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

The objective of this document is analyze the probable risk, identify those and plan out possible solution in project management involving budget and schedule.

Executive Summary

The project is targeting to supply plants to clients. It includes training of the staffs involved. Here we have milestone to get plants from vendors, train up the staffs and finally deliver plants to the client. We have potential risk of going over the budget and falling behind the training schedule.

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

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| --- | --- | --- |
| **Scenario** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| **Each delivery truck costs $16,000 more than initially quoted** | **High** | Avoid  We will avoid the risk by changing another vendor for delivery truck. |
| **A vendor charges a higher rate than expected** | **Medium** | Reduce  Let’s have another vendor along with existing one to reduce the cost. |
| **A vendor loses a product shipment** | **Low** | Reduce  Let’s have continuous discussion with vendor to monitor the shipment. |

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

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| --- | --- | --- |
| **Scenario** | **Risk to project (L/M/H)** | **Mitigation Plan** |
| **Your Training Manager gets sick and misses a week of training** | **Low** | Avoid  Let’s avoid this risk since it has low probability. |
| **You cannot hire employees in time to train them before launch** | **Medium** | Reduce  Let’s have continuous discussion and follow up with HR team to speed up recruitment process |
| **More than 50% of employees quit after a difficult training process, leaving the company short-staffed** | **Medium** | Reduce  Let’s reduce the risk of monitoring the employees continuously and getting feedback from them. |

Appendix:

**Probability chart:**

|  |  |  |
| --- | --- | --- |
| **Probability** | | |
|  | **Qualitative** | **Quantitative (if measurable)** |
| **Low** | Very low chance of risk occurring. | Less than <10% chance of risk occurring. |
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| **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 |