Risk Management Plan

[Project Name]

Author: [Author]

Date: [yyyymmdd]

Version: [#.#]

Operator notes:

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Update text within square brackets which is placeholder text with relevant text.

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Consider key stakeholders who might have input in the decision to approve or reject the Business Case. Typically, distribution to the relevant governance forum members’ is required for a one-on-one walkthrough prior to presenting. The costs section of the document may need to be removed from widely distributed versions.

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**Revision history**

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**Approvals**

Approval refers to the approver’s acceptance of the content and overall intention of this document, including acceptance of any commitments described in order to successfully deliver the initiative. The approver, where relevant, also confirms that this document complies with relevant strategies, policies and regulatory requirements.

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**Related documents**

| Document | Location |
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# Project Summary

This section outlines the project scope and puts into contexts the objectives and rationale you will provide later for your Risk Management Plan. You can include an executive summary of the Project here if appropriate. It is worth noting that this documents audience is often different to the PMP and Business Case where some of the content for this section is obtained and is required to provide context.

## Opportunity Statement

Provide the reader with an understanding the overall goal of the project. This is usually obtained from the Project Management Plan or Business Case Documents.

<text here>

## Objectives and Critical Success Factors

This section will outline the Objectives and Critical Success Factors for the project. Once again this information can be obtained from the Project Management Plan (PMP) or Business Case.

<text here>

## Scope

The Project Scope is outlined here to give this document context. The scope can be found in the PMP or Business Case. Where necessary detail what is both in and out of scope.

<text here>

### In scope

This sections details all the components of the project on which the resource effort, costs and benefits are estimated.

<text here>

### Out of scope

This section details the project components are will not be included or considered in the deliverables of the project.

<text here>

### Assumptions

This section details the project Assumptions and can be tied to the risk management plan specifically.

<text here>

### Constraints

This section details the project constraints and can be tied to the risk management plan specifically

<text here>

## Recommended Solution

The recommended solution (or a summary if necessary) will be detailed in the PMP and can be included here. This section will facilitate the readers thinking as to what the risks may be in the recommended solution the project is setting out to implement.

<text here>

## Project Tasks and Schedule

The project management plan will detail the key tasks that are required to deliver the project and the associated schedule.

<text here>

# Project Risk Assessment

This section describes the project risk assessment. You may want to include a summary here of the key risks faced by the project and the method you have used to rate the risks.

## Risk Rating Methodology

The risk rating methodology needs to be able to be able to quantify the potential of the risk occurring and the potential impact should the risk occur. A commonly used tool has been provided here. This example provides rankings of Low, Medium, High and Extreme. A numerical score can be used as an alternative.

|  | Consequence | | | | |
| --- | --- | --- | --- | --- | --- |
| Rating | Insignificant | Minor | Moderate | Major | Catastrophic |
| **Almost certain -** controls unsatisfactory to mitigate the risk | High | High | Extreme | Extreme | Extreme |
| **Likely -** Controls inadequate to mitigate the risk and require improvement | Medium | High | High | Extreme | Extreme |
| **Possible -** Controls reasonable / adequate to mitigate the risk but may still require improvement | Low | Medium | High | Extreme | Extreme |
| **Unlikely -** Controls robust and adequate to mitigate the risk | Low | Medium | Medium | High | Extreme |
| **Rare -** Controls strong to mitigate the risk | Low | Low | Medium | High | High |

## Consequence Legend

| Rating | Description |
| --- | --- |
| Insignificant | Impact can be easily absorbed without requiring management effort |
| Minor | Impact can be readily absorbed but some management effort is required |
| Moderate | Impact cannot be managed under normal operating conditions; requiring moderate level of resource and management input |
| Major | Impact requires a high level of management attention / effort and resources to rectify |
| Catastrophic | Disaster with potential to lead to business collapse and requiring almost total management attention / effort to rectify |

## Risk Identification

This section contains a brief description of the known risks and their mitigants. You may have other risk groups that are more relevant to your organisation or project that will need to be included. Pre and post mitigation ratings are required. A summary of key risks can also be used here if the template detail is not required. For example you might want to just present the risks that have a significant impact and refer the reader to the Risk Register for more detail.

### Operational Risks

Operational risks are risks that have an impact on the day to day operations of the organisation. These may include Human Resources, Processes, Technology, Sales, Safety etc.

| Risk Summary | Description | Preliminary Risk Rating | Risk Mitigation Description | Residual Risk Rating |
| --- | --- | --- | --- | --- |
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### Legal Risks

Legal risks impact the legal position of the organisation.

| Risk Summary | Description | Preliminary Risk Rating | Risk Mitigation Description | Residual Risk Rating |
| --- | --- | --- | --- | --- |
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### Compliance and Legislative Risks

These risks impact the compliance and legislative requirements of the organisation.

| Risk Summary | Description | Preliminary Risk Rating | Risk Mitigation Description | Residual Risk Rating |
| --- | --- | --- | --- | --- |
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### Market Risks

Market risks impact the position of the organisation in the Market it operates in. Market risks impact the value of an investment as a result of the risk and influence of market forces.

| Risk Summary | Description | Preliminary Risk Rating | Risk Mitigation Description | Residual Risk Rating |
| --- | --- | --- | --- | --- |
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### Credit Risks

Credit risks impact the Credit ratings or credit standing of the organisation.

| Risk Summary | Description | Preliminary Risk Rating | Risk Mitigation Description | Residual Risk Rating |
| --- | --- | --- | --- | --- |
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### Actuarial Risks

The risk that the assumptions that actuaries implement into a model to price a specific insurance policy or pricing model may turn out wrong or somewhat inaccurate.

| Risk Summary | Description | Preliminary Risk Rating | Risk Mitigation Description | Residual Risk Rating |
| --- | --- | --- | --- | --- |
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### Financial Risks

The risk that the return on investment of the project or an investment will be different from expected.

| Risk Summary | Description | Preliminary Risk Rating | Risk Mitigation Description | Residual Risk Rating |
| --- | --- | --- | --- | --- |
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### Miscellaneous Risks

Other risks that impact the project ability to deliver in some way.

| Risk Summary | Description | Preliminary Risk Rating | Risk Mitigation Description | Residual Risk Rating |
| --- | --- | --- | --- | --- |
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# Risk Management Processes

This section explains the people, processes and schedule for management of the project risks. Only project specific details should be described here.

<text here>

## Organisation

Use this section to explain the roles and responsibilities that the project will use to manage risk. You need to identify who will be managing the risks and the structure of any risk committees or structures used to mitigate risks.

<text here>

## Risk Management Process and Reporting

Use this section to explain how the project will coordinate the capture and mitigation of project risk. Define the detail about how and where a register will be used and what the process is for risks that are loaded through to mitigation. Also describe here how the project will report on risks. You will need to explain the frequency and mode of reporting that will be provided.

<text here>

## Risk Management Key Tasks and Schedule

Use this section to explain the key risk related tasks that the project is required to complete and when they will be completed. Detail, for example, workshops, meetings, and deliverables that need to be conducted to understand and manage the project risks. These tasks may hinge around project planning, day to day delivery or stage gate preparation.

<text here>