**Risk Management Purpose and Process**

Risk management process is iterative throughout the project life cycle. It is generated when a significant event occurs or when major milestones are reached. The purpose of risk management plan is to give a comprehensive analysis of all potential problems with their probabilities and impacts. After all potential risks are identified, we create contingency plans for those with the highest severity of impact. In this way, we get prepared for those risks and reduce in response time with better solutions.

The procedures of risk analysis are:

Anticipate problems

Estimate the probability the problem will occur

Estimate the impact of the problem on the project

Attribute a measure of severity to the problem

Identify contingency plans for severe-impact problems

For this project, we had three risk management plans with iterations as followed

**Build your own solution**

During our project life cycle, we had been through several iteration of inventory solution. Our initial solution was to have a build-in-house solution. That will includes all of the features that our sponsor, Liz specified. Including the basic function in inventory system, add, delete, edit, export, import. Additional requirements includes status update, check-in, check-out. These requirements contributed to a lot of our development time and thus our initial risk management will oriente around the unknown risk through the risky development endeavor.

**In-House SASS Inventory solution**

In the case of build-in-house solution is not an ideal solution, we will have a new risk management plan for a third-party pre-build SASS inventory solution. It will mostly focus on the risk that comes with the software and future maintenance.