# Project Risk Assessment

"Begin with the end in mind" (Stephen Covey) is to say, "Think first what could go wrong."

## Introduction

A project is a collection of interconnected tasks that are bound to specific timelines, resources, and deliverables. Any task could carry a certain uncertainty (risk) that, if it happens, could affect the project's success. In this regard, project risk comprises two factors: the probability of happening and the consequences if it does. While we cannot avoid risks entirely, with the help of risk management methods, such as the project risk assessment matrix, we can evaluate the potential damages caused by those risks. And consequently—increase the likelihood of successful project completion.

## Step 1. Identify project risks

We started by brainstorming and analysing potential risks and opportunities related to the project scope.

## Step 2: Determine the risk likelihood

In this step, we identified the likelihood of a given risk happening. We express the **likelihood scale** on 5 levels:

- **1** – (Very unlikely): A very slim chance for this risk to occur.
- **2** – (Not likely): Low chances for this risk to occur.
- **3** – (Possible): Fifty-fifty chances for this risk to occur.
- **4** – (Probable): Good chances for this risk to occur.
- **5** – (Very likely): We can bet this risk will occur at some point.

## Step 3. Define the impact scale

Next, we ranked our risks based on the impact they would cause on our project if they occur. The **impact scale** also has 5 levels:

- **1** – (Negligible): This risk will hardly impact our project.
- **2** – (Low): We can easily handle the consequences of this risk.
- **3** – (Moderate): It will take some time and effort to mitigate the consequences of this risk.
- **4** – (Significant): This risk could cause long-term consequences that will be hard to recover from.
- **5** – (Catastrophic): The impact of this risk might wreck our project.

## Step 4. Calculate the risk rating

The formula for the risk rating is as follows:

***Likelihood x impact = Risk rating***

e.g., Likelihood (4) x Impact (5) = Risk rating (20)

As we have a 5×5 matrix, the risk rating values will range from 1 to 25.

- **1 – 6** (Low): **Low-rating risks most likely will not happen. If they do, they will not be a threat to our project**.

- **7 – 12** (Medium): **Some medium-rating risks might happen at some point. We do not need to prioritise them, but we should not ignore them either.**
- **13 – 25** (High): **High-rating risks are serious and very likely to happen threats. They can cause our project to go off the rails, so we should keep them in mind when planning our project.**

| Risk | Risk Before | Control Measures to Reduce Risk | Risk After |
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| **1. Project Scope & Deliverables** | | | |
| **1.1 Scope Creep:** Uncontrolled expansion of project scope beyond the original plan.<br><br>Scope creep can derail even the best-planned projects, especially in something as complex as a church building project, where stakeholders may have evolving needs and expectations.<br><br>Reducing the risk of scope creep is crucial in project management because uncontrolled changes can lead to delays, budget overruns, and frustration among stakeholders. | Likelihood = 2<br>Impact = 3<br>**Risk Rating = 6** | **1. Define Clear Project Scope & Objectives**<br>• Start with a **detailed project plan** outlining deliverables, deadlines, and constraints.<br>• Document the church's **specific needs**, ensuring alignment with its mission and budget.<br>**2. Engage Stakeholders Early**<br>• Conduct thorough **consultations** with church leaders, congregation members, and contractors.<br>• Ensure everyone agrees on the **core requirements** before work begins.<br>**3. Establish a Formal Change Control Process**<br>• Require **written change requests** for modifications to project scope.<br>• Evaluate changes based on **impact on budget, timeline, and resources**.<br>**4. Monitor Progress & Communicate Regularly**<br>• Use **regular status meetings** to track milestones and address concerns before they escalate.<br>• Maintain a **project dashboard** or risk register to monitor deviations.<br>**5. Set Boundaries with Contractors**<br>• Ensure contracts specify **fixed deliverables** and **penalties for unapproved changes**.<br>• Clarify **who can authorise scope changes** and under what circumstances.<br>**6. Manage Expectations Realistically**<br>• Remind stakeholders that **every change has consequences**—cost, time, or quality. | Likelihood = 2<br>Impact = 2<br>**Risk Rating = 4** |

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| | | • Offer **alternatives** when requests are impractical or outside the agreed scope. | |
| **1.2 Unclear Requirements:**<br>Ambiguity or lack of clarity in project requirements.<br><br>Unclear requirements can lead to miscommunication, scope creep, and project delays, so addressing them early is crucial.<br><br>By strengthening requirement-gathering processes, we reduce costly changes and ensure **efficient project execution**. | Likelihood = 3<br>Impact = 4<br>**Risk Rating = 12** | **1. Conduct Detailed Stakeholder Interviews**<br>• Engage key stakeholders—including church leaders, congregation members, architects, and contractors—to define expectations clearly.<br>• Use structured discussions to **identify must-haves vs. nice-to-haves**.<br><br>**2. Create a Well-Defined Project Scope Document**<br>• Outline **specific objectives**, deliverables, constraints, and assumptions.<br>• Ensure this document is **signed off** by all relevant parties to avoid disputes.<br><br>**3. Implement Clear Communication Channels**<br>• Use **regular meetings, status reports, and documentation** to keep everyone aligned.<br>• Maintain a shared **requirements log**, ensuring updates are **tracked and verified**.<br><br>**4. Validate & Test Requirements Before Execution**<br>• Conduct **requirement reviews and feasibility assessments** before finalising plans.<br>• For church buildings, consider involving **local and relevant church authorities for compliance checks**. | Likelihood = 2<br>Impact = 3<br>**Risk Rating = 6** |
| **1.3 Change Management:**<br>Inadequate processes for managing changes to the project scope.<br><br>Change management can be one of the biggest risks in project management, especially in church building projects, where adjustments might arise from new stakeholder inputs, unexpected construction | Likelihood = 3<br>Impact = 5<br>**Risk Rating = 15** | **1. Define a Clear Change Management Process**<br>• Establish a **formal approval process** for any modifications to the project.<br><br>**2. Engage Stakeholders Early & Often**<br>• Involve key decision-makers, including **church leaders, contractors, and community members**, to ensure alignment.<br>• Hold **regular check-ins** to manage expectations and prevent last-minute surprises. | Likelihood = 2<br>Impact = 4<br>**Risk Rating = 8** |

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| challenges, or evolving community needs.<br><br>With a structured change management approach, we can maintain **project stability** while allowing for necessary adjustments. | | **3. Assess the Impact of Every Change**<br>• Evaluate each proposed change based on **cost, timeline, resources, and project scope**.<br>**4. Maintain Strong Documentation & Communication**<br>• Keep a **change log** that tracks every approved adjustment and its justification.<br>• Ensure updates are clearly communicated to **all affected parties**, reducing confusion or resistance.<br>**5. Implement Risk Mitigation Strategies**<br>• Build **contingency buffers** into the budget and schedule to accommodate potential changes.<br>• Identify **common triggers** for scope shifts and proactively plan for them. | |

## 2. Communication

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| **2.1 Poor Communication:**<br>Lack of clear and timely communication between team members and stakeholders.<br><br>Poor communication can derail projects, leading to misunderstandings, missed deadlines, and frustrated stakeholders.<br><br>Strong communication fosters a smoother workflow and better collaboration. | Likelihood = 4<br>Impact = 4<br>**Risk Rating = 16** | **1. Establish Clear Communication Channels**<br>• Set up dedicated tools like **email, project dashboards, or messaging apps** to streamline updates.<br>• Use **standardised reporting formats** so information is consistent and accessible.<br>**2. Define Roles & Responsibilities**<br>• Ensure all stakeholders understand **who communicates what and when**.<br>**3. Hold Regular Meetings & Check-ins**<br>• Schedule **regular progress meetings** to keep everyone aligned.<br>• Encourage open discussions where stakeholders can ask questions and raise concerns.<br>**4. Encourage Active Listening & Feedback**<br>• Promote a **culture of engagement**, ensuring everyone feels heard.<br>• Use surveys or feedback loops to measure communication effectiveness. | Likelihood = 2<br>Impact = 3<br>**Risk Rating = 6** |

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| | | **5. Prevent Misinterpretation & Assumptions**<br>• Keep instructions **precise and unambiguous**.<br>• Clarify expectations before execution, avoiding last-minute surprises. | |
| **2.2 Misunderstandings:** Potential for misunderstandings due to unclear communication.<br><br>Misunderstandings in project management can lead to delays, wasted resources, and frustration among stakeholders.<br><br>Clear communication prevents costly misunderstandings and fosters project efficiency. | Likelihood = 4<br>Impact = 4<br>**Risk Rating = 16** | **1. Establish Clear Communication Standards**<br>• Define **precise terminology** for project deliverables, timelines, and processes.<br>**2. Ensure Stakeholder Alignment from the Start**<br>• Conduct **kickoff meetings** where expectations, roles, and responsibilities are clearly outlined.<br>**3. Encourage Open Dialogue & Feedback**<br>• Foster a culture where team members feel comfortable asking for clarification.<br>• Use **check-ins** to gauge understanding and resolve ambiguities before they escalate.<br>**4. Provide Documentation**<br>• Maintain a **centralised document repository** to ensure everyone accesses the latest information.<br>**5. Reduce Assumptions with Explicit Instructions**<br>• Avoid vague language—be **specific and direct** when defining tasks and deliverables.<br>• Confirm understanding by asking stakeholders to **restate key points in their own words**.<br>**6. Implement a Consistent Reporting System**<br>• Standardised status updates prevent misinterpretation of progress.<br>• Track decisions in **meeting minutes** to ensure agreed actions are followed. | Likelihood = 3<br>Impact = 2<br>**Risk Rating = 6** |
| **2.3 Stakeholder Engagement:** Inadequate engagement with stakeholders and their expectations.<br><br>Effective stakeholder engagement is crucial to project success, but | Likelihood = 5<br>Impact = 3<br>**Risk Rating = 15** | **1. Identify and Map Stakeholders Early**<br>• Conduct a **stakeholder analysis** to determine who has project influence and interest.<br>• Categorise stakeholders based on their **level of impact and involvement**.<br>**2. Establish Clear Roles and Expectations**<br>• Define stakeholder responsibilities and **communicate** | Likelihood = 3<br>Impact = 2<br>**Risk Rating = 6** |

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| misalignment, resistance, or lack of involvement can pose risks.<br><br>Strong stakeholder engagement leads to better collaboration, smoother decision-making, and improved project outcomes. | | **their expected contributions**.<br>• Ensure all key participants understand **project goals, constraints, and timelines**.<br><br>**3. Develop a Comprehensive Communication Plan**<br>• Use **structured updates, meetings, and reports** to keep stakeholders informed.<br>• Tailor communication methods to each stakeholder group to ensure engagement.<br><br>**4. Maintain Active Engagement and Feedback Channels**<br>• Encourage stakeholders to **voice concerns, provide input, and stay involved**.<br>• Implement feedback loops to adjust project decisions.<br><br>**5. Manage Conflicts Proactively**<br>• Address concerns **early to prevent misunderstandings or resistance**.<br><br>**6. Build Trust and Transparency**<br>• Be **open and honest** about project risks, challenges, and progress.<br>• Show responsiveness to stakeholder concerns to maintain credibility.<br><br>**7. Monitor Engagement Levels Throughout the Project**<br>• Use **surveys, feedback forms, or one-on-one meetings** to assess stakeholder satisfaction.<br>• Adjust strategies if engagement levels start to decline. | |

## 3. Technology:

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| **3.1 Technology Failures:**<br>Potential for technology failures or malfunctions.<br><br>Technology failures can disrupt project timelines, hinder productivity, and create unexpected costs. | Likelihood = 3<br>Impact = 3<br>**Risk Rating = 9** | **1. Perform Thorough Technology Planning**<br>• Identify **key tools, software, and equipment** required for the project.<br>• Ensure compatibility between **systems, integrations, and devices** used.<br><br>**2. Maintain Regular Updates & Backups**<br>• Keep all **software, operating systems, and** | Likelihood = 2<br>Impact = 2<br>**Risk Rating = 4** |

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| By integrating proactive risk mitigation strategies, project managers can **ensure technology reliability**, reducing disruptions and improving efficiency. | | **firmware updated** to prevent security vulnerabilities.<br>• Implement **automated backups** to safeguard critical project data.<br>**3. Establish a Contingency Plan**<br>• Have alternative methods for communication and file-sharing **if systems fail**.<br>**4. Conduct Pre-Implementation Testing**<br>• Before deploying technology, run **pilot tests** to identify potential flaws.<br>• Ensure team members understand how to operate essential project tools.<br>**5. Monitor and Maintain Technology Continuously**<br>• Regularly review system performance, identifying signs of degradation.<br>• Schedule **preventative maintenance** on hardware and software to minimise failures.<br>**6. Secure Strong Vendor & IT Support**<br>• Choose **reliable technology providers** with a strong track record for uptime and service.<br>**7. Manage Cybersecurity Risks**<br>• Enforce **strong password policies, encryption, and access controls** to protect data. | |
| **3.2 Outdated Technology:** Using outdated or incompatible technology.<br><br>Outdated technology can slow productivity, increase security vulnerabilities, and hinder efficiency in project management.<br><br>By integrating proactive measures, we can prevent inefficiencies caused by outdated technology and keep project management streamlined. | Likelihood = 3<br>Impact = 3<br>**Risk Rating = 9** | **1. Conduct Regular Technology Audits**<br>• Assess current systems, software, and hardware to identify outdated tools.<br>**2. Stay Updated on Industry Trends**<br>• Follow relevant technology developments to ensure we're using **best-in-class solutions** where applicable.<br>**3. Implement Scalable & Upgradable Solutions**<br>• Choose technology that allows for **easy updates and integrations**.<br>• Avoid rigid systems that **become obsolete quickly**.<br>**4. Allocate Budget for Regular Upgrades**<br>• Plan for **technology refresh cycles** in the project | Likelihood = 2<br>Impact = 3<br>**Risk Rating = 6** |

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| | | budget.<br>• Prioritise **mission-critical** tools when making investment decisions.<br>**5. Train Teams to Maximise Efficiency**<br>• Ensure team members are proficient with new technology to **reduce dependency on legacy systems**.<br>• Provide training sessions when adopting updated tools.<br>**6. Work with Providers Offering Long-Term Support**<br>• Select providers that offer **extended maintenance, security patches, and upgrades**.<br>• Avoid unsupported software that increases vulnerability. | |
| **3.3 Integration Issues:**<br>Problems integrating different technologies or systems.<br><br>Integration issues can cause major delays and inefficiencies in project management, especially when multiple systems, processes, or teams need to work seamlessly together.<br><br>By proactively managing integration risks, we can ensure smoother operations and efficient project execution. | Likelihood = 3<br>Impact = 2<br>**Risk Rating = 6** | **1. Define Clear Integration Requirements**<br>• Document **all system dependencies** and how different components need to interact.<br>• Set **specific integration goals** to prevent mismatched expectations.<br>**2. Choose Compatible Technologies**<br>• Select software and tools that have **proven interoperability**.<br>• Avoid solutions that require **excessive customisation** for integration.<br>**3. Establish Strong Communication Among Teams**<br>• Ensure **IT specialists, project managers, and external vendors** stay aligned.<br>**4. Implement Standardised Data Formats**<br>• Ensure all systems follow **common data protocols** to minimise conversion issues.<br>• Validate that data transfers **preserve accuracy** across platforms.<br>**5. Develop a Contingency Plan for Failures**<br>• Identify potential integration risks and **prepare backup solutions**.<br>• Have **emergency troubleshooting procedures** ready. | Likelihood = 1<br>Impact = 2<br>**Risk Rating = 3** |

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| | | **6. Maintain Continuous Monitoring & Support**<br>• Use **automated tracking tools** to detect real-time errors.<br>• Keep a **dedicated team** for ongoing maintenance and adjustments. | |
| **4. Resources:** | | | |
| **4.1 Resource Constraints:** Lack of sufficient resources (personnel, budget, equipment).<br><br>Resource constraints—whether budget, personnel, time, or materials—can significantly impact project success.<br><br>Efficient resource management ensures project continuity and minimizes disruptions. | Likelihood = 3<br>Impact = 2<br>**Risk Rating = 6** | **1. Conduct Thorough Resource Planning**<br>• Identify **all required resources** early in the project lifecycle.<br>• Create a **realistic resource allocation plan** to prevent shortages.<br>**2. Prioritise Critical Tasks**<br>• Ensure essential activities are prioritised.<br>**3. Improve Supplier Coordination**<br>• Develop **strong supplier relationships** to ensure consistent material availability.<br>• Secure alternative sourcing options to mitigate delays.<br>**4. Use Technology to Optimise Resource Usage**<br>• Implement automation where possible to **reduce manual inefficiencies**.<br>**5. Maintain a Contingency Reserve**<br>• Keep **backup funds, materials, and personnel** to address unexpected constraints.<br>• Regularly review **resource consumption trends** to adjust allocations as needed.<br>**6. Communicate & Monitor Resource Status Continuously**<br>• Establish **regular reporting** to catch potential shortages early.<br>• Engage stakeholders in **proactive resource discussions**. | Likelihood = 2<br>Impact = 2<br>**Risk Rating = 4** |
| **4.2 Skill Gaps:** Team members lacking the necessary skills for the project. | Likelihood = 4<br>Impact = 3<br>**Risk Rating = 12** | **1. Conduct a Skills Assessment Early**<br>• Identify the **essential competencies** required for the project. | Likelihood = 3<br>Impact = 2<br>**Risk Rating =** |

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| Skill gaps can derail projects by leading to inefficiencies, delays, and poor-quality outcomes.<br><br>By proactively managing skill gaps, we can enhance efficiency, reduce errors, and ensure **project success**. | | • Assess the **current skill levels** of team members to pinpoint gaps.<br>**2. Leverage External Expertise**<br>• Hire **consultants or specialists** for highly technical aspects.<br>• Use **outsourcing or temporary contracts** when specific skills are needed but not available internally.<br>**3. Utilise Technology to Enhance Productivity**<br>• Implement **software tools that automate complex processes**, reducing reliance on specialised skills.<br>**4. Set Clear Expectations & Role Definitions**<br>• Ensure **roles align with skill sets**, minimising mismatches in responsibilities.<br>• Rotate tasks to **expand team members' capabilities** over time.<br>**5. Monitor & Adapt Throughout the Project**<br>• Adjust **team composition** as needed. | **6** |
| **4.3 Resource Availability:**<br>Unavailability of key resources at the right time.<br><br>Resource availability issues can lead to delays, inefficiencies, and increased costs in project management.<br><br>Effective resource management ensures continuity and prevents last-minute shortages. | Likelihood = 3<br>Impact = 4<br>**Risk Rating = 12** | **1. Conduct a Thorough Resource Assessment**<br>• Identify all **critical resources** (labour, materials, equipment, budget).<br>• Forecast potential **shortages based on historical data** or project scope.<br>**2. Develop a Flexible Resource Plan**<br>• Allocate resources **based on priority tasks**, ensuring essential functions are covered.<br>• Build in **contingency reserves** for unexpected shortages.<br>**3. Strengthen Supplier Relationships**<br>• Secure **reliable contracts** with suppliers to ensure material availability.<br>• Establish alternative sourcing options to **prevent bottlenecks**.<br>**4. Improve Communication & Coordination**<br>• Maintain **regular updates** on resource status across teams. | Likelihood = 2<br>Impact = 4<br>**Risk Rating = 8** |

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| | | • Ensure key stakeholders are **aligned on resource priorities**.<br>**5. Prepare for External Disruptions**<br>• Develop **contingency plans for supply chain disruptions**.<br>• Identify backup solutions for **critical materials**.<br>**6. Review & Adapt Throughout the Project**<br>• Conduct periodic **resource audits** to reassess needs.<br>• Adjust allocations based on **changing project demands**. | |
| **5. Cost:** | | | |
| **5.1 Cost Overruns:** Project costs exceeding the allocated budget.<br><br>Cost overruns can derail projects, leading to financial strain and unfinished work.<br><br>Careful financial oversight and proactive management can keep our project **on budget** and financially stable. | Likelihood = 5<br>Impact = 4<br>**Risk Rating = 20** | **1. Develop a Detailed Budget & Cost Plan**<br>• Clearly outline **all anticipated expenses**, including labour, materials, permits, and unforeseen contingencies.<br>• Use **historical data from similar projects** to create realistic cost estimates.<br>**2. Set Up a Contingency Fund**<br>• Allocate **buffer funds** for unexpected expenses (typically 10–20% of the total budget).<br>• Ensure contingency funds are used **only for critical overruns**.<br>**3. Improve Cost Monitoring & Tracking**<br>• Regularly compare actual spending against the budget to **detect early warning signs**.<br>**4. Control Scope to Prevent Unplanned Expenses**<br>• Avoid **scope creep** by defining strict boundaries and managing stakeholder expectations.<br>• Require **formal approval for any modifications** that impact cost.<br>**5. Optimise Vendor & Supplier Agreements**<br>• Negotiate **fixed-price contracts** to prevent price fluctuations.<br>• Compare multiple suppliers to ensure cost-effective material sourcing. | Likelihood = 3<br>Impact = 4<br>**Risk Rating = 12** |

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| | | **6. Implement Efficient Resource Management**<br>• Ensure labour and materials are used **strategically to minimise waste**.<br>• Avoid unnecessary equipment rentals that drive up costs.<br>**7. Conduct Regular Budget Reviews**<br>• Hold **monthly financial audits** to catch discrepancies early.<br>• Adjust allocations based on **changing project needs**.<br>**8. Identify & Mitigate Financial Risks Early**<br>• Recognise potential cost-driving factors, such as **market price changes or regulatory delays**.<br>• Prepare backup solutions for **high-risk areas**. | |
| **5.2 Budgetary Constraints:**<br>Inadequate funding for the project.<br><br>Strong budgetary controls help ensure financial discipline and prevent cost overruns.<br><br>By implementing these measures, the project can remain **financially stable and cost-efficient**. | Likelihood = 4<br>Impact = 4<br>**Risk Rating = 16** | **1. Develop a Detailed & Realistic Budget**<br>• Outline all anticipated costs, including materials, labour, permits, contingency funds, and unexpected expenses.<br>• Use historical data or benchmarks to create an **accurate financial forecast**.<br><br>**2. Implement Strict Budget Monitoring**<br>• Utilise **budget tracking** for real-time expense monitoring.<br>• Conduct **regular budget reviews** to compare actual vs. planned spending.<br>**3. Set Clear Spending Limits & Approval Processes**<br>• Define expenditure thresholds requiring **PCC approval** to prevent uncontrolled spending.<br>• Ensure all financial decisions are **documented and justified**.<br>**4. Maintain a Contingency Fund**<br>• Allocate **reserve funds** (typically 10–20% of the budget) for unforeseen expenses.<br>• Ensure these funds are used **only for critical budget overruns**.<br>**5. Improve Contract Management**<br>• Negotiate fixed-price contracts to prevent **unexpected** | Likelihood = 2<br>Impact = 3<br>**Risk Rating = 6** |

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| | | **cost variations**.<br>• Compare multiple suppliers to **ensure competitive pricing**.<br>**6. Conduct Regular Financial Audits**<br>• Schedule **monthly audits** to catch discrepancies early.<br>• Adjust allocations based on **real-time project needs**.<br>**7. Enforce Accountability & Transparency**<br>• Ensure team members adhere to **budget policies and reporting requirements**.<br>• Engage stakeholders in **financial decision-making** to maintain alignment. | |
| **5.3 Unexpected Costs:** Potential for unforeseen costs to arise.<br><br>Unexpected costs in project management can derail budgets and lead to financial strain.<br><br>By implementing these measures, we can **minimise financial uncertainties** and keep our project within budget. | Likelihood = 4<br>Impact = 3<br>**Risk Rating = 12** | **1. Develop a Comprehensive Budget with Contingency Funds**<br>• Plan for **hidden expenses**, such as legal fees, permit delays, or inflation.<br>• Set aside a **contingency reserve** for unforeseen costs.<br>**2. Conduct Thorough Risk Assessments**<br>• Identify potential **cost-driving risks** (e.g., material shortages, or regulatory changes).<br>• Address these risks proactively with **backup plans and alternative suppliers**.<br>**3. Use Detailed Cost Tracking & Forecasting**<br>• Regularly review budget reports to **identify discrepancies before they escalate**.<br>**4. Control Scope Creep**<br>• Prevent unapproved changes that **increase project costs**.<br>• Use a formal **change request process** to evaluate financial impact before approval.<br>**5. Optimise Procurement & Supplier Agreements**<br>• Negotiate **fixed-price contracts** to avoid unexpected price hikes.<br>**6. Improve Resource Efficiency**<br>• Avoid **waste and inefficiencies** by carefully managing labour and materials. | Likelihood = 2<br>Impact = 3<br>**Risk Rating = 6** |

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| | | **7. Review & Adjust Financial Plans Regularly**<br>• Conduct **budget audits** at key milestones to catch potential overruns early.<br>• Adapt financial strategies based on **market fluctuations or project needs**. | |
| **6. Performance:** | | | |
| **6.1 Performance Risks:** Project failing to meet performance expectations or deliverables.<br><br>Performance risks can threaten project success, causing delays, poor-quality outputs, and stakeholder dissatisfaction.<br><br>By actively managing performance risks, the project remains **efficient, high-quality, and aligned with strategic objectives**. | Likelihood = 3<br>Impact = 4<br>**Risk Rating = 12** | **1. Define Clear Performance Metrics**<br>• Establish **key performance indicators (KPIs)** that align with project goals.<br>• Set measurable benchmarks for **timelines, quality, and productivity**.<br>**2. Ensure Proper Resource Allocation**<br>• Assign the right people with the **necessary skills and experience**.<br>• Balance workloads to avoid **overburdening key team members**.<br>**3. Conduct Regular Quality Assurance Checks**<br>• Implement **audits, and testing** at key project milestones.<br>• Use performance tracking tools to **detect inefficiencies early**<br>**4. Manage Risks Proactively**<br>• Identify potential **performance bottlenecks** before they escalate.<br>• Have contingency plans for **missed deadlines or underperformance**.<br>**5. Monitor Stakeholder Satisfaction**<br>• Regularly assess expectations to **ensure deliverables align with project goals**.<br>• Address concerns swiftly to maintain **confidence in project execution**. | Likelihood = 2<br>Impact = 3<br>**Risk Rating = 6** |
| **6.2 Quality Issues:** Potential for quality issues or defects in the project deliverables. | Likelihood = 3<br>Impact = 2<br>**Risk Rating = 6** | **1. Define Clear Quality Standards & Requirements**<br>• Establish **precise criteria** for deliverables, ensuring | Likelihood = 3<br>Impact = 1<br>**Risk Rating =** |

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| Quality issues in project management can lead to delays, increased costs, and dissatisfaction among stakeholders.<br><br>A strong **quality management approach** ensures high standards, minimises errors, and enhances stakeholder confidence. | | they meet expectations.<br>• Use **industry standards, regulations, and benchmarks** as references.<br><br>**2. Conduct Thorough Planning & Documentation**<br>• Ensure all specifications are **clearly documented** to prevent ambiguity.<br><br>**3. Implement Regular Quality Control Checks**<br>• Use **checkpoints and audits** throughout the project lifecycle.<br>• Verify that work meets agreed-upon standards before moving to the next phase.<br><br>**4. Engage Stakeholders in Quality Assurance**<br>• Involve **project owners, end-users, and technical experts** in reviews.<br>• Encourage continuous feedback to **identify and address quality concerns early**.<br><br>**5. Track & Analyse Performance Metrics**<br>• Use **quality reporting tools** to monitor trends.<br><br>**6. Manage Risk Proactively**<br>• Conduct **risk assessments** to anticipate potential quality failures.<br>• Develop **contingency plans** for quality-related setbacks. | 3 |
| **6.3 Schedule Delays:** Delays in project completion or milestones.<br><br>Schedule delays can be costly and disruptive, but with **proactive planning and risk management**, we can significantly reduce the chances of setbacks.<br><br>By staying proactive and adaptable, we can **minimise schedule** | Likelihood = 3<br>Impact = 3<br>**Risk Rating = 9** | **1. Develop a Realistic & Detailed Project Timeline**<br>• Set **clear milestones** and ensure deadlines are achievable.<br>• Use historical data or expert input to create **accurate time estimates**.<br><br>**2. Identify & Mitigate Scheduling Risks Early**<br>• Conduct a **risk assessment** to pinpoint potential delays (e.g., supplier issues, weather conditions, potential shortages).<br>• Develop contingency plans for **critical risks**. | Likelihood = 2<br>Impact = 3<br>**Risk Rating = 6** |

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| **disruptions** and maintain project efficiency. | | **3. Prioritise Tasks Using a Project Schedule Strategy**<br>• Break tasks into manageable phases to **avoid bottlenecks**.<br>**4. Allocate Resources Efficiently**<br>• Ensure teams have the **skills, tools, and materials** they need to prevent inefficiencies.<br>• Balance workloads to **prevent burnout** and maintain productivity.<br>**5. Improve Communication & Coordination**<br>• Hold **regular progress meetings** to keep stakeholders informed.<br>**6. Enforce Strong Change Management**<br>• Prevent **scope creep** by requiring formal approval for changes.<br>• Assess modifications carefully to ensure they don't disrupt timelines.<br>**7. Monitor Performance & Adjust Quickly**<br>• Track progress against milestones to **spot early signs of delays**.<br>• Adapt schedules if necessary to **keep the project moving forward**.<br>**8. Strengthen Supplier Agreements**<br>• Work with reliable vendors and ensure **clear contract terms** for delivery schedules.<br>• Have backup suppliers or contingency resources for **critical dependencies** | |
| **7. External Factors:** | | | |
| **7.1 Market Changes:** Changes in the market that could impact the project.<br><br>Market changes can introduce uncertainty, affecting costs, demand, | Likelihood = 3<br>Impact = 1<br>**Risk Rating = 3** | **1. Build Strong Stakeholder Relationships**<br>• Engage with **suppliers, clients, and investors** to gain insights on market shifts.<br>• Foster collaborative partnerships that offer **shared risk** | Likelihood = 2<br>Impact = 1<br>**Risk Rating = 2** |

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| and overall project viability.<br><br>Proactive market risk management ensures **stability and resilience**, keeping the project aligned with changing conditions. | | **mitigation strategies**.<br><br>**2. Diversify Resource Options**<br>• Avoid reliance on a **single supplier or contractor**, securing multiple alternatives.<br>• Identify **contingency suppliers** for critical components.<br><br>**3. Strengthen Financial Planning**<br>• Maintain **contingency funds** to address unexpected price changes or inflation.<br><br>**4. Monitor Regulatory & Economic Policies**<br>• Stay updated on **government regulations, tax changes, and policy shifts** that may affect operations.<br>• Work with legal advisors to ensure **compliance**.<br><br>**5. Function first**<br>• Be realistic whenever our first choice is not available, where lead times or costs increase beyond a point where it jeopardises the project's objectives and/or timescale and/or budget.<br>• This often means selecting materials, designs, or systems based on performance, durability, and cost-effectiveness rather than purely stylistic considerations. | |
| **7.2 Regulatory Changes:**<br>Changes in regulations or laws that could affect the project.<br><br>Regulatory changes can significantly impact project costs, timelines, and compliance requirements. | Likelihood = 3<br>Impact = 2<br>**Risk Rating = 6** | **1. Stay Informed on Industry Regulations**<br>• Regularly monitor **government policies, legal updates, and industry standards**.<br>• Engage legal advisors or regulatory experts to **interpret new requirements**. | Likelihood = 3<br>Impact = 1<br>**Risk Rating = 3** |

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| Being proactive in **regulatory risk management** ensures compliance and prevents costly disruptions. | | **2. Conduct Compliance Audits**<br>• Review current project practices against **existing regulations**.<br>• Identify potential gaps in compliance and **adjust processes proactively**.<br>**3. Engage with Regulatory Authorities Early**<br>• Consult with **government agencies and local authorities** before project initiation.<br>• Seek guidance on **pending legislation or upcoming policy changes**.<br>• Consult with 0ur Diocesan Advisory Committee, who can tell us which permissions we need to apply for and which specifications are relevant to the works we are planning and our compliance with Listed Building Consent.<br>**4. Build Flexibility into Project Planning**<br>• Allow for **contingency buffers** in budgets and timelines to accommodate regulation shifts.<br>• Develop **adaptive policies** to quickly integrate compliance changes.<br>**5. Improve Documentation & Transparency**<br>• Maintain **detailed records of compliance procedures**.<br>• Ensure project decisions align with **legal standards** to avoid future liabilities.<br>**6. Strengthen Legal Management Strategies**<br>• Secure appropriate **licenses, certifications, and legal protections**.<br>**7. Monitor Political & Economic Trends**<br>• Stay ahead of **policy shifts that could affect industry regulations**.<br>• Prepare for possible **legislative reforms** that may impact the project.<br>**8. Monitor Political & Economic Trends**<br>• Stay ahead of **policy shifts that could affect industry regulations**.<br>**9. Monitor Insurance Compliance** | |

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| | | • Consult with Insurance Providers to ensure that our planned works are in compliance with our policy. | |
| **7.3 Economic Fluctuations:**<br>Economic downturns or instability that could impact the project.<br><br>Economic fluctuations can introduce uncertainty, impacting costs, availability of resources, and overall project feasibility.<br><br>By proactively addressing economic risks, we can ensure **financial stability and adaptability**, keeping our project aligned with changing conditions. | Likelihood = 3<br>Impact = 2<br>**Risk Rating = 6** | **1. Conduct Economic Risk Assessments**<br>• Monitor economic indicators such as **inflation, interest rates, and market demand**.<br>• Assess past trends and forecasts to **anticipate potential financial shifts**.<br><br>**2. Implement Flexible Financial Planning**<br>• Design a budget that includes **contingency reserves** for unexpected cost fluctuations.<br><br>**3. Optimise Resource Allocation**<br>• Adjust resource planning to **accommodate changing economic conditions**.<br>• Prioritise efficiency and **cost-effective solutions**.<br><br>**4. Strengthen Revenue & Cost Management**<br>• Implement cost controls and **regular expense reviews**.<br>• Develop alternative revenue streams if applicable, ensuring **financial resilience**. | Likelihood = 2<br>Impact = 2<br>**Risk Rating = 4** |
| **7.4 Supply Chain Issues:**<br>Delays or disruptions in the supply chain.<br><br>Supply chain disruptions can lead to delays, increased costs, and operational inefficiencies in project management.<br><br>Taking a proactive approach to supply chain management minimises disruptions and keeps our project on schedule. | Likelihood = 4<br>Impact = 3<br>**Risk Rating = 12** | **1. Strengthen Supplier Relationships**<br>• Establish reliable partnerships with **trusted suppliers** who have strong track records.<br><br>**2. Conduct Thorough Supply Chain Risk Assessments**<br>• Identify potential risks such as **raw material shortages, shipping delays, or geopolitical factors**.<br>• Develop mitigation plans tailored to **high-risk areas**.<br><br>**3. Stay Ahead of Market Trends**<br>• Engage with suppliers about **future availability and pricing fluctuations**.<br><br>**4. Enhance Communication Across Stakeholders**<br>• Maintain transparency with suppliers, contractors, and partners. | Likelihood = 4<br>Impact = 1<br>**Risk Rating = 4** |
| **7.5 Natural Disasters:** | Likelihood = 3 | **1. Conduct a Comprehensive Risk Assessment** | Likelihood = 3 |

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| Potential for natural disasters to impact the project.<br><br>Natural disasters can disrupt project timelines, damage infrastructure, and create unexpected costs.<br><br>Proactive disaster management ensures **project continuity, safety, and resilience** in the face of environmental risks. | Impact = 1<br>**Risk Rating = 3** | • Identify potential **natural disaster threats** specific to the project's location.<br>• Consult **historical data** and expert assessments to understand vulnerability.<br><br>**2. Ensure Structural & Site Resilience**<br>• Avoid construction in **high-risk sones**, such as floodplains or seismic fault lines.<br><br>**3. Secure Insurance & Contingency Funds**<br>• Set aside **contingency reserves** to handle unexpected repairs or delays.<br><br>**4. Collaborate with Local Authorities & Community**<br>• Partner with **disaster response agencies** for guidance and resources.<br>• Engage with **local communities** to ensure mutual preparedness efforts. | Impact = 1<br>**Risk Rating = 3** |

## Risk Assessment Matrix Before

Likelihood

Impact

| | Very unlikely to happen | Unlikely to happen | Possibly could happen | Likely to happen | Very likely to happen |
|---|---|---|---|---|---|
| Catastrophic Consequences | | | Change Management | | |
| Significant Consequences | | | Unclear Requirements<br>Performance Risks<br>Resource Availability | Poor Communication<br>Budgetary Constraints<br>Misunderstandings | Cost Overruns |
| Moderate Consequences | | Scope Creep | Technology Failures<br>Schedule Delays<br>Outdated Technology | Skill Gaps<br>Supply Chain Issues<br>Unexpected Costs | Stakeholder Engagement |
| Low Consequences | | | Integration Issues<br>Economic Fluctuations<br>Regulatory Changes<br>Quality Issues<br>Resource Constraints | | |
| Negligible Consequences | | | Market Changes | | |

## Risk Assessment Matrix After

Likelihood

Impact

| | Very unlikely to happen | Unlikely to happen | Possibly could happen | Likely to happen | Very likely to happen |
|---|---|---|---|---|---|
| Catastrophic Consequences | | | | | |
| Significant Consequences | | Change Management<br>Resource Availability | Cost Overruns | | |
| Moderate Consequences | | Unclear Requirements<br>Schedule Delays<br>Performance Risks<br>Unexpected Costs<br>Budgetary Constraints<br>Outdated Technology<br>Poor Communication | | | |
| Low Consequences | Integration Issues | Scope Creep<br>Economic Fluctuations<br>Resource Constraints<br>Stakeholder Engagement<br>Technology Failures | Misunderstandings<br>Skill Gaps | | |
| Negligible Consequences | | Market Changes | Quality Issues<br>Regulatory Changes | Supply Chain Issues | |