


upland PowerSteering



PRACTICAL PROJECT RISK MANAGEMENT



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AGENDA

- + Introductions
- + About Upland
- + Webinar
- + Questions



WHAT WE DO

We provide Cloud Solutions across the enterprise enabling amazing customer outcomes in:

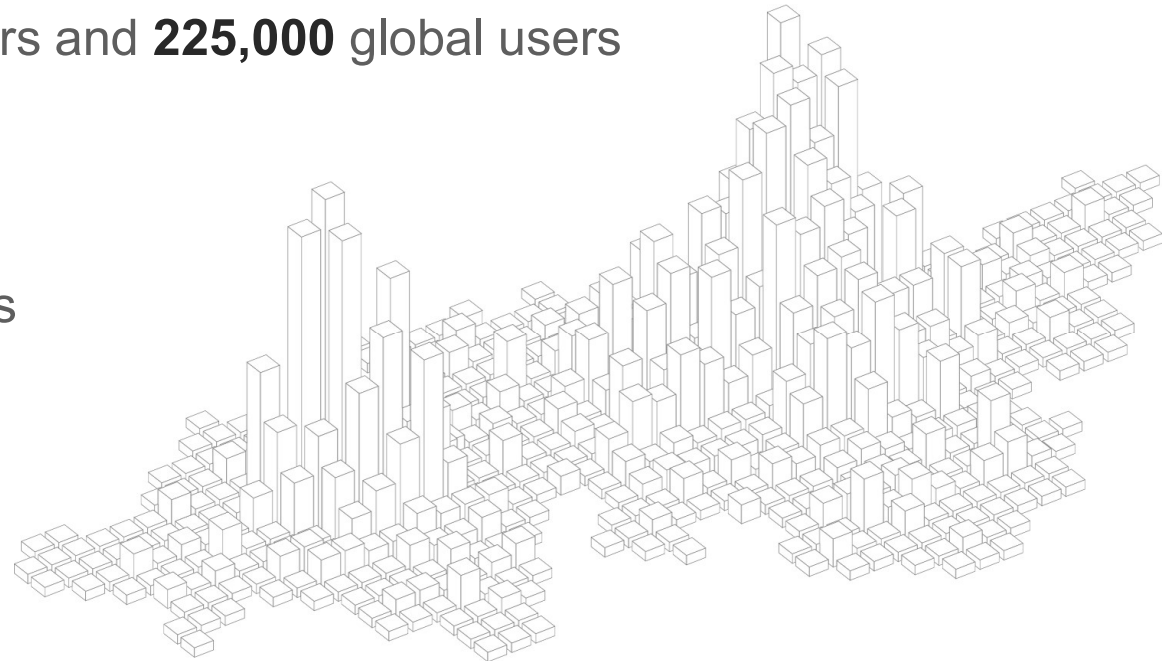
+ PROJECT & IT FINANCIAL
MANAGEMENT

+ WORKFLOW
AUTOMATION

+ DIGITAL
ENGAGEMENT

OVERVIEW

- + **Leading provider** of cloud-based Enterprise Work Management software
- + Supporting over **1,600** customers and **225,000** global users
- + **IPO** in 2014
- + Headquartered in **Austin**, Texas



UPLAND PRODUCT FAMILY



PROJECT & IT MANAGEMENT

- + Lean Six Sigma/Process Excellence
- + Project & Portfolio Management
- + Professional Services Automation
- + Risk Management
- + IT Governance
- + IT Cost Management
- + New Product Development PPM
- + Time & Expense Management



WORKFLOW AUTOMATION

- + Enterprise Content Management
- + Accounts Payable/Receivable Automation
- + Human Resources Automation
- + Healthcare Records Management
- + Contract Process Automation
- + Legal Records Scanning
- + Education Workflow Automation
- + Government Document Management
- + Collaborative Supply Portal



DIGITAL ENGAGEMENT

- + Application-to-Person Mobile Messaging
- + Mobile & Text Marketing
- + Web Content Management
- + Website Visitor Analytics & Reporting



COMPLIMENTARY ONLINE WEBINARS

+ To view our other webinars visit:

+ <http://uplandsoftware.com/powersteering/resources/ppm-application-webinars/>

What's in
it for me?



- + Project risk management 101
- + Why do we need project risk management?
- + Some issues with traditional approaches
- + Learn about the benefits of practical risk management
- + See a lifecycle approach & how Eclipse can support it
- + Q & A

PROJECT RISK MANAGEMENT 101

- + What is it?
 - + Whole lifecycle management of threats (& opportunities) for projects
- + What's a risk?
 - + An issue that hasn't happened yet
- + Why are there risks?
 - + Because projects naturally possess uncertainty



WHY DO WE NEED PROJECT RISK MANAGEMENT?



- + Not proactively managing project risks leads to reactively resolving project issues
- + Inconsistency in estimating contingency amounts (time or budget)
- + Would you invest in a financial security without some evaluation of its risk?

ISSUES WITH TRADITIONAL APPROACHES

- + Too theoretical & assume availability of supporting historical data
- + Project teams often come up with unrealistic / invalid risks
- + Risk response plans rarely get executed
- + Too much effort spent with little value realized



WHAT IS PRACTICAL RISK MANAGEMENT?



- + Expend max. 10% of PM effort on Risk Management
- + Measure effectiveness (& value) of project risk management activities throughout & at end of each project
- + Focus on management of specific, realistic & actionable risks

BENEFITS OF PRACTICAL RISK MANAGEMENT

- + Executives:
 - + Management of risks = better rate of return on overall project portfolio
- + Project Sponsors:
 - + Management of risks = improved project predictability
- + Project Managers:
 - + Provides a method of quantifying contingency
- + Project Resources:
 - + Reduces “firefighting” over project lifetime



A LIFECYCLE APPROACH

During project intake:

- + Score projects consistently using common risk factors / criteria

During project planning:

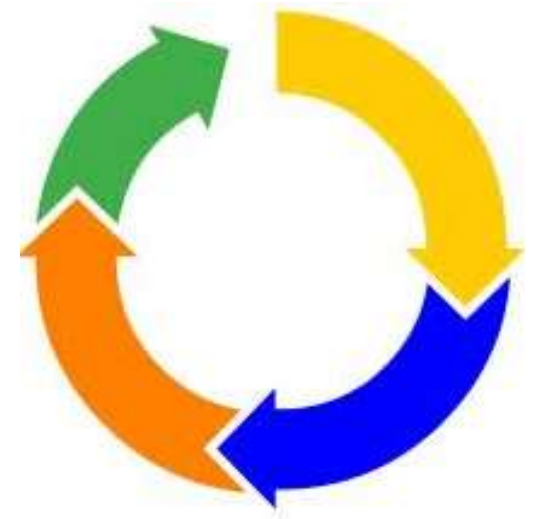
- + Identify, analyze & respond to small set of most critical project risks

During project execution:

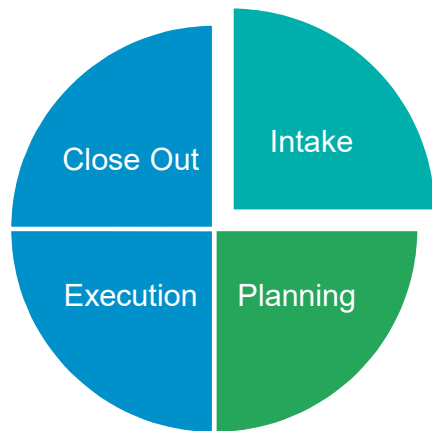
- + Regularly monitor & refresh risk portfolio

During project closeout:

- + Update lessons learned data with project issues that were not identified proactively as risks
- + Update quantitative risk impact data
- + Evaluate effectiveness of risk management process



PROJECT INTAKE



Approach:

- + Define 5 to 10 risk factors
- + Score projects against these factors
- + Calculate a risk score for projects using weighted sums of these factors

Possible uses of data:

- + Accept or reject projects using risk scores as one input
- + Use risk scores to assign appropriate resources to manage or staff project teams

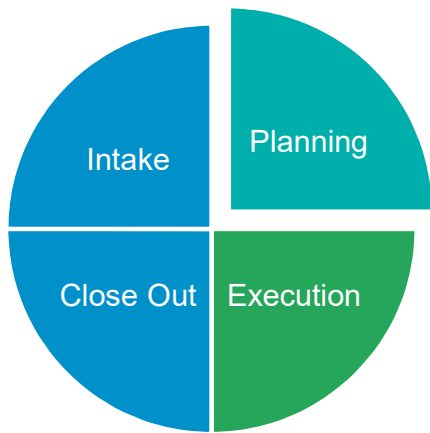
PROJECT INTAKE

Examples of risk factors / criteria

- + Resource availability (or lack thereof)
- + Technology uncertainty
- + Organization changes imposed
- + Change resistance
- + Sponsor effectiveness or commitment
- + External influences



PROJECT PLANNING



- + PM holds risk identification meeting
- + Great team building exercise; identify individual risk biases
- + Identify max 10 specific project risk events to actively manage
 - + General: “If we lose a resource, the schedule will slip”
 - + Specific: “We only have one Business Analyst in the team, and that resource is allocated on ten projects, so there is a strong likelihood that the schedule will be impacted”
- + Assign probability to each risk (low, medium, high)

PROJECT PLANNING

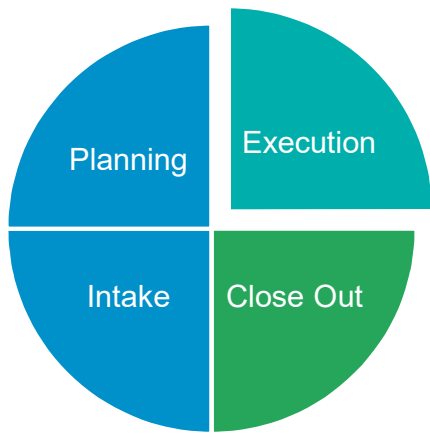
- + Total impact of each risk event in terms of key project objectives (cost, schedule, quality, scope...)
- + Calculate expected impact based on probability x total impact; define contingency
- + Build responses for high impact risks into project schedule
- + Negotiate for scope changes based on risk reduction
- + Project risk paradox: most unknowns during planning, but best chance to address them



DURING PROJECT PLANNING

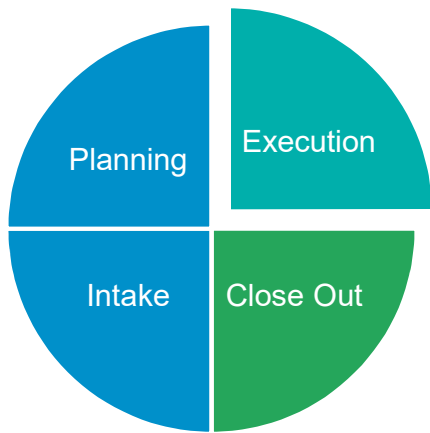
Risk ID	Risk Event Description	Total Impact	Probability	Expected Impact
1	If the vendor does not deliver the software by Jan 1, this will impact the overall schedule	2 months	50%	1 month
2	The cost of hardware has been estimated at \$10,000. If the software requires a higher end processor, this will impact project costs	\$5,000	50%	\$2,500

PROJECT EXECUTION



- + 15 minutes: review risk portfolio at every 2nd project team meeting
- + 15 minutes: review risk portfolio whenever significant project change occurs
- + Don't actively manage >10 risk events; if new event is identified, drop lowest priority risk
- + If risk event realized as project issue, close off that risk event

PROJECT CLOSEOUT



- + Review project issues; flag those not identified as risks, as possible lessons learned
- + Review project issues identified as risks and update impact & probability estimation data
- + Review overall effectiveness of process – how much effort was expended, did it reduce “firefighting”?

THANK YOU!

For more information visit

- <http://uplandsoftware.com/powersteering>
 - Future Webinars
 - Product Demos
 - White Papers

For Questions or Comments:

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PDU Information:

- Activity number: 2750-021616



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QUESTIONS?

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