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| Operations & Training Risk Management Plan | |  |
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# Objective

The objective of this document is to determine the potential risks that can impact the Plant Pals operations launch. It will also state the risk descriptions associated with the risk management plan.

Executive Summary

Under normal circumstances, the Plant Pals service would be available in six months.

The creation of a new website as well as the delivery of plants to clients is all included in this project. The project's risk, as well as the mitigation plan to manage it are avoiding going over budget and falling behind the training schedule.

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

| **Scenario** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| --- | --- | --- |
| **Each delivery truck costs $16,000 more than initially quoted**  **Risk: 50 % High**  **Financial: High** | **H** | Set meeting with stakeholders to explain the current situation and offer solving options:  Option 1: Get updated truck costs. If possible try to negotiate with the vendor (reduce strategy).  Option 02: Find ASAP a new vendor with better prices to change suppliers (avoid strategy). |
| **A product vendor charges a higher rate than expected**  **Risk: 20-25 % Medium**  **Financial: Medium** | **M** | Same approach to the previous problem, 25 % probability is a problem, important to notify stakeholders.  Option 01: Confirm costs and negotiate with the vendor. If cannot improve the situation evaluate the impact on the overall cost for the products for this vendor (reduce).  Option 02: Try to find another vendor with more stable conditions to avoid changing rates (avoid). |
| **A product vendor loses a product shipment**  **Risk: 5 % Low**  **Financial: Medium** | **L** | If happened accept the risk and pay. In meantime try to find options to mitigate the problem, like ensuring the cargo if possible. |

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

| **Scenario** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| --- | --- | --- |
| **Your Training Manager gets sick and misses a week of training.**  **Risk: 5-10 % Low**  **Operational: 1 week Low** | **L** | Prepare another person to be ready for the completion of the training. The TM will resume the training later when possible (accept risk). |
| **You cannot hire enough employees in time to train them before launch.**  **Risk: 20-30 % Medium**  **Operational: 1-month Medium** | **M** | Try to speed up the hiring process. Involve more people by internal or external members in order to reduce the impact on the project (reduce and control). |
| **More than 50% of employees quit after a difficult training process, leaving the company short-staffed**  **Risk: 5 % Low**  **People: 50 % quit High** | **M** | Verify the complexity of the training process before starting. Looks like the adjustments needed will be minor. Reduce and control strategy recommended. |

Appendix:

**Probability chart:**

| **Probability** | | |
| --- | --- | --- |
|  | **Qualitative** | **Quantitative (if measurable)** |
| **Low** | Very low chance of a risk occurring. | Less than <10% chance of a risk occurring. |
|
| **Medium** | Medium chance of a risk occurring. | 10%-49% chance of a risk occurring. |
| **High** | High chance of a risk occurring. | 50%-100% chance of a 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 the 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 |