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

The objective of this document is to identify potential risks for the Plant Pals operations launch.

Executive Summary

Project deploys new service operation with new software installation, and training for staff. The new service operation following with risks when launch in probability of over budget and falling behind the training schedule. Details is mentioned in this document.

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

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| --- | --- | --- | --- | --- |
| **Scenario** | **Probability** | **Impact** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| **Each delivery truck costs $16,000 more than initially quoted.** Your team estimates a 50% chance this risk will occur. If it does, Office Green would pay $32,000 more than expected for their two delivery trucks. | **High** | **High** | **High** | [Avoid] Need to contact with some delivery truck provider to having sustainable quote.  [Reduce] In case, no provider can sign for a guarantee contract on delivery truck costs. It needs to prepare the control of hiring one more provider to reduce risk. |
| **A product vendor charges a higher rate than expected.** Your team determines a 20%-25% chance this risk will occur. The budget impact would be approximately $17,000. | **Medium** | **Medium** | **Medium** | [Avoid] Need to negotiate with vendor and clear the policy and term of service fee before signed. It could be unchanged or limited changed agreement in the contact.  Or continue to find the vendor in budget. |
| **A product vendor loses a product shipment.** Your team estimates only a 5% chance this risk will occur. A lost shipment would cost over $25,000. | **Low** | **Medium** | **Low** | [Transfer] Negotiate with vendor for accident assurance relating to product loss in their service. If it is not included, considering for purchasing the insurance by ourselves. |

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

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| --- | --- | --- | --- | --- |
| **Scenario** | **Probability** | **Impact** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| **Your Training Manager gets sick and misses a week of training.** Your team estimates a 5%-10% chance this risk will occur. | **Low** | **Low** | **Low** | [Reduce] Prepare the backup solution for this case. The training substitute is chosen for backup Training Manager in this case. |
| **You cannot hire enough employees in time to train them before launch.** Your team estimates a 20%-30% chance this risk will occur, and it could delay the project by over a month. | **Medium** | **Medium** | **Medium** | [Reduce] Work with recent employee for confirm of their working in the next period of time until completing the project. Making clear plan with plus benefits to promote recruitment. |
| **More than 50% of employees quit after a difficult training process, leaving the company short-staffed.** Your team estimates only a 5% chance this risk will occur. | **Low** | **High** | **Medium** | [Reduce] Detail solution for this issue, focusing on employee satisfaction, short-term benefits, long-term working career path development, and promotion with company. |

Appendix:

**Probability chart:**

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| **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. |

**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:**

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| --- | --- | --- | --- | --- |
| **Inherent Risk** | | | | |
|  | | **Impact** | | |
| **Low** | **Medium** | **High** |
| **Probability** | **High** | Medium | High | High |
| **Medium** | Low | Medium | High |
| **Low** | Low | Low | Medium |