PROJECT RISK MANAGEMENT

Risk #1: Requirement changes

- **Risk description:** Requirement provided by the stakeholders, sponsors, and business users might change with time as the project progresses. We are involving users and stakeholders for requirement elicitation for web portal development, EDI enhancement, compliance link application, and non-conforming queues. Also, requirements can change due to any gold plating provided in the project.
- **Risk mitigation:** Ask business analysts to evaluate every requirement change thoroughly and deny any changes which can cause catastrophic effect on time and cost of the project. Document every change requested and justification provided. Evaluate if changes can be done in the next phase of this project.
- **Risk probability:** Medium
- **Risk impact:** High

Risk #2: Migration may not go as smoothly as planned

- **Risk description:** Migration from current system to new system including new web portal, new databases, data warehouse and ERP connection might not go smoothly as planned. There are unforeseen situations where new systems have technical challenges.
- **Risk mitigation:** Keep back plan if migration does not work as per expectations. Hire subject matter experts for system migration. Always evaluate technical solutions carefully from all aspects and take help from people who already worked on similar projects.
- **Risk probability:** Low
- **Risk impact:** High

Risk #3: User involvement and executive support

- **Risk description:** If users are not involved in the project planning, requirement gathering and change management then it creates risk of developing a supplier web portal that is not as per the expectations of the business users. Also there is risk of lack of executive support if they are not convinced about the outcome and benefits of the projects. This may cause time delay and increased cost for the project.

- **Risk mitigation:** Involve and engage the users at an early stage in the project. Keep them updated about the project progress and manage their expectations. Do stakeholder analysis and try to use this knowledge to get support from the executives and sponsors.
- **Risk probability:** Low
- **Risk impact:** Low

Risk #4: Resistance to change

- **Risk description:** Staff will have to learn a new system which may upset them. The risk of resistance to change might cause new system adoption very difficult. Employees, users and suppliers might not want to switch as it might be an uncomfortable and tedious task.
- **Risk mitigation:** Provide training to all users, employees and suppliers in a very user friendly manner. Provide rewards for using the new system and make training a fun activity through games. Provide flexibility of training in terms of time and place.
- **Risk probability:** Medium
- **Risk impact:** Medium

Risk #5: Unrealistic expectations

- **Risk description**: If there is a communication gap between business users and development team then the risk of unrealistic expectations might arise. Users may have a completely different expectation than the portal developed. This will cause rework which is not desirable.
- **Risk mitigation:** Clear communication and documentation can reduce the risk of miscommunication. Managing expectations is also another factor that can be used to reduce the risk of unrealistic expectations. Keep users updated about the progress of the project regularly.
- **Risk probability:** Low
- **Risk impact:** Medium

Risk #6: Staff turnover

- **Risk description:** People often switch jobs which could bring an imbalance in skilled workforce availability. So, if a critical resource leaves, the project might take longer to complete or hamper overall team productivity and morale.

- **Risk mitigation:** Keep buffer resources which can be cross trained on losing a staff member. If such a risk is likely, the sponsor should be informed that critical staff changes will impact both budget and schedule and will require ramp-up and training.
- **Risk probability:** Medium
- **Risk impact:** Low

Risk #7: Project management

- **Risk description:** Project manager might introduce risks during project execution which might impact project schedule performance. Refusal to involve some stakeholders, ineffective project management, bad cost and management control and too much focus on one aspect are some of the factors that might increase risks.
- **Risk mitigation:** Reducing risks related to project management can involve improving procedures as per best project management practices. Proper communication, sometimes repeatedly and using different delivery methods is an effective strategy. The project manager should be diplomatic and escalate for timely issue resolution.
- **Risk probability:** Medium
- **Risk impact:** High

Risk #8: Specification addition

- **Risk description:** Scope creep is a very common risk to any project. Quite frequently, team members don't have a collective understanding of the requirements. New requirements, which were not initially part of the scope are introduced, which affect the project.
- **Risk mitigation:** A proper change management plan where changes are included only on approval can help in risk reduction. Trainings for business analysts can also help the entire team so that the requirements are understood by all.
- **Risk probability:** High
- **Risk impact:** High

Risk #9: Uncertainty in technology

- **Risk description:** Technology unfamiliarity can cause inefficiency and unsatisfactory output. Unreliable hardware can also cause risk and uncertainty. And, if the technology being used is new, risk becomes very high.
- **Risk mitigation:** For the supplier web portal, new technology is being introduced so, cost,

quality and timelines need to be adjusted. Hardware and software should be delivered and environment should be prepared well in advance to allow time for environment familiarity.

- **Risk probability:** Low
- **Risk impact:** Medium

Risk #10: Handling user acceptance testing

- **Risk description:** Project deliverables might be delayed due to incomplete user acceptance testing. The project UAT will involve testing from suppliers who have no incentive in the project. Delay caused by suppliers can degrade quality of the project.
- **Risk mitigation:** Proper communication of a user testing and defect management plan which is pre-approved by all stakeholders can help ensure timely testing. The issues found should be fixed quickly as the project manager will have little control over suppliers.
- **Risk probability:** High
- **Risk impact:** Medium