MDT Risk Management Quick Guide

Identify, analyze, manage risks for better project and cost control:

1. **Plan** for risk management
   Include risk in PE and CN
   Adjust OPX2 hours accordingly
   Develop a risk management mindset

2. **Identify** potential risk events
   Consider positive and negative (opportunities and threats)
   Start in planning stage, continue with PFR, AGR, etc.
   Scale work sessions to match project complexity
   Use Risk Elements chart (p. 26) and brainstorming sessions
   Document in RMP (columns 2-9)

3. **Analyze** risk
   Focus on significant risks (those that can change scope, affect schedule, cause major design changes, impact construction, threaten purpose and need)
   Sort by group if needed
   Consider impacts to cost and schedule
   Use RMP (columns 10-16)

4. **Respond** to risk
   Develop strategies to manage risk events
   Assign actions to functional managers, including deadlines
   Compare estimated cost to manage risk to costs avoided or gained
   Use RMP (columns 16-19)

5. **Monitor and Control**: manage risk
   Ongoing process
   Follow-up on risk response actions
   Retire risks
   Evaluate effectiveness of strategies; modify as needed
   Identify new risks
   Evaluate response costs versus costs avoided or gained
   Use RMP (columns 2, 19-25)

Next:
Develop appropriate contingencies for project cost estimates
Adjust project schedule
Maintain awareness of cost and schedule impacts at project and program level

Tips:
Communicate with all levels: Management, Planning, Environmental, Design, and Construction
Develop an appropriate scope to meet purpose and need
Document thoroughly using RMP
Consider risk at all stages, starting pre-nomination
Actively manage risk throughout project: maximize opportunities, minimize threats