**Risk Management Plan**

**BREGGHAN POINT OF SALE SYSTEM**

**BREGGHAN MINI GROCERY STORE MT. MAKILING STREET**

**MAKATI CITY, 1201**

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# Risk Management Plan

## Introduction

Any store that wishes to monitor transactions and keep track of sales information needs a point of sale (POS) system. However, there are always potential hazards that need to be recognized and addressed in order to guarantee project success with any technical endeavor. A risk management plan can help with that.

In a risk management plan, hazards that might occur during a project are listed along with how they will be avoided or reduced and what steps will be done if they happen. Risks for a POS project could include difficulties with user uptake, security lapses, unforeseen costs, and delays in implementation.

To further develop a risk management plan for a Point of Sale System, the following information should be considered:

* Identifying and Assessing Risks: The Point of Sale System’s development, implementation, and operation may be subject to hazards, which the project team should identify. Technical problems, vendor dependence, regulatory compliance, cybersecurity, and human factors are just a few of the many potential sources of risk. Risks should be identified and then evaluated for both chance of occurrence and potential effects on the project.
* Risk Mitigation Strategies: After identifying and assessing risks, the project team should develop a plan for mitigating or avoiding the risks. Mitigation strategies should be prioritized based on their effectiveness in reducing risk and their feasibility in terms of time and cost. Strategies may include contingency planning, redundancy, risk transfer through insurance, and the development of fallback procedures.
* Contingency Planning: The project team should develop contingency plans for significant risks that could significantly impact the project's success. Contingency plans should outline the steps required to minimize the impact of the risk and maintain the project's progress. These plans should be regularly reviewed and updated as the project progresses, and new risks are identified.
* Risk Monitoring and Review: Risk management is an ongoing process that requires continuous monitoring and review. The project team should establish a regular review process to ensure that risk management strategies remain effective, risks are updated, and new risks are identified. The review process should be transparent, with all stakeholders being updated on any changes.

The Point of Sale System project team can guarantee that the project is effectively finished, achieving all objectives while avoiding potential risks by taking these extra elements into account in a risk management plan.

## 1.2 Top Three Risks

The project's top three risks are:

1. Failures of hardware or software: The failure of hardware or software components is one of the biggest risks in a POS project. This may lead to loss of sales, and system downtime. The project team should choose the best hardware and software to carry out thorough testing and quality assurance procedures, and create backup plans in case of hardware or software failures to reduce this risk.
2. Unexpected costs: POS projects can be expensive, and unexpected costs can easily send the project off course. The project team should do a thorough cost analysis at the commencement of the project and create a comprehensive budget in order to reduce this risk. Contingency plans should also be created for unforeseen costs, and the project team should keep a careful eye on costs throughout the project.
3. Delays in implementation: The project team and end users can both become frustrated by delays in the set up of a POS system. Before implementation, the project team should do extensive planning and testing to reduce this risk. They should also make sure that all hardware and software components are available and working properly

## 1.3 Risk Management Approach

This document provides a thorough overview of the various risks and vulnerabilities related to POS systems and presents a methodical methodology to effectively reduce and manage these risks.

Here’s the step by step approach to manage the risks of a POS system.

1. Identify Risks: The project team will identify the project-related risks through reviewing of related software/projects and brainstorming. Steps like gathering information, brainstorming, and analyzing is a great procedure for identifying the risks.
2. Assess Risks: after identifying risks, risk assessment is a process that involves evaluating the potential risk of the Point of Sale (POS) system. This is where ranking comes in each risk is grouped by rank.
3. Vulnerability Analysis:
4. Risk Monitoring
5. Risk Communication

## 1.4 Risk Identification

It's crucial to take into account a variety of factors that can potentially affect the security, functionality, and data integrity of a Point of Sale (POS) system when detecting hazards. Listed below are the list of common risks to consider:

1. Unauthorized Access
2. Hardware Failures
3. Software Failures
4. Power Outages
5. Network Failure

## 1.5 Risk Qualification and Prioritization

The probability of risks happening and their impact on the project is described below:

* Extreme: Risks with a very high probability of occurring and a severe impact on the project.
* High: Risks with a high probability of occurring and a significant impact on the project. These risks require immediate attention, and we need to develop mitigation strategies for them.
* Medium: Risks with a medium probability of occurring and a moderate impact on the project. These risks should be closely monitored, and mitigation strategies should be developed in case they occur.
* Low: Risks with a low probability of occurring and a minor impact on the project. These risks can be monitored periodically, and mitigation strategies can be developed in case they occur.
* Negligible: Risks with a very low probability of occurring and negligible impact on the project. These risks can be ignored.

## 1.6 Risk Monitoring

## 1.7 Risk Mitigation and Avoidance

## 1.8 Risk Register

The Risk Register is a central repository that offers a structured overview of recognized risks, their potential impact, designated owners, and associated risk response tactics. Within the register, each risk is assigned as a specific risk ID or belongs in a category or rank for easy reference.

The following criteria will be used for the risk register:

* Risk ID - each risk will be assigned a unique identifier.
* Risk Description - there will be a clear and concise description of the risk event.
* Risk Category - will classify risks into technical, organizational, or legal categories.
* Risk Owner - will be responsible for monitoring and managing each risk.
* Probability - likelihood of a risk occurring is assessed using a scale of 1 to 5, with 1 indicating the lowest likelihood and 5 indicating the highest.
* Impact - the risk's potential impact on the project is rated on a scale of 1 to 5, with 1 indicating the least significant impact and 5 indicating the most significant impact.
* Risk Score - the probability and impact scores are multiplied to determine the overall risk score.
* Mitigation Strategy - outlines the specific measures to be taken to mitigate the risk. • Status - risk's current status, whether it is open, in progress, or closed, is also documented. • Target Resolution Date - anticipated date for risk resolution to be resolved.

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