Question 1: What is true about the following? © 2008 Prentice Hall 9-1 Introduction to Project Management Chapter 9 Managing Project Risk Information Systems Project Management: A Process and Team Approach, 1e Fuller/Valacich/George © 2008 Prentice Hall 9-2 Project Risk •  “…an uncertain event or condition that, if it occurs, has a positive or a negative effect on a project objective  
A) © 2008 Prentice Hall 9-1 Introduction to Project Management Chapter 9 Managing Project Risk Information Systems Project Management: A Process and Team Approach, 1e Fuller/Valacich/George © 2008 Prentice Hall 9-2 Project Risk •  “…an uncertain event or condition that, if it occurs, has a positive or a negative effect on a project objective (Correct)  
B) Not © 2008 Prentice Hall 9-1 Introduction to Project Management Chapter 9 Managing Project Risk Information Systems Project Management: A Process and Team Approach, 1e Fuller/Valacich/George © 2008 Prentice Hall 9-2 Project Risk •  “…an uncertain event or condition that, if it occurs, has a positive or a negative effect on a project objective  
C) Unrelated option  
D) Another unrelated option  
  
Question 2: What is true about the following? ” © 2008 Prentice Hall 9-3 Information Systems Associated Risks •  Technology and project management related –  Positive •  Availability of new project management tools –  Negative •  Rate of change in technologies –  Upgrades and new releases •  Assumptions computer-generated output is always correct •  Formation of teams © 2008 Prentice Hall 9-4 Risk & Project Life Cycle •  Initiation stage –  Identification and selection of specific projects •  Inside or outside of organization’s core competencies •  Planning stage –  Procurement •  Unreliability of new technology delivery timeframe •  Development of accurate project schedule © 2008 Prentice Hall 9-5 •  Execution stage –  Missed scheduled delivery date –  Technology upgrades •  Control stage –  Implementation of risk plan –  Modification of project schedule •  Closing stage –  Acceptance of project as finished Risk & Project Life Cycle (cont  
A) ” © 2008 Prentice Hall 9-3 Information Systems Associated Risks •  Technology and project management related –  Positive •  Availability of new project management tools –  Negative •  Rate of change in technologies –  Upgrades and new releases •  Assumptions computer-generated output is always correct •  Formation of teams © 2008 Prentice Hall 9-4 Risk & Project Life Cycle •  Initiation stage –  Identification and selection of specific projects •  Inside or outside of organization’s core competencies •  Planning stage –  Procurement •  Unreliability of new technology delivery timeframe •  Development of accurate project schedule © 2008 Prentice Hall 9-5 •  Execution stage –  Missed scheduled delivery date –  Technology upgrades •  Control stage –  Implementation of risk plan –  Modification of project schedule •  Closing stage –  Acceptance of project as finished Risk & Project Life Cycle (cont (Correct)  
B) Not ” © 2008 Prentice Hall 9-3 Information Systems Associated Risks •  Technology and project management related –  Positive •  Availability of new project management tools –  Negative •  Rate of change in technologies –  Upgrades and new releases •  Assumptions computer-generated output is always correct •  Formation of teams © 2008 Prentice Hall 9-4 Risk & Project Life Cycle •  Initiation stage –  Identification and selection of specific projects •  Inside or outside of organization’s core competencies •  Planning stage –  Procurement •  Unreliability of new technology delivery timeframe •  Development of accurate project schedule © 2008 Prentice Hall 9-5 •  Execution stage –  Missed scheduled delivery date –  Technology upgrades •  Control stage –  Implementation of risk plan –  Modification of project schedule •  Closing stage –  Acceptance of project as finished Risk & Project Life Cycle (cont  
C) Unrelated option  
D) Another unrelated option  
  
Question 3: What is true about the following? ) © 2008 Prentice Hall 9-6 Project Risk Statistics © 2008 Prentice Hall 9-7 Project Risk Examples •  New or different project management methodologies •  Different: –  Cultures –  Organization structures –  Human resources © 2008 Prentice Hall 9-8 General Categories of IS Project Risk •  Ongoing changes to technology •  Finding, assigning, and retaining skilled personnel •  Gaining user acceptance •  Choosing the correct development methodology © 2008 Prentice Hall 9-9 Outsourcing / Offshoring •  Positives: –  Expanded skill set availability –  Cheaper labor –  Reduced requirements for non-core competencies •  Negatives: –  Internal resistance •  Possible solutions to reduce risk: –  Ensure strong upper management support –  Select the right personnel –  Involve managers early in the outsourcing process –  Educate and reassure internal employees © 2008 Prentice Hall 9-10 •  Negatives (cont  
A) ) © 2008 Prentice Hall 9-6 Project Risk Statistics © 2008 Prentice Hall 9-7 Project Risk Examples •  New or different project management methodologies •  Different: –  Cultures –  Organization structures –  Human resources © 2008 Prentice Hall 9-8 General Categories of IS Project Risk •  Ongoing changes to technology •  Finding, assigning, and retaining skilled personnel •  Gaining user acceptance •  Choosing the correct development methodology © 2008 Prentice Hall 9-9 Outsourcing / Offshoring •  Positives: –  Expanded skill set availability –  Cheaper labor –  Reduced requirements for non-core competencies •  Negatives: –  Internal resistance •  Possible solutions to reduce risk: –  Ensure strong upper management support –  Select the right personnel –  Involve managers early in the outsourcing process –  Educate and reassure internal employees © 2008 Prentice Hall 9-10 •  Negatives (cont (Correct)  
B) Not ) © 2008 Prentice Hall 9-6 Project Risk Statistics © 2008 Prentice Hall 9-7 Project Risk Examples •  New or different project management methodologies •  Different: –  Cultures –  Organization structures –  Human resources © 2008 Prentice Hall 9-8 General Categories of IS Project Risk •  Ongoing changes to technology •  Finding, assigning, and retaining skilled personnel •  Gaining user acceptance •  Choosing the correct development methodology © 2008 Prentice Hall 9-9 Outsourcing / Offshoring •  Positives: –  Expanded skill set availability –  Cheaper labor –  Reduced requirements for non-core competencies •  Negatives: –  Internal resistance •  Possible solutions to reduce risk: –  Ensure strong upper management support –  Select the right personnel –  Involve managers early in the outsourcing process –  Educate and reassure internal employees © 2008 Prentice Hall 9-10 •  Negatives (cont  
C) Unrelated option  
D) Another unrelated option  
  
Question 4: What is true about the following? ): –  Increased security and privacy concerns •  Possible solutions to reduce risk: –  Increase physical security measures –  Use software event logging and monitoring tools –  Intrusion detection systems and firewalls –  Encryption hardware/software Outsourcing / Offshoring (cont  
A) ): –  Increased security and privacy concerns •  Possible solutions to reduce risk: –  Increase physical security measures –  Use software event logging and monitoring tools –  Intrusion detection systems and firewalls –  Encryption hardware/software Outsourcing / Offshoring (cont (Correct)  
B) Not ): –  Increased security and privacy concerns •  Possible solutions to reduce risk: –  Increase physical security measures –  Use software event logging and monitoring tools –  Intrusion detection systems and firewalls –  Encryption hardware/software Outsourcing / Offshoring (cont  
C) Unrelated option  
D) Another unrelated option  
  
Question 5: What is true about the following? ) © 2008 Prentice Hall 9-11 Top Five Software Project Risks •  Lack of top management commitment to the project •  Failure to gain user commitment •  Misunderstanding the requirements •  Lack of adequate user involvement •  Failure to manage end user expectations © 2008 Prentice Hall 9-12 Risk Management Planning •  A systematic approach to planning the risk management activities of a given project © 2008 Prentice Hall 9-13 Risk Management Planning – Inputs •  Enterprise environmental factors –  Attitudes toward risk and risk tolerance •  Organizational process assets –  Processes in place to handle risk •  Project scope statement –  Defining the project •  Project management plan –  Project summary document © 2008 Prentice Hall 9-14 PMBOK Required Inputs, Tools, and Techniques Used, and Resulting Outputs During Risk Management © 2008 Prentice Hall 9-15 Risk Management Planning – Tools & Techniques •  Risk planning meetings –  Senior managers, project team leaders, stakeholders, project members with decision-making responsibilities –  Development of specific risk management plans –  Inclusion of risk-related items in budget and schedule –  Creation of risk management templates © 2008 Prentice Hall 9-16 Risk Management Planning – Outputs •  Risk Management Plan –  Methodology or approach to risk management –  Roles and responsibilities of project members –  Risk management budget –  Integration of risk management activities into project life cycle –  Scoring and interpretation of risk analysis –  Risk thresholds –  Reporting formats –  Tracking © 2008 Prentice Hall 9-17 Risk Identification •  The process of identifying potential risks to a project and documenting them © 2008 Prentice Hall 9-18 PMBOK Required Inputs, Tools and Techniques Used, and Resulting Outputs During Risk Identification © 2008 Prentice Hall 9-19 Risk Identification – Inputs •  Enterprise environmental factors •  Organizational process assets •  Project scope statement •  Project management plan •  Risk management plan © 2008 Prentice Hall 9-20 Risk Categories •  Defined in a Risk Register –  A formal recording of all project risks, explaining the nature of the risk and management of the risk © 2008 Prentice Hall 9-21 Risks © 2008 Prentice Hall 9-22 Risk Identification – Tools & Techniques •  Documentation reviews –  The review of organizational information to aid during risk identification •  May include: –  Project profiles (previous project information and related lessons learned) –  Published information »   Articles/studies/benchmarking information © 2008 Prentice Hall 9-23 Risk Identification – Tools & Techniques (cont  
A) ) © 2008 Prentice Hall 9-11 Top Five Software Project Risks •  Lack of top management commitment to the project •  Failure to gain user commitment •  Misunderstanding the requirements •  Lack of adequate user involvement •  Failure to manage end user expectations © 2008 Prentice Hall 9-12 Risk Management Planning •  A systematic approach to planning the risk management activities of a given project © 2008 Prentice Hall 9-13 Risk Management Planning – Inputs •  Enterprise environmental factors –  Attitudes toward risk and risk tolerance •  Organizational process assets –  Processes in place to handle risk •  Project scope statement –  Defining the project •  Project management plan –  Project summary document © 2008 Prentice Hall 9-14 PMBOK Required Inputs, Tools, and Techniques Used, and Resulting Outputs During Risk Management © 2008 Prentice Hall 9-15 Risk Management Planning – Tools & Techniques •  Risk planning meetings –  Senior managers, project team leaders, stakeholders, project members with decision-making responsibilities –  Development of specific risk management plans –  Inclusion of risk-related items in budget and schedule –  Creation of risk management templates © 2008 Prentice Hall 9-16 Risk Management Planning – Outputs •  Risk Management Plan –  Methodology or approach to risk management –  Roles and responsibilities of project members –  Risk management budget –  Integration of risk management activities into project life cycle –  Scoring and interpretation of risk analysis –  Risk thresholds –  Reporting formats –  Tracking © 2008 Prentice Hall 9-17 Risk Identification •  The process of identifying potential risks to a project and documenting them © 2008 Prentice Hall 9-18 PMBOK Required Inputs, Tools and Techniques Used, and Resulting Outputs During Risk Identification © 2008 Prentice Hall 9-19 Risk Identification – Inputs •  Enterprise environmental factors •  Organizational process assets •  Project scope statement •  Project management plan •  Risk management plan © 2008 Prentice Hall 9-20 Risk Categories •  Defined in a Risk Register –  A formal recording of all project risks, explaining the nature of the risk and management of the risk © 2008 Prentice Hall 9-21 Risks © 2008 Prentice Hall 9-22 Risk Identification – Tools & Techniques •  Documentation reviews –  The review of organizational information to aid during risk identification •  May include: –  Project profiles (previous project information and related lessons learned) –  Published information »   Articles/studies/benchmarking information © 2008 Prentice Hall 9-23 Risk Identification – Tools & Techniques (cont (Correct)  
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C) Unrelated option  
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