monitor and control a software project

**2. Technical risks:** Technical risks concern potential method, implementation, interfacing, testing, and maintenance issue. It also consists of an ambiguous specification, incomplete specification, changing specification, technical uncertainty, and technical obsolescence. Most technical risks appear due to the development team's insufficient knowledge about the project.

**3. Business risks:** This type of risks contain risks of building an excellent product that no one need, losing budgetary or personnel commitments, etc.

**Other risk categories**

1. **1. Known risks:** Those risks that can be uncovered after careful assessment of the project program, the business and technical environment in which the plan is being developed, and more reliable data sources (e.g., unrealistic delivery date)
2. **2. Predictable risks:** Those risks that are hypothesized from previous project experience (e.g., past turnover)
3. **3. Unpredictable risks:** Those risks that can and do occur, but are extremely tough to identify in advance.
4. Suppose you are a project management of a firm named “SSL”. Assume that high staff turnover is noted as a project risk in your project team. Which steps are taken to mitigate project risk in your project?
5. **Identify the risks early on in your project.**
6. **Communicate about risks**
7. **Consider opportunities as well as threats when assessing risks.**
8. **Prioritize the risks**
9. **Fully understand the reason and impact of the risks.**
10. **Develop responses to the risks.**
11. **Develop the preventative measure tasks for each risk.**
12. **Develop the contingency plan for each risk.**
13. **Record and register project risks.**
14. Track risks and their associated tasks.
15. How do we assess the consequences of a risk? What is RMMM?

* **Not Maintain a global perspective**— without maintain a global perspective view for the development, we access to the consequences of a risk
* **Take a Backward-looking view**— without think about the risks that may arise in the future;
* **Discourage open communication**—if someone states a potential risk, don’t discount it.
* **Integrate**—a consideration of risk must be integrated into the software process
* **Not emphasize a continuous process**—the team must be vigilant throughout the software process, modifying identified risks as more information is known and adding new ones as better insight is achieved.
* **Not Encourage teamwork**—the talents, skills and knowledge of all stakeholder should be pooled

M.M.M stands for risk mitigation, monitoring and management. These are three issues in strategy for handling the risk

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Assignment should be submitted in “Hand written” format mandatorily.

Thank you

Dr. Momotaz Begum

Associate Professor

Dept. of CSE, DUET, Gazipur.