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Completing the Risk Register



Why do it?

To provide the sponsor and customer, as appropriate, with a complete assessment of the risks associated with the project.

How do I do it?

1. **Prioritize your list of risks by putting your high-impact and high-probability risks at the top and the low-impact and low-probability risks at the bottom.**
 - This will help you decide which risks to develop risk response plans for. (Risk response plans are described in the next section.)
2. **Create a 3x3 chart and plot each risk, by its unique identifier, on the chart.**

Sample 3x3 Plot for Risks 1-10

Impact	High	8	5, 6	2
	Medium	4		7
	Low	9,10	1	3
		Low	Medium	High

Probability



If you identify many more risks than you expected, that can be good news. You can't respond to risks you don't know about. If you have a lot of risks, it may mean that you did a thorough job of identifying the risks.

Developing Risk Response Plans



Now you can find ways to reduce individual risks and the overall risk to the project. (You will probably not develop detailed risk responses to all risks, especially if you have identified more than 20 risks. Put any low-impact low-probability risks on a “watch list” and revisit them periodically.)



In some instances a response to one risk will take care of several other risks. Other times you will not be so lucky, and you will find that a response to a risk will create a secondary risk that you will need to analyze and respond to.

Why do it?

To reduce the probability or impact (or both) of individual risks and of the overall project risk.

How do I do it?

1. **Working with your project team, review your risks to see what actions you can take to reduce or eliminate them.**

- Look at four types of actions:
 - *Avoid the risk:* Prevent the situation that causes the risk. Perhaps you can find another approach to the work that will eliminate the risk.
 - *Mitigate the risk:* Look for a way to reduce a risk's probability, impact, or both. If you take action to lower a high-impact medium-probability risk to a low impact and low probability, you are successfully mitigating the risk.
 - *Transfer the risk:* Contractually outsource the work or buy insurance to transfer the risk to a third party.
 - *Accept the risk:* Accept risks that have a low impact or a low probability. You can *passively* accept them by dealing with them only if they occur, or you can *actively* accept them and allot contingency budget or time in the schedule. You may also choose to accept a risk if the cost to avoid, mitigate, or transfer it is too high.

Look at your high-impact high-probability risks first, then your high-impact medium-probability risks, and then your high-probability medium-impact risks.



If you do not identify a risk, you have accepted it by default. If you choose not to formally respond to a risk, you have accepted it by default.

Brainstorming is a great tool to use when you develop risk responses.

2. Enter the risk response into the risk register.

3. **Assign accountability to the most appropriate team member.**
4. **Look to see whether any of the risk responses have initiated any new risks.**
 - If they have, enter the new risks in the risk register and put them through the cycle of risk analysis and response development.



Identifying, analyzing, and responding to risks are ongoing activities. They are not something you do once at the beginning of the project and then forget about. As you progress through the project, you will identify new risks and will experience changes to some risks. Other risks will pass, and you can stop worrying about them.

Revisit the entire risk process at predetermined time intervals, when you achieve a significant milestone, when you have a change in scope or change a key team member or stakeholder, or if a major unidentified risk occurs.



Remember, the purpose of risk management is to reduce the likelihood that you will not meet one or more of the project objectives. Usually, high-impact risks are of more concern than high-probability risks.