Article Side

Risk Identification in PMP

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INFLUENCE DIAGRAMS are graphical representations of situations showing causal influences, time ordering of events, and other relationships among variables and outcomes.

Components from risk identification and other risk management processes are contained in the RISK REGISTER DOCUMENT, which becomes part of the project management plan. The risk register has information on identified project risks which must be considered when producing estimates of activity durations or adjusting activity durations for risks. It contains information from risk identification, lists of identified risks and potential responses, root causes, and updated risk categories. PMP Preparation will include review of register document examples.

QUALITATIVE RISK ANALYSIS is the process of prioritizing risks according to their probability of occurrence and impact to the project. The quality and credibility of the qualitative risk analysis process requires varying levels of the risk probabilities and impacts. They are prioritized for later analysis or action. A PMP prep course will cover this topic.

Performing qualitative risk analysis is a quick and cost-effective means of prioritizing for risk response planning. It also lays the foundation for quantitative risk analysis.

QUALITATIVE RISK ANALYSIS includes methods that prioritize identified risks. Focusing on high-priority risks can help improve project performance.

THE QUALITATIVE ANALYSIS RISK MANAGEMENT PLAN includes roles and responsibilities for conducting risk management, budgets, and schedule activities for risk management. Additionally, risk categories, defined probability and impact, the probability matrix, and revised stakeholders' risk tolerances and enterprise environmental factors are included.

TOOLS & TECHNIQUES USED IN QUALITATIVE RISK ANALYSIS:

THE RISK PROBABILITY ASSESSMENT investigates the likelihood that each specific risk will occur. Risks may be assessed in interviews or meetings with participants selected for their familiarity with the risk categories. The risk impact assessment investigates the potential positive as well as negative effects on a project objective such as time, cost, scope or quality. Each risk is evaluated for its importance and priority for attention by looking it up on the probability and impact matrix. Probability and impact are rated either by description or numerically.

A RISK URGENCY ASSESSMENT is performed when there are risks requiring near-term responses. Priority indicators can include: the time to effect a risk response, symptoms, warning signs, and risk rating.

THE IMPACT SCALE REFLECTS THE SIGNIFICANCE OF the negative threats, or the positive environment for opportunities, on each project objective. Risks are prioritized according to their impact on meeting the project goals.

Impact scales are specific to:

the potentially impacted objective

type and size of the project

organizational strategies and sensitivity to particular impacts

its financial state

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