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| Operations & Training Risk Management Plan | |  |
| **Author:** Project Manager  **Status:** Draft / Final | **Created:** Mar 1  **Updated:** Mar 31 |  |

# Objective

The objective of this document is to identify, evaluate, and propose mitigation plans for potential risks associated with the construction of a new office building.

Executive Summary

The project involves the construction of a new office building over a period of 12 months. Key milestones include site identification, budget setting, stakeholder input, architectural design, procurement of materials, and construction. This document introduces potential risks related to budget overruns and scheduling delays.

**RISK TYPE ONE: Going over the project budget**

|  |  |  |
| --- | --- | --- |
| **Scenario** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| Increase in material costs | **H** | Lock in prices with suppliers through long-term contracts and bulk purchasing agreements. |
| Unforeseen site conditions requiring additional work | **M** | Conduct thorough site assessments and set aside a contingency budget to cover unexpected costs. |
| Changes in project scope requiring additional resources | **H** | Implement strict change control processes and ensure any scope changes are approved by stakeholders. |

**RISK TYPE TWO: Falling behind the training schedule**

|  |  |  |
| --- | --- | --- |
| **Scenario** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| Delays in obtaining necessary permits and approvals | **M** | Maintain a proactive relationship with permitting authorities and track permit progress closely. |
| Contractor or subcontractor availability issues | **H** | Prequalify multiple contractors and have backup agreements in place to ensure continuous work. |
| Poor weather conditions causing construction delays | **M** | Plan the schedule with weather contingencies and have flexible work plans to make up lost time. |

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. |
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**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 |