



KnowRisk[®]

IT Risk Assessment

Project:

Date:

- Links:**
- A. Brainstorm and Evaluate Risks with the RiskMatrix**
 - B. Add Risks with the KnowRisk Checklist**
 - C. Identify Risk Responses with the ResponseMatrix**
 - D. Add KnowRisk Recommended Responses**
 - E. Identify Strategies for Managing Risks**
 - F. Plan KnowRisk Actions using a Worksheet**

Web/Component Development Version 7.5

KnowRisk *IT Lite* is a product of the ProjectExperts

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KnowRisk® Risk Identification Matrix

A. Brainstorm Risks, then Record and Evaluate Them Here

Project: Sample KnowRisk Project

Date: 1-Jan-2013

Qualitative Assessment			Identify Risks	Quantitative Assessment				Resolved?
Risk Ref#	Probability SML	Impact SML	Risk Identified	Vital Signs Affected	Likelihood (in %)	\$000 Cost If Realized	Weighted Risk Cost in \$000	
1								
2								
3								
4								
5								
6								
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11								
12								
13								
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16								
17								
18								
19								
20								
21								



KnowRisk® Project Risk Assessment

B. KnowRisk Assessment Checklist

Project: Sample KnowRisk Project

Date: 1-Jan-2013

Checklist Introduction

Checklist

Filled Out By: Stacy Goff **Date:** 1-Jan-2013

For Customer: _____

Date	Enter date, then Size, Structure and Technology Scores	Risk Scores
	A. Portfolio Planning	_____
	B. Initial Planning	_____
	C. Requirements	_____
	D. Design	_____
	E. Implementation	_____
	F. Post-Implementation	_____
Comments:		

To Risk Assessment Participants:

The checklist that follows helps you to assess the risk of the project named above. We ask that you evaluate the questions and respond as well as you can. Place your response, L, M or H, for Low, Medium and High risk respectively, in the Risk column, second from the right on the checklist.

Some of the questions may not pertain to you. If you feel that is the case, leave those questions blank. If you wish, you may fill out the checklist twice: Once considering an optimistic scenario, the other the pessimistic scenario.

After customers, Information Technology managers and team members complete the checklist, we will get together to discuss the risks recognized, and identify ways to manage them.



KnowRisk® Project Risk Assessment

B. KnowRisk Assessment Checklist

Project:	Sample KnowRisk Project	Date:	1-Jan-2013		
Risk Area	1. SIZE Risk Questions (Effort and Cost)	Weight	Risk	Points	
1.1 Total Hours	Total estimated work-hours for the project: L = Less than 3000; M = 3000 to 12,000; H > 12,000 hours	5	M	15	
1.2 Duration	The project's planned duration is (in months): L = Less than 3; M = 3 to 6; H = More than 6.	4	M	12	
1.3 Ideal Duration	Project's due date compared to ideal duration (based either on Project Type analysis, or on what you consider reasonable): L = Flexible; M = Within +/-25%; High = Beyond +/-25%.	5	H	25	
1.4 Added Costs	Added costs (beyond direct project labor), such as software package purchase, equipment, or contractor expense: L = < 100,000, M = \$100,000 - 1,000,000, H = > \$1,000,000	4	H	20	
1.5 Project Return	The project will provide return on investment (break even): L = In 6 months; M = In two years; H = Over two years.	2	H	10	
1.6 System Life	Expected life of new system: L = One time; M = 0 to 4 years; H = > 4 years.	3	M	9	
Risk Area	1. SIZE Risk Questions (Complexity)	Weight	Risk	Points	
1.7 Relative Size	Size of this project compared to others successfully completed by this team: L = Much smaller; M = Similar; H = Significantly larger.	4	M	12	
1.8 Number of Decision-makers	The number of decision-makers, or independent customer groups units involved with the project: L = 1; M = 2; H = 3 or more.	5	M	15	
1.9 Implementing Sites	Number of different sites that will implement the system: L = 0 to 2; M = 3 to 5; H = More than 5.	3	M	9	
1.10 Interfaces	Number of existing systems to interface with: L = 0; M = 1 to 2; H = over 2.	4	L	4	
1.11 Subprojects	Number of subprojects (individual teams) in this project: L = 1; M = 2 to 4; H = More than 4.	4	L	4	
1.12 Hosting Locations	How many hosting locations will you have? L = one location; M = The two or three H = More than three hosting locations.	4	L	4	
1.13 Estimate Uncertainty	How much doubt is there in your estimate of project size? L = Very low doubt, all assumptions are documented; M = Somewhat confident; H = It was a guess, with no discussion, or is based on affordability constraints.	5	M	15	
Size Summary	Range: Low = 52	Medium = 156	High = 260	154	



KnowRisk® Project Risk Assessment

B. KnowRisk Assessment Checklist

Project:	Sample KnowRisk Project	Date:	1-Jan-2013		
Risk Area	2. STRUCTURE Risk Questions (Definition)	Weight	Risk	Points	
2.1 Objectives	Project objectives and scope are: L = Well defined; the objectives clearly state the "Why"; M = Defined at a high level, H = Vague, or incomplete.	4	L	4	
2.2 Mandated or Political	The primary reason for starting this project: L = Seizes business opportunity; M = Solves a business problem; H = Mandated by regulatory group or of highly political (internal or external) in nature.	2	L	2	
2.3 Requirements	The requirements for the new system are (or will be): L = Complete, with graphic models and storyboards; M = Moderately well defined, with some graphic models; H = Incompletely defined or in narrative form only.	4	M	12	
2.4 Requirements Participation	The requirements were defined by: L = Developers and customers, working together; M = Customers alone; H = Developers alone.	5	L	5	
2.5 Definition Process	The process for defining requirements involved: L = Facilitated sessions with customers, and prototyping; M = Interviews and examples; H = Little or no interaction or involvement.	3	M	9	
2.6 Dependence on Other Projects	Is this project dependent on other concurrent projects? L = No; M = Yes, one project that is 2-3 phases earlier; H = Yes, several, or one that is in the same phase.	3	L	3	
Risk Area	2. STRUCTURE Risk Questions (Customer Commitment)	Weight	Risk	Points	
2.7 Sponsor	The customer Sponsor for the system is: L = Informed and enthusiastic; will serve as arbiter; M = Identified, but probably won't arbitrate disputes; H = Unknown or from a different group than the user area.	3	L	3	
2.8 Customer Management Enthusiasm	Customer managers and supervisors, as a rule, are: L = Enthusiastic; M = Mixed, or Hesitant and concerned; H = Skeptical and resistant.	3	M	9	
2.9 Strategic Visibility	Executive visibility and relationship to strategic plan: L = High visibility with executive group, a key part of plan; M = Limited visibility; supports and is consistent with plan H = Not visible; or, you have no plan/not part of the plan.	2	M	6	
2.10 Customer Involvement	Key customer area members will be: L = Involved throughout; M = Available for limited periods; H = Unavailable during most of the project.	5	M	15	
2.11 Staff Acceptance	Customer area staff's acceptance of the system: L = Acceptance and involved; M = Concerned; H = Resistance and fear.	2	L	2	



KnowRisk® Project Risk Assessment

B. KnowRisk Assessment Checklist

Project:	Sample KnowRisk Project	Date:	1-Jan-2013		
Risk Area	2. STRUCTURE Risk Questions (Customer Impact)	Weight	Risk	Points	
2.12 Category	The nature of this project is primarily: L = Maintenance or Enhancement; M = Automation of an existing function; H = New business function.	3	H	15	
2.13 Procedures	The amount of business procedure change required: L = Little change; M = Moderate change; H = Extensive.	2	M	6	
2.14 Conversion	The extent of data conversion, in existing systems, or paper: L = Little or no conversion; M = Minor conversion, and/or same platform; H = Significant paper conversion, or a very large amount that exists on a different platform.	4	M	12	
2.15 Changes in Responsibility	The extent of changes in customer area responsibilities: L = Little change; M = Moderate change; H = Extensive.	2	L	2	
2.16 Volatility	The frequency of change in the business area is: L = Stable, no recent change; M = Moderate amount of change; H = Highly volatile, changes frequently.	3	M	9	
2.17 Policy Changes	Policy changes needed to support the new system: L = None needed; M = Needed and complete; H = Needed, but incomplete or undefined.	2	M	6	
Risk Area	2. STRUCTURE Risk Questions (Staffing)	Weight	Risk	Points	
2.18 Project Management Experience	Project Manager's experience with this size and type project: L = 3 or more similar projects; M = Fewer or smaller ones H = No project management experience.	4	L	4	
2.19 Project Leader's Authority	The authority and discretion the Project Manager has: L = Full decision-making authority; M = Authority within range limits; exceptions approved by sponsor; H = No authority, multiple external decision-makers.	2	M	6	
2.20 Team's Experience	Project team member experience with this business area: L = Most have experience; M = Some have; H = None have.	3	M	9	
2.21 Co-location	The team (including customer members) is located: L = Together in a "team area"; M = At one or two sites, but not located together; H = At more than two sites.	2	H	10	
2.22 Staff Sources	Staffing will be by: L = Experienced staff; M = Staff and familiar contractors; H = New contractors or outside vendor.	3	M	9	
Structure Summary	Range: Low = 66	Medium = 198	High = 330	158	



KnowRisk® Project Risk Assessment

B. KnowRisk Assessment Checklist

Project:	Sample KnowRisk Project	Date:	1-Jan-2013
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Risk Area	3. TECHNOLOGY Risk Questions (Use of Technology)	Weight	Risk	Points
3.1 New Technologies -- IT team	How many of the project technologies are new for your technical team (including contractors)? Examples include platforms, databases, middleware, languages, or development approach. Note: you may have multiples. L = 0 or 1; M = 2; H = 3 or more.	5	M	15
3.2 New Technologies -- User	How many of the technologies that the project will use are new for the intended END USERS? Do not include technologies they won't see, such as a development language that is not used for user queries. L = 0; M = 1; H = 2 or more.	3	M	9
3.3 Software Packages	Will you use purchased software or reusable objects? L = No; M = Yes, to some extent; H = Yes, relying on more than one package.	3	L	3
3.4 Package Decision Timing	When will the purchased software decision be made? L = Not using, or will decide only after developing complete requirements; M = After summary requirements developed; H = Project started with package purchase.	2	M	6

Risk Area	3. TECHNOLOGY Risk Questions (Platforms)	Weight	Risk	Points
3.5 New Hardware and/or Software	How familiar is the team with the hardware/middleware/ software platforms of the new system? L = High experience with all new platforms; M = Some experience with some platforms; H = Little experience with all platforms or no experience with one platform.	4	M	12
3.6 Hosting Network Experience	How much expertise have you with the network technologies? L = two or more projects; M = one project completed; H = no experience with this environment.	4	M	12
3.7 DataBase Experience	Is the database approach one you have experience with? L = No databases, or at least three projects experience; M = One commercial database used, some experience; H = Multiple distributed databases, little or no experience.	3	M	9
3.8 Language Familiarity	How familiar is the team with the programming languages? L = More than 3 projects with all languages; M = Some experience with the languages; H = Little or no experience.	3	M	9
3.9 Programming Style	How familiar is the team with the STYLE of programming (3rd generation linear vs. web-based or object-oriented)? L = All fully familiar; M = Some have experience in different programming style; H = Little or no experience with any.	3	M	9



KnowRisk® Project Risk Assessment

B. KnowRisk Assessment Checklist

Project:	Sample KnowRisk Project	Date:	1-Jan-2013		
Risk Area	3. TECHNOLOGY Risk Questions (Vendors)	Weight	Risk	Points	
3.10 Number of Vendors	How many hardware, software and contracting or consulting vendors are involved with the project? L = None; M = One to three; H = More than three.	3	M	9	
3.11 New Technologies -- Vendor	How many of the technologies that the project will use are new for the VENDORS (new = unreleased or version 1): L = None; M = 1; H = 2 or more.	4	L	4	
3.12 Vendor Contract Issues	Will there be a need for formal contract negotiation? L = None needed, or it is complete; M = Needed, legal group is already involved; H = Needed, legal group is not involved yet.	2	H	10	
3.13 Vendor Relationships	What is your experience with (or reputation of) the vendors? L = Not using any, or excellent at keeping commitments, and providing follow-up support; M = Fair at above; H = Poor at keeping commitments, sometimes adversarial.	3	M	9	
Risk Area	3. TECHNOLOGY Risk Questions (Methods & Support)	Weight	Risk	Points	
3.14 Systems Methods Used	What methodology or life cycle approach will you use? L = Appropriate software engineering method used by all; M = Some use or incomplete/out of date methods used; H = None used, or each group uses different methods.	4	L	4	
3.15 Experience With Methods	The team's experience with this methodology or life cycle: L = All have experience; M = Some have experience or all have training; H = None have experience or training.	3	L	3	
3.16 Development, Test and Staging Environment	How established are your development methods, and development, testing and staging (DS&T) environment? L = clearly defined DS&T; T&S has a clear migration path; M = Some established processes and environments; H = This project will define the processes & environments.	5	L	5	
3.17 Project Methods Used	How experienced is the team with the project management methods you will use? L = Highly experienced with today's appropriate methods; M = Moderate experience, or older, inconsistent methods; H = No experience, and/or use out-of-date methods.	4	L	4	
3.18 Automated Project Support	How will project management software be used: L = Appropriate software used; team members experienced M = New software to be used, leaders are trained H = None to be used, OR staff hasn't been trained in use.	2	L	2	
3.19 Internal Project Consulting	What internal project consulting or support is available? For example, are internal estimating experts, quality assurance advisors, and project tool support staff all easily available? L = All available; M = Some available, H = None available.	5	M	15	
Technology Summary	Range: Low = 65	Medium = 195	High = 325	149	



KnowRisk® Project Risk Assessment

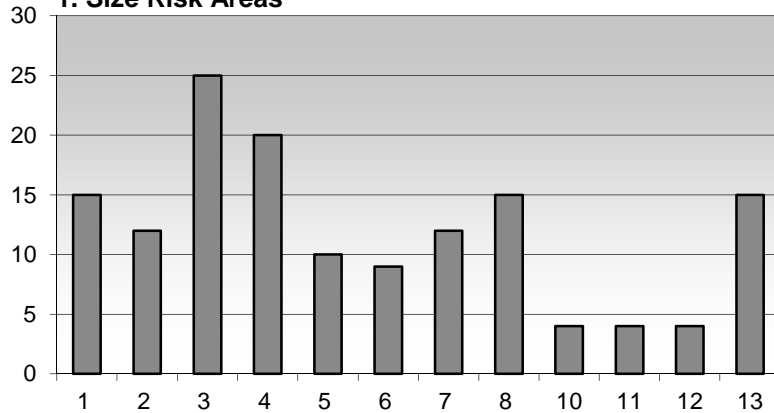
B. KnowRisk Assessment Checklist

Project: Sample KnowRisk Project

Date: 1-Jan-2013

Summary of Risks by Size, Structure and Technology

1. Size Risk Areas



Size, Structure and Technology

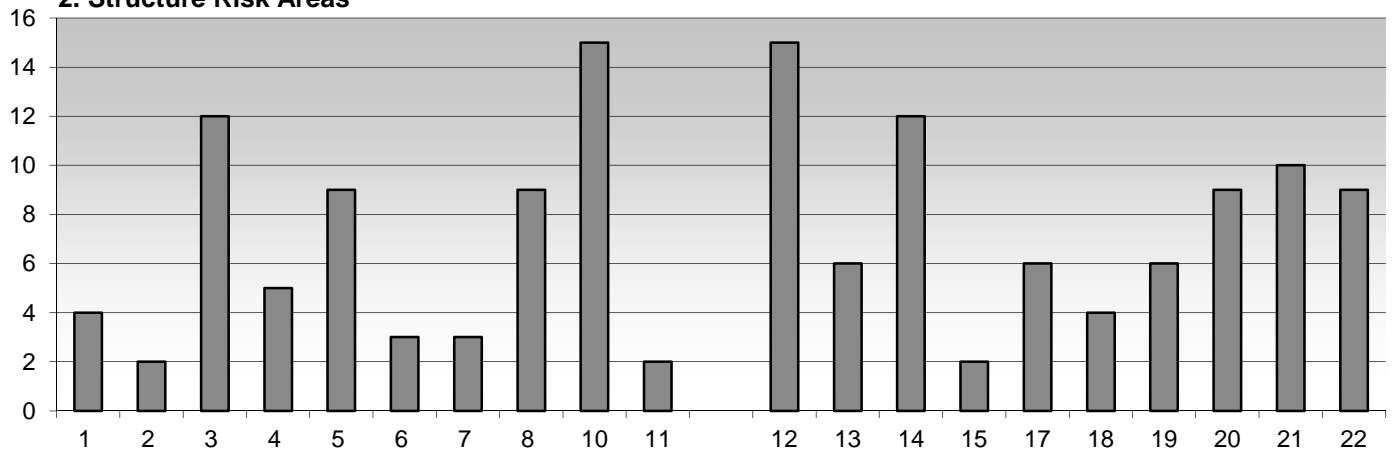
Risk Areas	Low	Your Score	High
1. Size	52	154	260
2. Structure	66	158	330
3. Technology	65	149	325

For a risk profile of: **M,M,M**

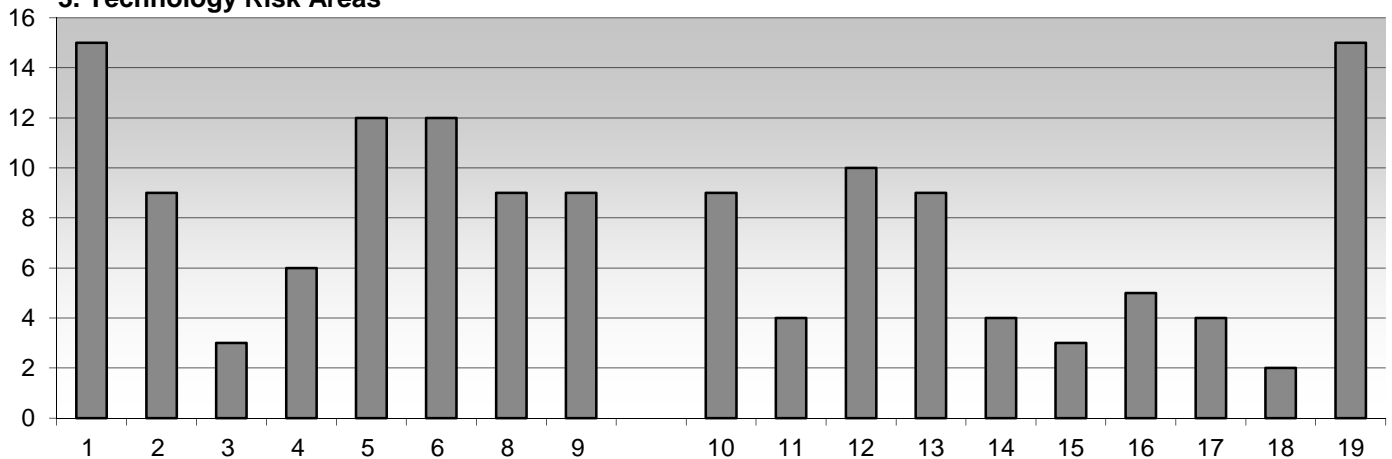
Explanation:

The table above allows you to compare your score to the lowest and highest possible risk scores. Which risk area is highest? Which one is lowest?

2. Structure Risk Areas



3. Technology Risk Areas





KnowRisk[®] Risk Response Matrix

C. Risk Response Identification and Evaluation

Project: Sample KnowRisk Project **Date:** 1-Jan-2013

<i>Identify and Evaluate Risk Responses For Each Top-Rated Risk</i>					
Resp Ref#	Related to Risk Ref #	Response Description	Probability of Success (%)	Response Cost in \$000	Selected?
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					



KnowRisk[®] Risk Response Matrix

C. Risk Response Identification and Evaluation

Project: Sample KnowRisk Project **Date:** 1-Jan-2013

<i>Identify and Evaluate Risk Responses For Each Top-Rated Risk</i>					
Resp Ref#	Related to Risk Ref #	Response Description	Probability of Success (%)	Response Cost in \$000	Selected?
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					



KnowRisk® Project Risk Assessment

D. KnowRisk Recommends Responses

Project: Sample KnowRisk Project

Date: 1-Jan-2013

These recommendations for your greatest risk areas are based on best practices in project management. The higher a risk rating, the more of the recommendations you should consider. For example, if you rated a risk factor High, you should consider implementing all the recommendations. If you rated that factor as Medium, you should select at least one of the recommendations to manage the risk.

Ranked Risks	KnowRisk-Recommended Responses	Weight	Risk	Points
1.3 Ideal Duration	This has serious schedule, cost and quality impact. Use ProjectExperts' Successful Project Profile analysis, or perform more comprehensive planning to find a way to change scope, schedule or staffing. Note that too much flexibility can be bad too!	5	H	25
1.4 Added Costs	This is especially troublesome if the project is of long duration. Check out the vendor's references thoroughly; establish performance or late delivery penalties, where possible.	4	H	20
1.1 Total Hours	Break the project into subprojects and have individual teams plan each project part; combine the results in your Enterprise-standard project management software and establish the precedent relationships between subprojects.	5	M	15
1.8 Number of Decision-makers	Assign one as Sponsor; alternatively, meet face-to-face with all decision-makers at once, then follow-up to assure that commitments are kept. Assign team member responsibility to manage communication between all customer groups. Stress individual benefits for each area.	5	M	15
1.13 Estimate Uncertainty	Plan a time at the end of the current phase when the team, including managers and customers, can review the project's requirements and constraints (you DO have good requirements, don't you?), and improve your estimates. You MUST improve your estimates to succeed.	5	M	15
2.10 Customer Involvement	Work with your Sponsor and unit managers to identify staff who will participate in (at minimum) analysis, requirements, test and implementation. Use the "Why" from good objectives, plus the results of Benefit/Cost Analysis for added support.	5	M	15
2.12 Category	New business functions will be extremely volatile at first. Use ASAPs or JAD sessions to help customers envision the new functions, then prototype for quick "feel" for the support; follow up with agile development for rapid implementation and revision.	3	H	15
3.1 New Technologies -- IT team	Train staff, and then get them access to experts. Try to isolate each new technology to one subsystem, to reduce compounding effect of multiple new technologies. Pilot complex new technologies to get experience with them. NEVER establish tight due dates in this situation.	5	M	15
3.19 Internal Project Consulting	If internal support is unavailable, and ANY Risk category is high, use external consulting expertise. Use your manager as a Quality Assurance consultant (he or she must ultimately assure the quality of your efforts anyway).	5	M	15
1.2 Duration	Find a key part of the project that you can deliver that provides value in the first three (or so) months, then continue with the remainder of the project functions in successive stages or releases.	4	M	12



KnowRisk® Project Risk Assessment

D. KnowRisk Recommends Responses

Project: Sample KnowRisk Project

Date: 1-Jan-2013

These recommendations for your greatest risk areas are based on best practices in project management. The higher a risk rating, the more of the recommendations you should consider. For example, if you rated a risk factor High, you should consider implementing all the recommendations. If you rated that factor as Medium, you should select at least one of the recommendations to manage the risk.

Ranked Risks	KnowRisk-Recommended Responses	Weight	Risk	Points
1.7 Relative Size	A project that is more than three times as big as your experience base will cause you great trouble. Find team members with similar experience, or break the project down into smaller "chunks" that you deliver incrementally..	4	M	12
2.3 Requirements	It is crucial to eliminate soft, subjective requirements. If you are prior to mid-construction, it will serve you well to clarify your functional, performance, information requirements and constraints with annotated, validated graphic models.	4	M	12



KnowRisk® Project Strategies

E. Identify Strategies for Managing Risk

Project: Sample KnowRisk Project

Date: 1-Jan-2013

Identify *strategies* for managing risk, based on the unique combination of low, medium and high risk ratings for Size, Structure and Technology. This page shows the best strategies for *Risk Avoidance*.

A. Improve Planning

- More detail in Work Breakdown Structures
- Use Assumptions-Based Estimating
- Use precedence analysis to compress
- Apply Configuration Management
- Obtain quick approvals and sign-offs
- Plan on a full post-project evaluation
- Monitor changes in business environment

B. Increase Customer Role

- Increase customer involvement
- Carefully define objectives and scope
- Create a customer steering group
- Use prototyping to better define outputs
- Increase communication with sponsor
- Customer performs user training and doc'n
- Have customer rule on all change requests

C. Tighten Project Control

- Plan smaller intervals for assignments
- Establish consistent tracking methods
- Perform regular status reports
- Introduce formal change management
- Hold Milestone presentation meetings
- Document deviations from plan
- Establish an exception reporting process

D. Build a Stronger Team

- Select an experienced project leader
- Obtain team participation in planning
- Train in new technology
- Pilot new technology in small sub-projects
- Relax tight due dates to increase flexibility
- Perform regular technical reviews w/experts
- Increase communication

Your Project Results:

Risk Category	Score
Size	154
Structure	158
Technology	149

This represents a risk profile of:

M,M,M (Linked)

For Size, Structure and Technology Risk.

Your Highest-Return Strategies:

B. Increase Customer Role

Additional Useful Strategies:

D. Build a Stronger Team



KnowRisk® Action Planning

F. KnowRisk Actions Worksheet

Project: Sample KnowRisk Project

Date: 1-Jan-2013

Phase or WBS		Assigned to	Date Due	Actual
	Highest-Return Risk Management Strategies and Actions			

Phase or WBS: Indicate the phase(s) or WBS/Activity this action will affect or add **Actual:** Y or N,

Assign to: The initials or name of the person responsible for implementing this strategy **Actions Implemented**