

**Advanced project risk reporting webinar**  
**Question and Answers**  
**Wednesday 21 September 2022**

<b>Questions</b>	<b>Answers</b>
Some really powerful tools and techniques, but from the voting often not used. What are the barriers you've seen and what has been your approach to overcoming them?	Barriers are lack of education, reports (poorly) not considered value-for-money. From what I've experienced the cost of the (lifelong) reports are negligible in relation to the software/development costs.
Is there a danger that advance risk reporting is getting quite detailed/busy for a project that doesn't really need it? How would you identify this?	These tools should definitely be used on major projects and programmes. For smaller project, perhaps at phase reviews, and definitely baseline reviews. The insight you lose without them is too much.
Are there best practices for estimating costs or time involved in each risk? This sounds quite time consuming!?	The same question is asked about updating schedules. From what I've experienced, there is an extremely strong correlation between doing all of the reports I showed you and successful delivery. Most of the reports I've demonstrated come from very little data.
PID also means project initiation document - would there not be some confusion if these too are called PID as well?	I think this is education and a good project glossary. There is Cost Breakdown Structure, Contract Breakdown Structure. I have also seen Earned Value Analysis being confused with Economic Value Added.
Is there a danger that advance risk reporting is getting quite detailed/busy for a project that doesn't really need it? How would you identify this?	These tools should definitely be used on major projects and programmes. For smaller project, perhaps at phase reviews, and definitely baseline reviews. The insight you lose without them is too much.
Is there an industry standard for the formula for the impact, EMV, Impact days etc?	The EMV does have standards depending on the type of distribution chosen. E.g. Triangular = $Probability * ((Min + ML + Max) / 3)$ .
Are there standard categories for RBS or will it be industry specific?	From what I've experienced these are often company specific.
How do you quantify a risk that does not impact cost/schedule e.g. upsetting the customer?	These should align to your PID RAG zones, e.g. 1 = Quick conversation, 3 = Management escalation, 5 = Social Media Apology.
What do you think about the relation between the earned value management and risks?	Earned Value and Issues inform you how you have performed. Risk Management informs how you think you will perform. SPI & CPI are very important, TSPI & TCPI (EV to go) immensely important to.
I assume the graph start/end date are using the RAG rating from the PIDS?	Yes. You can use other categories too!
How do you report risk linkage?	I showed a slide with an example report. You could also show linkages such as Risk to Issue, Assumption to Risk, etc.
What are your thoughts on Monte Carlo analysis?	A very powerful technique to assist in estimation of performance and contingency and float required. Trending of this is extremely powerful to see if forecasting is accurate - this can then be a part of future assessment information.

<p>I do not fully understand the risk table and the time numbers and the risk numbers. This is different to how I do it. Can you explain how you exactly get those numbers in the box please?</p>	<p>Please look at the example workbook and contact me with any queries.</p>
<p>How do you allocate the risk level number? We put high 5,5, but I notice a single number in the box?</p>	<p>I use Probability x Impact, e.g. 5 x 5 = 20. Some companies skew the scoring in favour of probability or impact.</p>
<p>Do you use any specific software for these risk management techniques? We're currently reliant on Excel</p>	<p>I have used Actice Risk Manager (ARM now Riskconnect) for P6-ARM Schedule integration. Safran have great Integrated Cost &amp; Schedule risk Analysis software.</p>
<p>PID also means project initiation document - would there not be some confusion if these too are called PID as well?</p>	<p>I think this is education and a good project glossary. There is Cost Breakdown Structure, Contract Breakdown Structure. I have also seen Earned Value Analysis being confused with Economic Value Added.</p>
<p>Can a PID (Probability Impact Diagram) Gate Out? From a rate of change too great.</p>	<p>If you mean the ranges of the 1-5 impact categories, then no. I don't think there's any project that changes so rapidly PIDs could not be reassessed and implemented. The risk software should make this scoring scheme change very easy.</p>