

# **Planning Process Group Artifacts**

11.1 Plan Risk Management

11.1.1 Organizational Process Assets

PMGT 690, ERAU, Prof. Sherman

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**11.1.1 Organizational Process Assets (Inputs):** This homework assignment was taken from PMGT 613, deliverable 3.4. A component of the organizational process assets includes risk categories. This assignment highlights risk categories which can be used as an input for the Plan Risk Management process.

**What is the value of categorizing and documenting risks at the beginning of a project versus later in the project? Who benefits most from these efforts and why?**

Identifying and being aware of risks as early as possible enables more time to react. Early risk identification enables key project decisions to take maximum account of risks inherent in the project, and may result in changes to the project strategy (PMI, 2009). The identification of risks in project management is very important to help avoid project failure such as cost overruns and not meeting milestones. Risks are any uncertainties that can have certain negative impact on the project. Early recognition among project team and stakeholder is vital to project success.

Early warning signs (EWS) are observations, signals, message, or some other form of communication that is or can be seen as an expression, indication, proof, or sign of the existence of some future or incipient of a positive or negative issue (Williams and Magnussen, 2012). It is a signal of future developments. This particular article suggests using a pluralistic approach; utilizing many different perspectives and methods in gathering and analyzing EWS as early as possible. The tools that can be used are the organizational project assets, lessons learned, assessments and think tanks. All of these methods has their pros and cons. What is important is to use the tools that are available to identify these risk factors as early as possible in the project

life cycle. This allows project managers, sponsors and owners more time to think ahead and have plans if and when these risks become a reality. Practical solutions can be implemented accordingly instead of “on the spot” reactions. Risk management needs to be proactive instead of reactive.

### **Reference List**

Project Management Institute, (2009) Practice Standard for Project Risk Management, PMI Inc, Newton Square, Penn

Williams T., Klakegg, J. Walker D., Anderson B., Magnussen, M. (2012) “Identifying and Acting on Early Warning Signs in Complex Projects” *Project Management Journal*, Apr 2012, Vol. 43, Iss 2, pgs. 37-53.