

A pineapple is shown on the left side of the slide, with its green leaves at the top and a slice of the yellow fruit at the bottom. A solid blue vertical bar is positioned to the left of the pineapple. The background is white.

Project Risk Map

Become a risk intelligent organization in execution

Deloitte.

Project Risk Map

Complexity/Inherent risk

Risk drivers



Project Risk Map

Complexity/Inherent risk

Risk drivers

Stakeholder

- Risk factors**
1. Number of stakeholder groups
 2. Stakeholder alignment
 3. Power of stakeholder

Project Risk Map

Complexity/Inherent risk

Risk drivers

Social factors

Risk factors

1. Multi-disciplinary
2. Cross discipline familiarity
3. Breadth of change across the organization
4. Paradigm shift
5. Types of users impact the the project outcome

Project Risk Map

Complexity/Inherent risk

Risk drivers

Ambiguity

Risk factors

1. Approach uncertainty
2. Assumption/decision uncertainty
3. Breadth of assumptions
4. Level of conceptual complexity and abstraction risk
5. Cost estimation
6. Clarity of project scope to participants
7. Clarity of project deliverables in name and content

Project Risk Map

Complexity/Inherent risk

Risk drivers

Technical

Risk factors

1. Integration complexity
2. System development complexity
3. Impact of infrastructure
4. Extent of support for project hardware or system software
5. Availability of hardware and software for testing
6. Degree of customization required for software applications
7. Number of hardware or software products required to be integrated from different vendors
8. Degree of required hardware customization
9. Complexity of required data processing
10. Reliability of data or application security process
11. Availability and experience of data or application security administration

Project Risk Map

Complexity/Inherent risk

Risk drivers

Project management

Risk factors

1. Level of accountability
2. Project team experience
3. Project journey
4. Schedule complexity in terms of milestones and tasks
5. Project team size
6. Project structure
7. Contracting mechanism
8. Rollout
9. Variation
10. Flexibility in terms of cost/time/quality
11. Resources in teams of range and availability
12. Timeframes
13. Financial cost

Project Risk Map

Realism of project plan and cost estimates

Risk drivers



Project Risk Map

Realism of project plan and cost estimates

Risk drivers

How certain are we that we have accurate cost estimates?

Risk factors

1. Credibility of estimation or scheduling assumptions
2. Degree of confidence in expenditure and funding projections

Project Risk Map

Realism of project plan and cost estimates

Risk drivers

Can we afford the project?

Risk factors

1. Sufficiency of project funding over time
2. Availability of project maintenance funding after project closure

Project Risk Map

Realism of project plan and cost estimates

Risk drivers

How much experience do we have costing similar things?

Risk factors

1. Number of past projects of similar size and nature for which estimators have developed cost and schedule estimates
2. Contribution of team members in developing cost and schedule estimates

Project Risk Map

Realism of project plan and cost estimates

Risk drivers

How much flexibility do we have in managing unforeseen contingencies?

Risk factors

1. Reliability of project's major milestones and operational dates
2. Amount of foreseen slack time included in project schedule estimate

Project Risk Map

Execution

Risk drivers

Risk areas

Risk drivers

Risk areas



Project Risk Map

Execution

Risk drivers

Governance

Risk areas and factors

1. Structure of the Steering Committee
2. Delegation of authority – Steering Committee
3. Ongoing governance
4. Scope management
5. Managing Project stage boundaries
6. Priority management
7. Approval mechanisms for Project decisions
8. Project management cycle – risks, performance, costs, issues, replan
9. Project monitoring and control systems
10. Project Management performance measures
11. Project reporting

Project Risk Map

Execution

Risk drivers

Governance

Risk areas and factors

1. Delegated authority of Steering Committee
2. Delegated authority of the Project Manager
3. Accountability of the Project Manager
4. Holding Project Manager accountable
5. Project Manager performance management
6. Business contribution definition
7. Resource commitment, management, tracking and escalation

Project Risk Map

Execution

Risk drivers

Governance

Risk areas and factors

1. Issue management relationship
2. Issue capture and tracking approach
3. Issue prioritization
4. Issue escalation methods
5. Issue resolution governance
6. Troubleshooting of problems
7. Issue resolution effectiveness
8. Issue management timing
9. Issue resolution efficiency

Project Risk Map

Execution

Risk drivers

Governance

Risk areas and factors

1. Role clarity and control
2. Experience of owner
3. Technical versus business unit roles

Project Risk Map

Execution

Risk drivers

Governance

Risk areas and factors

1. Business case
2. Benefits management model
3. Design for benefits realization
4. Benefits documentation

Project Risk Map

Execution

Risk drivers

Governance

Risk areas and factors

1. Budget setting
2. Budget control
3. Budget ownership
4. Budget changes
5. Financial control system

Project Risk Map

Execution

Risk drivers

Ownership

Risk areas and factors

1. Owner's level of operation
2. Executive sponsor oversight approach
3. Executive engagement
4. Executive alignment
5. Executive expectation management

Project Risk Map

Execution

Risk drivers

Ownership

Risk areas and factors

1. Strategic alignment
2. Case for action
3. Measure of success
4. Objectives, vision, outcomes – depth and clarity
5. Objectives communicated
6. Project Team internal governance
7. Direction management approach
8. Project Manager – Business Owner relationship quality
9. Managing boundaries – Project/User

Project Risk Map

Execution

Risk drivers

Delivery management

Risk areas and factors

1. Project KPIs
2. Rate of progress measures used (EVM measures and similar)
3. Project metrics – tracking systems
4. EVM used how
5. EVM used for
6. Estimating approach
7. Technical project management approach
8. Testing
9. Document management
10. Outcome management and quality control
11. Project journey management
12. Project management technologies
13. Project Manager's leadership style
14. Project Team morale

Project Risk Map

Execution

Risk drivers

Delivery management

Risk areas and factors

1. Requirements gap management
2. Acceptance model
3. Acceptance gap negotiation
4. Stakeholder expectation management
5. Client acceptance management

Project Risk Map

Execution

Risk drivers

Delivery management

Risk areas and factors

1. Front end loading
2. Design approach
3. Holistic design level
4. Design integrity management
5. Assumption tracking
6. Requirements capture
7. Requirements coverage
8. Requirements ownership
9. Requirement prioritization
10. Requirement benefit link
11. Requirement issue link
12. Requirement traceability
13. Requirements change control
14. Understanding of test needs

Project Risk Map

Execution

Risk drivers

Delivery management

Risk areas and factors

1. Project attitude to planning
2. Project planning approach - one size, horses for courses, fit for purpose
3. Left to right versus right to left planning
4. Work Breakdown Structure (WBS) management
5. Milestone and deliverable timing
6. Credibility of timing
7. Critical path analysis and usage
8. Release management approach
9. Release/rollout execution
10. Contingency planning
11. Planning versus scheduling

Project Risk Map

Execution

Risk drivers

Delivery management

Risk areas and factors

1. Schedule integrity
2. Schedule quality assurance
3. Schedule quality metrics
4. Task timeframe quality
5. Sequencing of tasks
6. Resource loading
7. External dependency management
8. Schedule baseline management
9. Project float management
10. Lag time
11. Schedule life cycle
12. Schedule management

Project Risk Map

Execution

Risk drivers

Delivery management

Risk areas and factors

1. Overall approach to managing uncertainty
2. Scope uncertainty management
3. Technical maturity uncertainty management
4. Managing emergence

Project Risk Map

Execution

Risk drivers

Delivery management

Risk areas and factors

1. Stakeholder identification
2. Stakeholder management approach
3. Ongoing engagement by key stakeholders
4. Political management
5. Business Unit conflict resolution
6. Field impact management
7. Change management gap analysis
8. Change management planning

Project Risk Map

Execution

Risk drivers

Business unit

Risk areas and factors

1. Business unit strategic support
2. Business unit tactical support

Project Risk Map

Execution

Risk drivers

Business unit

Risk areas and factors

1. Business unit impact definition
2. Business unit impact risk management

Project Risk Map

Execution

Risk drivers

Resource management

Risk areas and factors

1. Resource planning
2. Project Manager selection basis and level
3. Project Team structure
4. Team selection

Project Risk Map

Execution

Risk drivers

Resource management

Risk areas and factors

1. Project Team member experience
2. Project Team skills
3. Technical skill levels
4. Scheduler skills levels
5. Project outsourcing skills

Project Risk Map

Execution

Risk drivers

Resource management

Risk areas and factors

1. Internal resource allocation to Project
2. Management of internal resource commitments
3. Resources over allocated management

Project Risk Map

Execution

Risk drivers

Resource management

Risk areas and factors

1. Project Team initiation and setup
2. Team performance management

Project Risk Map

Execution

Risk drivers

Risk management

Risk areas and factors

1. Pre-Project risk management
2. Approach to risk management
3. Complexity understood by stakeholders
4. Types of risk managed

Project Risk Map

Execution

Risk drivers

Risk management

Risk areas and factors

1. Strategic risk management by the project
2. Tactical risk management by the project
3. Identification of political/stakeholder risks
4. Management of political/stakeholder risk
5. Reputational risk management

Project Risk Map

Execution

Risk drivers

Risk management

Risk areas and factors

1. Technical challenges understood
2. Technical maturity risk management
3. Technical evolution management

Project Risk Map

Execution

Risk drivers

Risk management

Risk areas and factors

1. Contingency risk management
2. Contingency cost controls

Project Risk Map

Execution

Risk drivers

Contract management

Risk areas and factors

1. Contract management strategy definition
2. Bid management approach
3. Contract management structure
4. Contract administration approach
5. Project management process ownership (vendor/client)
6. Intellectual Property (IP) management (vendor/client)
7. Project Team initiation and setup
8. Contract issue management
9. Vendor performance measurement
10. Goal sharing KPIs
11. Vendor relationship management level
12. Vendor teaming

Project Risk Map

Execution

Risk drivers

Contract management

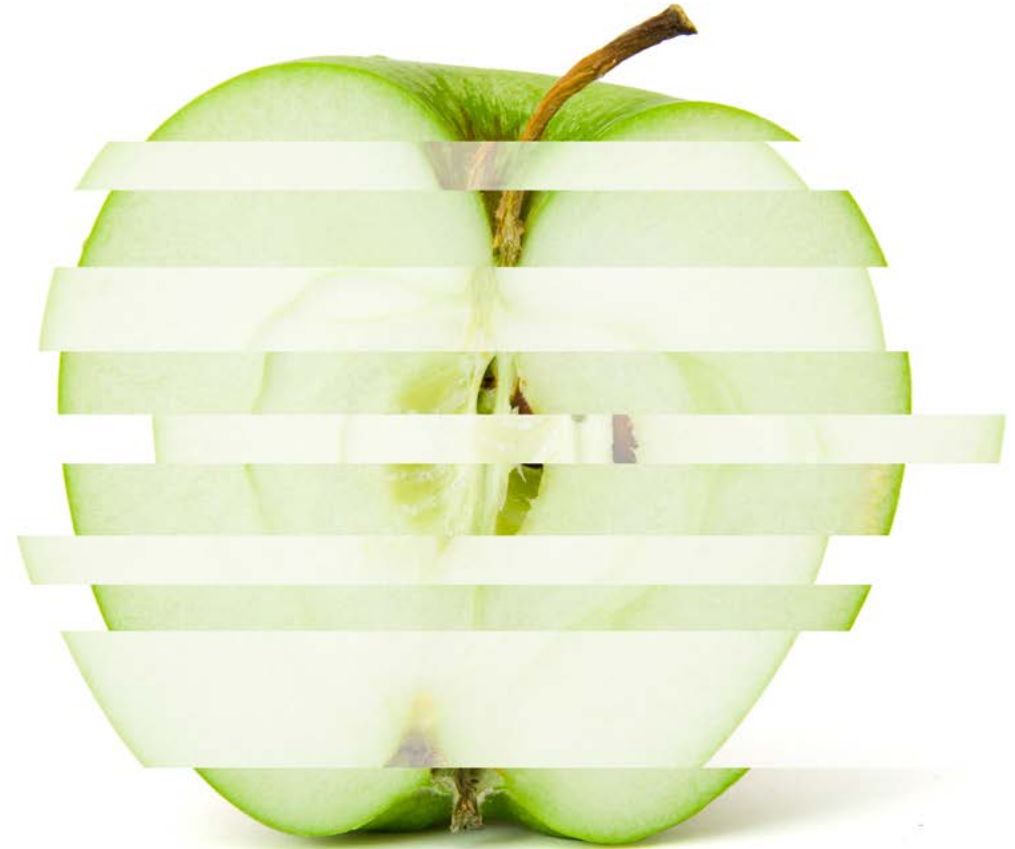
Risk areas and factors

1. Strategic alliance
2. Contract types
3. Contract supplier selection
4. Contractor capability assessment
5. Vendor-customer relationship management
6. Contract deliverable tracking
7. Contract documentation

Project Risk Map

Business case soundness

Risk drivers



Project Risk Map

Business case soundness

Risk drivers

Why do we need the project?

- Risk factors**
1. Role or project in ensuring the company is in compliance with applicable laws or regulations
 2. Direct contribution of project to achievement of stated company goals
 3. Positive impact project's outcome on company's competitive advantage due to increased process efficiency or higher perceived value by users

Project Risk Map

Business case soundness

Risk drivers

What will be the consequences to our business if we failed to do the project?

- Risk factors**
1. Negative impact of project outcome on company's competitive position if the project is postponed by 12 months
 2. Change in shareholder perception due to failed project outcome
 3. Length of time that business can operate effectively in the event of project outcome's outage
 4. Extent of user visibility to project challenges
 5. Extent of customer and external party visibility to project outcome

Project Risk Map

Business case soundness

Risk drivers

How clearly can we measure our ability to deliver what we need?

- Risk factors**
1. Alignment of project outcome to business vision as well as strategic or tactical plans
 2. Clarity of benefits
 3. Clarity of project success measures

Project Risk Map

Business case soundness

Risk drivers

How will our needs change or evolve throughout the project's duration?

Risk factors 1. Stability of requirements

Project Risk Map

Business case soundness

Risk drivers

How will our needs change or evolve throughout the project's duration?

Risk factors

1. Inadequate modeling of financial business case.
2. Risk identification and quantification is incomplete
3. Inherent complexity and execution complexity(governance) are not fully factored in the model
4. Lack/absence of scenario/alternative analysis
5. Identification, impact and sensitivity of value drivers
6. Key assumptions and risks from business case are not tracked on execution
7. Weak or misaligned benefit management model
8. Business case is filed after approval and not updated throughout execution

Project Risk Map

Project sponsor commitment

Risk drivers



Project Risk Map

Project sponsor commitment

Risk drivers

Who is sponsoring the project?

- Risk factors**
1. Number of business units sharing sponsorship of the project
 2. Clarity of project participants' roles and responsibilities

Project Risk Map

Project sponsor commitment

Risk drivers

How involved are sponsors in stewarding the project?

Risk factors

1. Engagement of key stakeholders in the project
2. Commitment of project stakeholders to project success

Project Risk Map

Project sponsor commitment

Risk drivers

How effective are the sponsors at articulating why they need the project?

Risk factors

1. Number of prior projects of similar size and nature to which the business sponsor has been exposed
2. Ability of sponsor to articulate business requirements based on prior exposure to IT projects

Project Risk Map

Organizational impact and user readiness

Risk drivers



Project Risk Map

Organizational impact and user readiness

Risk drivers

Who are the intended users of what we are building?

- Risk factors**
1. Number of business units or functions impacted by project outcome
 2. Number of users impacted by project outcome
 3. Geographical dispersion of user groups
 4. Types of users impacted by the project outcome

Project Risk Map

Organizational impact and user readiness

Risk drivers

Is considerable change envisioned for users as a result of the project?

Risk factors

1. Availability of relevant documentation for users
2. Level of systems outage that can be tolerated due to maintenance
3. Impacts of project outcomes on users
4. Degree of change required expertise or capabilities
5. Degree of change to procedures, processes, or organizational structure
6. Degree of change to user's responsibility or autonomy
7. Degree of change to reporting relationship or physical locations as a result of this project
8. Degree of change in attitudes and norms
9. Impact of project on user's work-life balance

Project Risk Map

Organizational impact and user readiness

Risk drivers

Is considerable change envisioned for users as a result of the project?

Risk factors

1. Lack of strong value proposition
2. Unclear vision for the future
3. Weak plan for the journey
4. Inadequate sponsorship and support
5. Incomplete training plan for future technical and non-technical needs
6. Ignoring resistance amongst different stake holders groups and/or lack of buy-in
7. Incomplete or misaligned organizational infrastructure elements to support the future state vision
8. Impact of other projects or initiatives that are interdependent
9. Conflicting initiatives that have not been prioritized and rationalized

Project Risk Map

Reliability of project resourcing (interdependence)

Risk drivers



Project Risk Map

Reliability of project resourcing (interdependence)

Risk drivers

How likely is it that the other required inputs will be available when needed?

Risk factors

1. Number of existing systems or applications that must interface with the new system
2. Extent to which the project requires data from other sources
3. Extent to which project requires deliverables as input from other projects
4. Criticality of input deliverable dependencies to project performance

Project Risk Map

Reliability of project resourcing (interdependence)

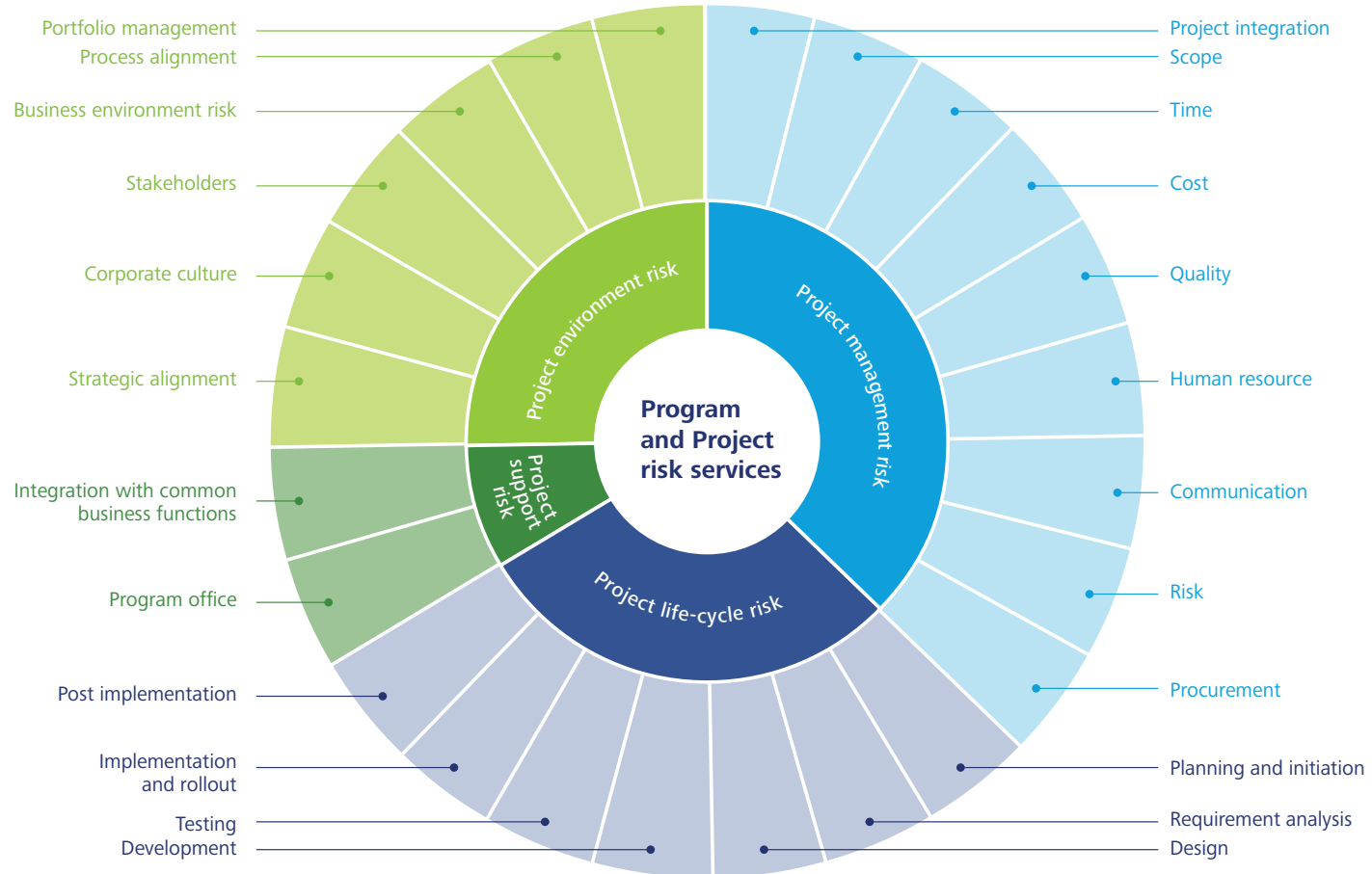
Risk drivers

How likely is it that the required external resources will be able to deliver on their commitments?

Risk factors

1. Extent to which project requires resources from other organizations
2. Number of third party groups involved in delivering the project
3. Rigor of third-party selection process
4. Number of times the company has successfully worked with third-party organization before
5. Third party's experience level with off shoring engagements
6. Third party's experience level with outsourcing engagements
7. Third party's experience level with subcontracting engagements

Program and project risk services



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Planning for success

Leveraging Predictive Project Analytics (PPA)
to close the gaps

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