

# RISK MANAGEMENT PLAN

Clark County School District

Report date: June 28, 2013

**Objectives:**

Risk Identification

Risk Quantification

Risk Plan and Process

RISK MANAGEMENT PLAN

RISK MANAGEMENT PLAN

**Table of Contents**

Document Change Control .....4

Definition .....4

Objectives .....5

Definitions .....5

Responsibilities .....5

Overview .....5

    Methodology ..... 6

    Key Risk Management Activities ..... 6

Initial Risk Identification .....7

    Risk Rating Reference ..... 8

    Risk Exposure Reference ..... 8

Risk Response Planning .....9

Risk Response Strategies .....9

    Avoidance ..... 9

    Mitigation ..... 9

    Acceptance ..... 10

    Transference ..... 10

Risk Monitoring and Control.....11

Appendix A - Potential Risk Checklist .....12

Signature Page .....13

## RISK MANAGEMENT PLAN

# Document Change Control

The following is the control for revisions to this document.

Version	Date of Issue	Author(s)	Brief Description of Change
1.0	20 Apr 2013	Kelvin Beck	Original document template
1.1	14 May 2013	Kelvin Beck	Incorporated requested modifications from CCSD PM(name change on page 6, risk assessment date on page 7, paragraph update on page11 to include weekly risk reviews)
Revision 1	6/19/2013	Greg Halopoff, Kim Boyle	Final review and edits

## Definition

The following are definitions of terms, abbreviations and acronyms used in this document.

Term	Definition
CCSD	Clark County School District
EBT	Employee Business Training
ICDE	Infinite Campus District Edition
SIS	Student Information System
SME	Subject Matter Experts

## RISK MANAGEMENT PLAN

# Objectives

The purpose of the risk management plan is to identify, analyze, plan, track, control, and communicate all likely and potential risks to a project. Effective project risk management will:

- Help focus attention on where we can have the most effect and where efforts are most beneficial
- Avoid crisis management by proactive control and management of identified project risks
- Maximize the likelihood of success of the project

# Definitions

- Risk – the possibility of suffering harm and/or loss
- Risk Categories – where risks come from
- Risk Probability – likelihood of a risk occurring
- Risk Consequence – the amount at stake, or impact if a risk occurs
- Risk Exposure – a measure that establishes the seriousness of a risk by combining the impact and probability of the risk, should it materialize
- Risk indicators (or triggers) – early warning signs for a risk that trigger the implementation of the planned strategy
- Risk response strategies:
  - Avoidance – Eliminate the risk by eliminating the cause.
  - Mitigation – Reduce the probability or consequence of a risk to an acceptable level.
  - Acceptance – Do nothing and decide that “if it happens, it happens.”
  - Transference – Make another party responsible for the risk (i.e. insurance, warranties, outsourcing, etc.).

# Responsibilities

The Project Steering Committee is jointly responsible for managing project risks with input from both CCSD and Infinite Campus Project Sponsors and other resources. All project team members are responsible for identifying, tracking and controlling risks. Once identified, they are then managed through the risk management plan.

# Overview

The risk management process is fundamental to the successful delivery of the project. It ensures that risks within the project environment are identified, documented, prioritized and mitigated wherever possible. For the purposes of this project, risks are defined as “any event that is likely to adversely affect the timeline, cost or ability of the project to produce the required deliverables for successful system implementation”.

All projects have some level of risk associated with them. However, risk and opportunity go hand in hand and success cannot be achieved without some degree of risk. The key is in knowing what the risks are and in balancing the potentially negative consequences of risk against the potential benefits of opportunity. Projects that devote even a small amount of attention, time, and effort to managing risks have dramatically improved chances of succeeding as planned.

RISK MANAGEMENT PLAN

**Methodology**

A straightforward method that includes identifying and categorizing project risks (Identify) will be used for the CCSD Implementation Project, assessing and prioritizing the risks (Analyze) so they are manageable, developing a response strategy and assigning responsibility (Plan), tracking the risks by reviewing them at key project milestones (Track), implementing the defined response strategies as required (Control) and most importantly, Communicating the risks and strategies on an ongoing basis throughout the life of the project.



**Key Risk Management Activities**

Activity	How	Purpose
Identify risks	Create a list of project risks and group them into categories; gather risks from stakeholders using brainstorming, predefined lists, and/or completion of risk identification questionnaires	Make known project risks explicit before they become problems; helps to set expectations and provide a vehicle for reaching consensus – unknown risks cannot be managed
Analyze risks	Determine the probability and consequence of risks listed and calculate the risk exposure	Transforms the risk data into decision making information
Plan	Determine desired risk strategies and actions, and assign responsibility	Translates the risk information into strategies and mitigation actions
Track	Review and re-examine risks when project situation changes or key milestones are achieved	Monitors risk indicators and mitigation actions
Control	Implement planned actions when risk indicators manifest; determine mitigation effectiveness for continuous improvement	Corrects and ensures implementation of mitigation actions as required
Communicate	Discuss and review project risks and plans in project status, or other scheduled meetings, when the project situation changes or key milestones are achieved	Enables sharing of critical information throughout the project

## RISK MANAGEMENT PLAN

# Initial Risk Identification

The Project Steering Committee will conduct an initial risk identification meeting to begin the process of looking at project risk.

1. Identify various risk categories i.e., environment, technical, data conversion, resources, etc.
2. Create a comprehensive list of any and all project risk (Appendix A: Potential Risk Checklist).
3. As each risk is validated, perform a risk evaluation:
  - a. Assess the risk or risk category as appropriate, and assign a value for probability and impact using the Risk Rating Reference table below.
  - b. Determine risk exposure and reach consensus on which risks will require the development of a risk response strategy.
  - c. Define the appropriate risk response strategy and action to be implemented as required.

As a general guide, risk response strategies and plans should be developed for all risks that represent High risk exposure. Careful consideration should also be given to risks with Medium risk exposure and it is a good idea to at least identify the risk response strategy (avoid, mitigate, accept, transfer - described in the sections below) and triggers to indicate when full-blown risk plans should be developed.

- d. Assign responsibility and timeframes.
  - e. If not completed, set target dates and responsibilities for completion of necessary tasks.
4. Complete an initial detailed risk plan by [August 8, 2013] and review with the Project Steering Committee for feedback and approval.

Initially, this assessment will often be based on subjective feel or previous project experience and the team needs to agree on which rating best applies. As the project matures and more information is gathered, re-reviewing the risk may modify its status and the risk evaluation should be updated accordingly.

As additional risks are identified throughout the project, these must also be documented, assessed and reviewed either at project status meetings or specific project risk assessment meetings.

RISK MANAGEMENT PLAN

Risk Rating Reference

<b>Impact</b>	The effect of the risk on the project. Determined by the effect of the risk on the product’s performance, supportability, and cost as well as on the project objectives, schedule, cost and quality. The levels of impact are:	
	High (H)	Critical: Project objectives, function, timescales or resources severely impacted and project could stop.
	Medium (M)	Marginal: Project objectives, function, timescales or resources significantly impacted.
	Low (L)	Negligible: May create additional activity but will not significantly compromise project objectives and scope.
<b>Probability</b>	The chance that a particular impact will occur. The levels of probability are:	
	High (H)	Very likely: greater than 50% chance of the risk occurring.
	Medium (M)	Probable: > 25% - < 50% chance of the risk occurring.
	Low (L)	Improbable: less than 25% chance of the risk occurring.

Risk Exposure Reference

Probability →	H Very Likely	M Probable	L Improbable
Impact ↓			
H – Critical	HIGH	HIGH	MEDIUM
M - Marginal	HIGH	MEDIUM	LOW
L - <i>Negligible</i>	MEDIUM	LOW	LOW



## RISK MANAGEMENT PLAN

# Risk Response Planning

Risk response planning includes the development of the strategies to be used for responding to the risks that have been identified in the Initial Risk Workshop processes, based on risk priority, probability of occurrence, magnitude of impact and risk exposure. In responding to risk events, the key objective is to maximize the probability of achieving project schedule and cost objectives. We can choose to avoid, mitigate and transfer the risks, but sometimes it may be too expensive or too difficult to avoid, transfer or mitigate risks. In this case, the only remaining course of action is to just accept the risks. Several risk response strategies are available and are described in the sections that follow. The strategy that is most likely to be effective is selected for each risk identified as requiring a risk response strategy. The specific actions are then developed and documented to implement that strategy.

An important part of risk response planning is to define accountability for the risk response strategies chosen by associating identified risks with a risk owner who will be responsible for tracking and dealing with the risk. For the risks that are accepted, contingency plans and reserves can help protect the project from potential cost overruns in the event of those risk events occurring.

## Risk Response Strategies

### Avoidance

Risk avoidance is changing the project plan to eliminate the risk or condition or to protect the project objectives from its impact. Although the project team can never eliminate all risk events, some specific risks may be avoided. Some risk events that arise early in the project can be dealt with by clarifying requirements, obtaining information, improving communication, or acquiring expertise. Reducing scope to avoid high-risk activities, adding resources or time, adopting a familiar approach instead of an innovative one, or using an experienced individual instead of a novice are examples of avoidance.

### Mitigation

Mitigation seeks to reduce the probability and/or consequences of a risk event to an acceptable threshold. Taking early action to reduce the probability of a risk's occurring or its impact on the project is more effective than trying to repair the consequences after it has occurred. Mitigation costs should be appropriate, given the likely probability of the risk and its consequences. Risk mitigation may take the form of implementing a new course of action that will reduce the problem—e.g., adopting less complex processes, conducting more system tests, or choosing a more stable product. It may involve changing conditions so that the probability of the risk occurring is reduced—e.g., adding resources or time to the schedule.

Where it is not possible to reduce probability, a mitigation response might address the risk impact by targeting linkages that determine the severity. For example, adding a part time consultant to a team to assist a less experienced team member in a particularly risky task. Mitigating actions are documented on the Risk Evaluation Worksheet.

## RISK MANAGEMENT PLAN

### Acceptance

This technique indicates that the project team has decided not to change the project plan to deal with a risk or is unable to identify any other suitable response strategy. Active acceptance may include developing a contingency plan to execute, should a risk occur. Passive acceptance requires no action, leaving the project team to deal with the risks as they occur. Accepted risks must be reviewed and agreed to by the Executive Sponsors.

### Transference

Risk transfer seeks to shift the consequence of a risk to a third party together with ownership of the response. Transferring the risk gives another party responsibility for its management; it does not eliminate it. Transferring liability for risk is most effective in dealing with financial risk exposure and nearly always involves payment of a risk premium to the party taking on the risk. It includes the use of insurance, performance bonds, warranties, and guarantees. Contracts may also be used to transfer liability for specified risks to another party.

## RISK MANAGEMENT PLAN

## Risk Monitoring and Control

The project risk listing and associated response strategies resulting from the initial risk workshop must be reviewed and agreed to by the Project Steering Committee. Once approved, monitoring and control of the risks and strategies will be an ongoing project activity.

The Risk Monitoring and Control process keeps track of the identified risks and triggers, identifies new risks, ensures the execution of risk plans, and evaluates their effectiveness in reducing risk throughout the life of the project. The main objectives in this process are:

- monitoring identified risks to watch for the emergence of risk triggers, signaling the need to implement the risk response plan,
- verifying that the risk response plan is being followed,
- checking that the risk response is effective and, if not, developing a new response,
- identifying new risks that may have arisen and creating appropriate plans for dealing with new risks, and
- controlling accepted risks and executing corrective action from contingency plans if those accepted risks have occurred.

Reviewing project risks will be ongoing throughout the life of the project to control risk and verify that the risk response strategies and the people that have been assigned responsibility for those risks are effective. Risks can and will happen at any point in the project lifecycle, and tend to change with project conditions. Risk monitoring and control will help ensure that we are able to keep up with these changes by regularly monitoring risks to discover changes in the impact of identified risks.

Risks will be reviewed weekly by the CCSD and Infinite Campus Project Managers and at least semi-monthly with the Project Steering Committee as part of the regular project status meetings as well as anytime there is a significant change in the project and at key project milestones to ensure ongoing, effective identification and management of project risks.

RISK MANAGEMENT PLAN

# Appendix A - Potential Risk Checklist

Contractual

#	Potential Risk	P	I

Product Related

#	Potential Risk	P	I

Project Related

#	Potential Risk	P	I

Resource Related

#	Potential Risk	P	I

Technical & Data Conversion Related

#	Potential Risk	P	I

Training Related

#	Potential Risk	P	I

RISK MANAGEMENT PLAN

# Signature Page

It is agreed that language in this document represents the work to be completed by both the Clark County School District and Infinite Campus. Any changes to the scope of the project may require a change request depending on the nature of the change.

## Reviewed and Accepted

### Project Steering Committee Signature/Date

\_\_\_\_\_  
Dr. Greg Halopoff, Director, Central Student, HR and Payroll Information Services

\_\_\_\_\_  
Ruth Joseph, Instructional Business Process Expert

\_\_\_\_\_  
Kim Boyle, Instructional Business Process Expert

\_\_\_\_\_  
Faustine Czerniawski, SIS Project Manager

\_\_\_\_\_  
Wes Lockhart, Coordinator, Employee Business Training

\_\_\_\_\_  
Susan Mirc, Information Systems Help Desk Manager

\_\_\_\_\_  
Kelvin Beck, Infinite Campus Project Manager

## Approval

### Project Executive Sponsors

X

\_\_\_\_\_  
Jhone Ebert  
CCSD Chief Technology Officer

X

\_\_\_\_\_  
Jeff Weiler  
CCSD Chief Financial Officer

Date Signed: \_\_\_\_\_

Date Signed: \_\_\_\_\_

X

\_\_\_\_\_  
David Van Meter  
Infinite Campus Chief Knowledge Officer

Date Signed: \_\_\_\_\_