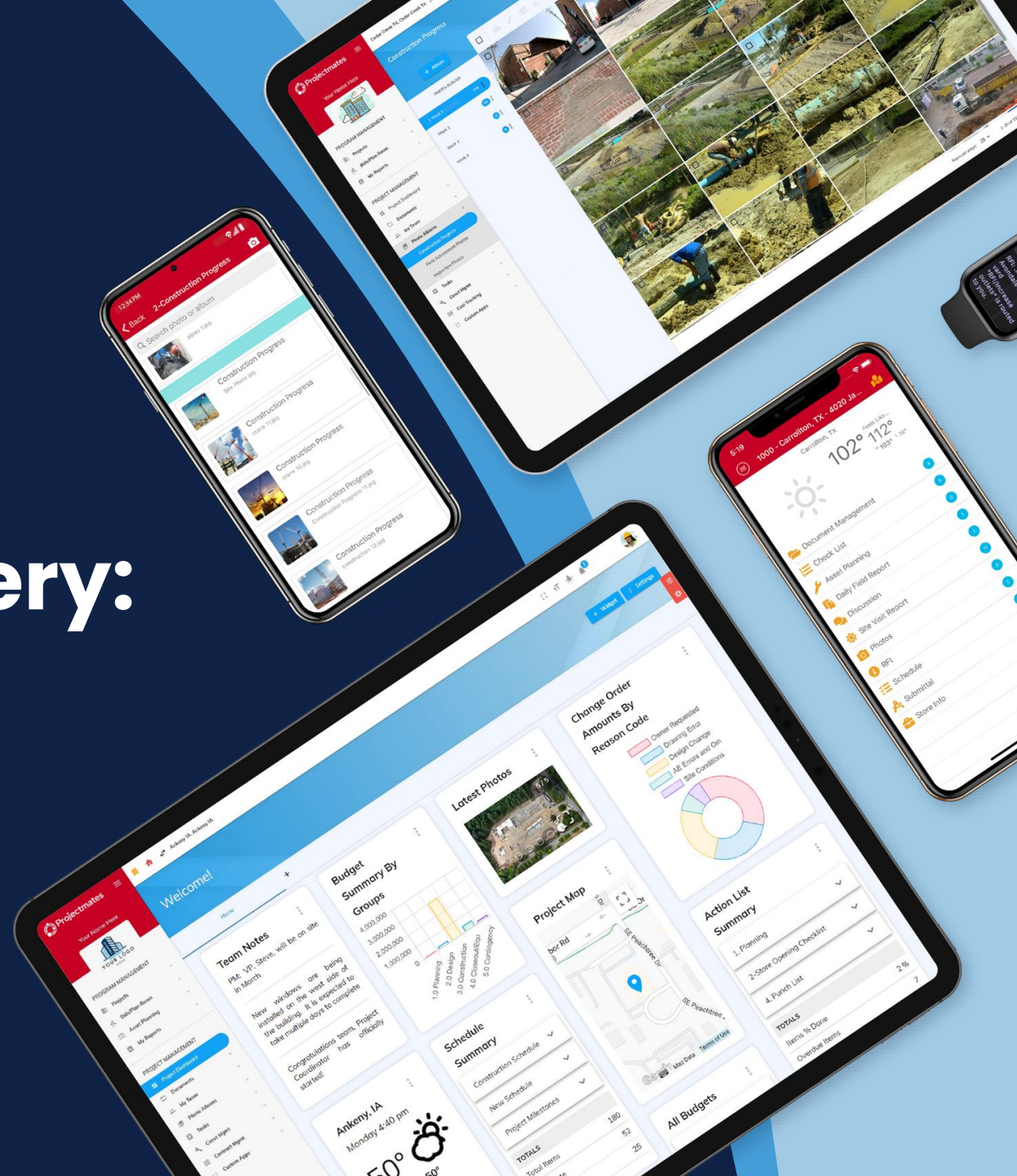




Proactive Project Delivery:

Effective Risk Management

LIVE EVENT



Meet Your Speakers



Brittany Riland

Product Specialist



**Marcus Bliss, PMP,
CSM, CMIT**

Vice President

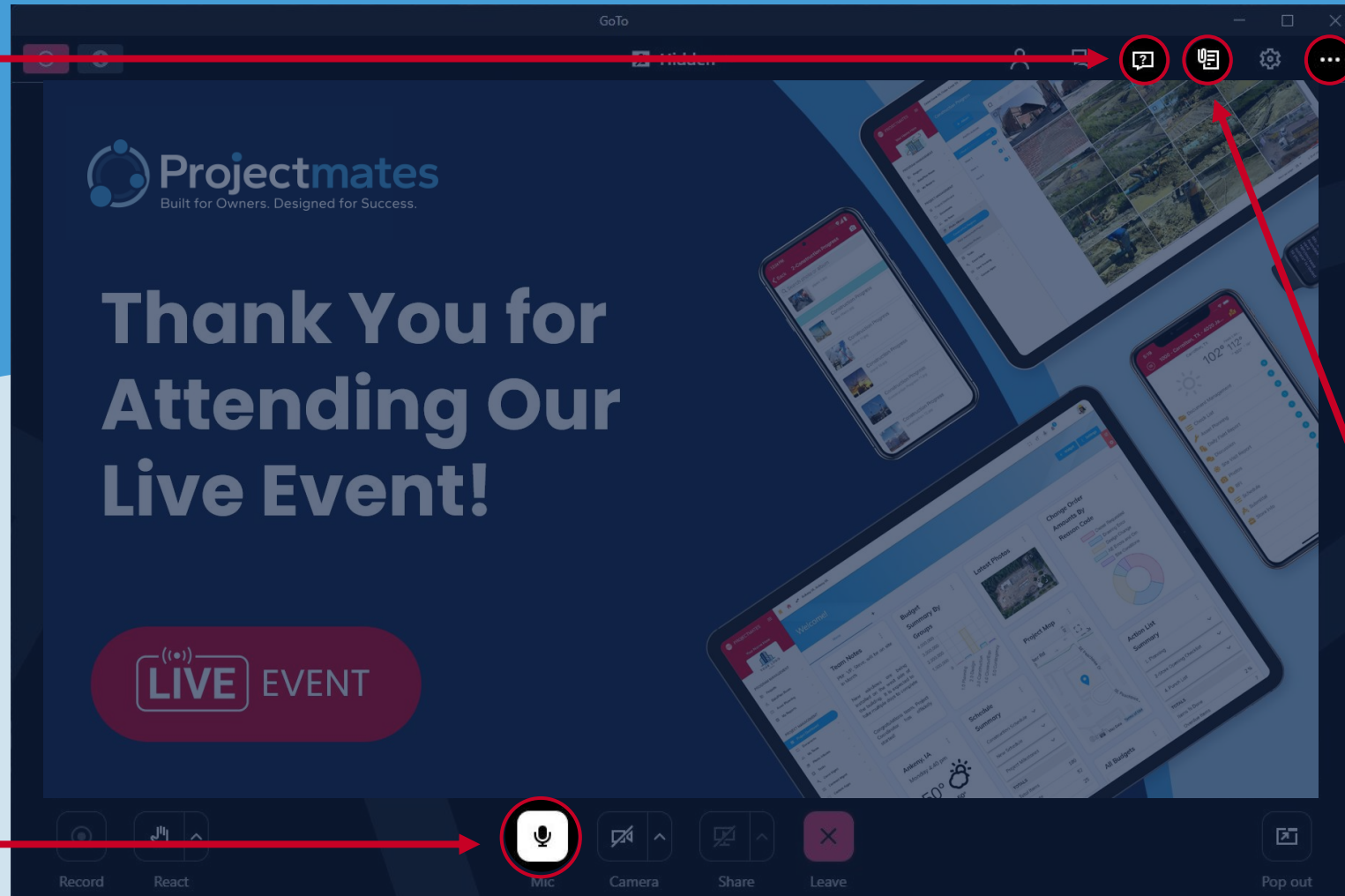
Participating in the Event

Send us any questions you have at any time.

Click here to enter fullscreen mode.

This shows you are on mute during the webinar.

Click here to download any handouts.



Receiving Credit from Today's Stream



**Approved
Continuing
Education**

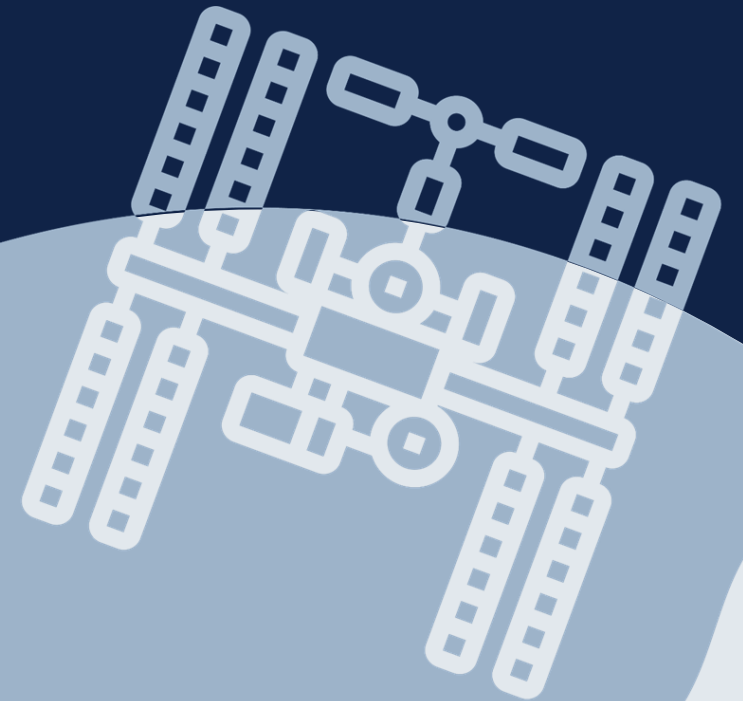
Be sure to watch
today's full session
to see how you can
earn your credit.

Today's Learning Objectives

1. **Understand Risk Management :** Gain insights into the unique challenges faced by Owners and explore proven strategies for managing risks across the entire project lifecycle.
2. **Identify Key Risks Early:** Learn how to effectively detect potential risks related to budget, schedule, and scope early in both individual projects and larger programs, allowing for prompt intervention.
3. **Implement Proactive Risk Mitigation Strategies:** Learn practical techniques and explore how available technologies can help prevent project delays and cost overruns, enabling proactive management.

From Launch Sites to Construction Sites

- Structured risk management processes developed by NASA and the DoD in the 1960s
- Used for spacecraft, reactors, and weapons systems
- Still used for launches today



From Launch Sites to Construction Sites



Protecting
Timelines



Building Trust



Ensuring Cost
Management

Why is Risk Management Important to The Owner?

- If you own the risk, you own the outcome.
- Owner-centric risk management is one of the most important functions in making any major project successful.



Why is Risk Management Important to The Owner?



Quality



Financial



Time



Legal



Environmental

Why is Risk Management Important to The Owner?



Quality



Why is Risk Management Important to The Owner?



\$

Financial

Why is Risk Management Important to The Owner?



Time

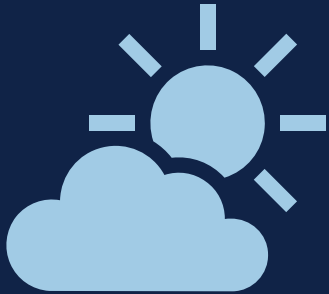


Why is Risk Management Important to The Owner?



Legal

Why is Risk Management Important to The Owner?



Environmental



Why is Risk Management Important to The Owner?



Quality



Financial



Time



Legal



Environmental

Risk Can Cost You

- **4.2%** Avg. cost overrun
- **6.3%** Avg. schedule delay
- **Owners:** Higher visibility, greater complexity



4.2%
Avg.
Cost
Overruns

6.3%
Avg.
Schedule
Delay

Gordie Howe International Bridge Project

- Supposed to open in 2024, may open in 2026
- Experiencing:
 - Labor drain
 - Critical dependencies
 - Late integration



Process Does Not Equal Responsibility

- Active management means you're not leaving risk to chance or someone else
- Extremely important in uncertain economic times



A Proven, Repeatable Risk Process

- 1. **Define thresholds:** What's critical to you?
- 2. **Identify risks early** before breaking ground
- 3. **Assign mitigation** owners
- 4. **Track monthly** with risk heatmap + register
- 5. **Retire risks together** only when all parties agree
- 6. **Monthly progress reporting**



Let's take a poll.

What kind of risk management processes does your team use?

A.

We have a formal process

B.

We have an informal process

C.

We leave risk management up to someone else

D.

We don't actively practice risk management

The Risk Lifecycle

— ...



Two Ways Risk Management Falls Apart

Overcomplicated Process

- Giant Excel spreadsheets
- No one knows responsibility
- No system for tracking or resolving anything



The Risk Lifecycle

Process Planning



Category of Impact					
COST					
Description		Value		Mean Value	
		L	H	(Dollars)	
vl	Insignificant Cost Increase	0%	0%	\$0	
l	Minimal Cost Increase	0%	5%	\$450,000	
m	Significant Cost Increase	5%	10%	\$1,350,000	
h	Very Significant Cost Increase	10%	20%	\$2,700,000	
vh	Critical Cost Increase	20%	40%	\$5,400,000	
SCHEDULE					
Description		Value		Mean Value	
		L	H	(Days)	(Dollars)
vl	Impact recoverable without affecting critical path	0%	0%	0.0	\$0
l	Impact recoverable affecting critical path	0%	5%	27.4	\$547,500
m	Critical path affected	5%	10%	82.1	\$1,642,500
h	Restructuring of project required	10%	20%	164.3	\$3,285,000
vh	Major restructuring of project required	20%	40%	328.5	\$6,570,000

The Risk Lifecycle

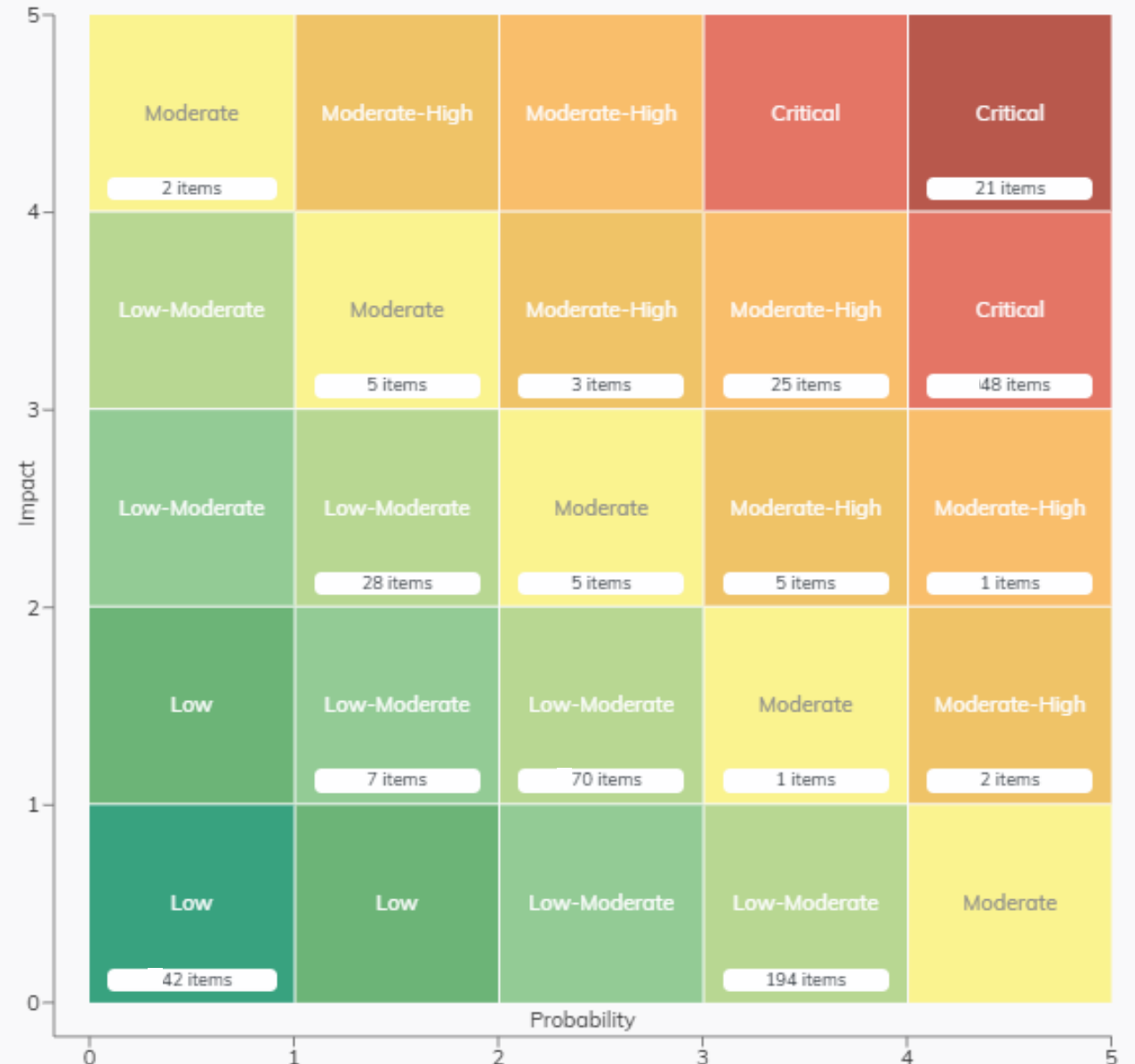
Process Planning



Scale for Probability		Scale for Impact	
Rating	Interpretation	Rating	Interpretation
1	Low	1	No real impact
2	Medium	2	Medium impact on time or cost reserves
3	Medium-High	3	Slightly delayed or over budget
4	High	4	Over budget by 20-30% or project delayed by 20-30%
5	Near Certainty	5	Over budget by 40% or project delayed by 40%

The Risk Lifecycle

Process Planning




The Risk Lifecycle - Identify




Project Name		XLC Steering Committee - Risk Register Demo						Project Manager	Insert Project Manager Name(s)		Funding Number	Insert Funding Number								Technology Deployed:					
Risk Identification														Risk Analysis						Risk Mitigation Planning		Risk Tracking			
Risk ID	Date Modified	Risk Submitter	Risk Title	Risk Description	Source (Select)	Risk Owner	Risk Type (Select)	Risk Category (Select)	Risk Trigger Description	Risk Trigger Expected Date	Potential Outcome	Task ID	Associated Risks	Probability Rating	Prob Value	Impact Rating (Select)	Impact Value	Risk Exposure	Top 5 Y/N	Risk Response Type	Risk Response Description	Risk Trigger Occurrence	Trigger Date Occurrence	Status (Select)	Notes
R001	4-Apr-13	Insert Name	Insert short title	Insert description	Stakeholder	Insert Name	Opportunity	Budget	If ??? occurs	Insert expected date	Then ??? is the outcome or result	Identify Task IDs as appropriate	Identify Associated Risks as appropriate	Not likely	0.1	Catastrophic	0.8	0.080	N	Accept	Describe planned response	N	Insert date Trigger occurred	Identified	Add notes as appropriate
R002	5-Apr-13	Insert Name	Insert short title	Insert description	Stakeholder	Insert Name	Threat	Schedule	If ??? occurs	Insert expected date	Then ??? is the outcome or result	Identify Task IDs as appropriate	Identify Associated Risks as appropriate	Near certainty	0.9	Significant	0.1	0.090	Y	Mitigate	Describe planned response	Y	Insert date Trigger occurred	Planning Complete	Add notes as appropriate

Risk Analysis					
Probability Rating	Prob Value	Impact Rating (Select)	Impact Value	Risk Exposure	Top 5 Y/N
Not likely	0.1	Catastrophic	0.8	0.080	N
Near certainty	0.9	Significant	0.1	0.090	Y

The Risk Lifecycle - Identify

Projectmates



PROGRAM MANAGEMENT

Project

My Projects

My Work

Project Request

Risk Management

Risk Dashboard

Risk Register

My Tasks

Capital Planning

Bids & Plan Room

Asset Planning

My Reports

Early access
Risk Register
Active Items

Last Updated: Aug 08, 2025 01:05 AM (CST). Next Update: Aug 09, 2025 01:05 AM (CST).

Risk Register







Identified40

Critical1

Overdue1

All40

Hide Counts ^

<input type="checkbox"/>	Project	App	Category	Description	Risk Score ↓	Status	Risk Response	Owner	Due Date
<input type="checkbox"/>	COFM-New Behavioral Health Wing	Daily Field Report	Quality Risk	Suspected asbestos found on site	20	Identified	Monitor	 Jamie Rogers	Aug 21, 2025
<input type="checkbox"/>	Mayville Clinic - Light Replacement	Budget and Forecast	Financial Risks	Contract Data not up to date	16	Identified	Accept	 Rory Ryan	Aug 28, 2025
<input type="checkbox"/>	Colleyville - Corridor Flooring Replacement	Budget and Forecast	Financial Risks	Change order value exceeds total budget	14	Identified	Monitor	 Kaely Culbertson	Aug 07, 2025
<input type="checkbox"/>	Shiner Children's Clinic - Infusion Room	Schedule	Schedule Risk	Construction start delayed due to master service agreement negotiations and changes.	8	Identified	Monitor	 Marcus Bliss	Aug 27, 2025
<input type="checkbox"/>	Valley Ridge Lab - Automation HVAC Upgrades	Schedule	Schedule Risk	Closeout doc discrepancy	8	Identified		 Jamie Rogers	
<input type="checkbox"/>	Mayville Clinic - Light Replacement	Schedule	Schedule Risk	This task is critical. Assign more resources to it.	8	Identified	Accept	 Kaely Culbertson	Dec 31, 2025
<input type="checkbox"/>	COD - Procedure Rooms	Schedule	Schedule Risk		8	Identified			

The Risk Lifecycle – Analysis



Analysis

- WHAT is the response strategy (Avoid, Mitigate, Transfer, etc.)
- WHEN is the response requested by?

Risk Response *

Avoid
Accept
Monitor
Transfer
Escalate
Exploit
Enhance
Share
Mitigate



Click or Drag Files

The Risk Lifecycle – Analysis



Analysis

- WHAT is the response strategy (Avoid, Mitigate, Transfer, etc.)
- WHEN is the response requested by?

Response Requested By *

Send Reminder

0

days After Response Due Date

Set day(s) greater than zero to trigger reminder email.

Additional Notes

Click or Drag Files



Mitigation

- Assign task(s) to responsible parties

Create Task

Display ID

-

Complete? ☐ No ☒ Yes

Description *

Normal ▼

B *I* U ~~S~~

Responsibility

☒ User ☐ Role

User ▼

Send Reminder

0 days After Response Due Date ▼

Due Date *

Set day(s) greater than zero to trigger reminder email.

Click or Drag Files

The Risk Lifecycle

Mitigation/Correction



RISK IDENTIFICATION			
Risk ID			
Date Identified			
Risk Submitter			
Risk Title			
Risk Description			
Source		Formal Review, Audit Review, Status, Stakeholder	
Risk Owner			
Risk Type		Threat, Opportunity, External	
Risk Category		Technical, Sponsorship, Communication, Schedule, Budget, Contracts, Scope, Logistics	
Risk Trigger Description			
Risk Trigger Expected Date			
Potential Outcome (if, then)			
Task IDs (as appropriate)			
Associated Risks			
RISK ANALYSIS			
Probability Rating	###	Not Likely, Low Likelihood, Likely, Highly Likely, Near Certainty	
Impact Rating	###	Marginal, Significant, Serious, Very Serious, Catastrophic	
Risk Exposure	###	Individual Impact Ratings	Cost: Schedule: Technical:
RISK MITIGATION PLANNING			
Risk Response Type		Accept, Transfer, Mitigate Control, Avoid, Share, Exploit, Enhance	
Risk Response Description			
RISK MITIGATION TRACKING			
Risk Trigger Occurrence		Y/N	
Trigger Date Occurrence			
Status		Identified, Analysis Complete, Planning Complete, Triggered, Resolved, Cancelled	
Notes			
RISK EFFECTS			
Project Areas		What project area is affected by this risk?	
Affected Phase		What project phase is affected?	
Control of Risk		Is the control of risk internal or external in the Project Team?	
Risk Source		What is the document, WBS, other activity, etc. the source of this risk?	
Milestone Affected		What project milestone is affected by this risk?	

The Risk Lifecycle

Mitigation/Correction



General	Risk Response	Tasks	Final Assessment	Comments	History
<i>(i)</i> History will be retained for three years.					
Id	Description	User Name	Access Time (CST)		
2179898	Risk ID: 753700 App: Contract Action: Risk Task Completed	Systemates Support	Jul 23, 2025 05:06 pm		
2179654	Risk ID: 753700 App: Contract Action: Risk Final Assessment created	Kaely Culbertson	Jul 22, 2025 02:41 pm		
2179652	Risk ID: 753700 App: Contract Action: Risk Response updated	Jamie Rogers	Jul 22, 2025 01:51 pm		
2179651	Risk ID: 753700 App: Contract Action: Risk Response created	Jamie Rogers	Jul 22, 2025 01:50 pm		
2179650	Risk ID: 753700 App: Contract Action: Risk Details updated	Kaely Culbertson	Jul 22, 2025 01:48 pm		

The Risk Lifecycle – Monitoring

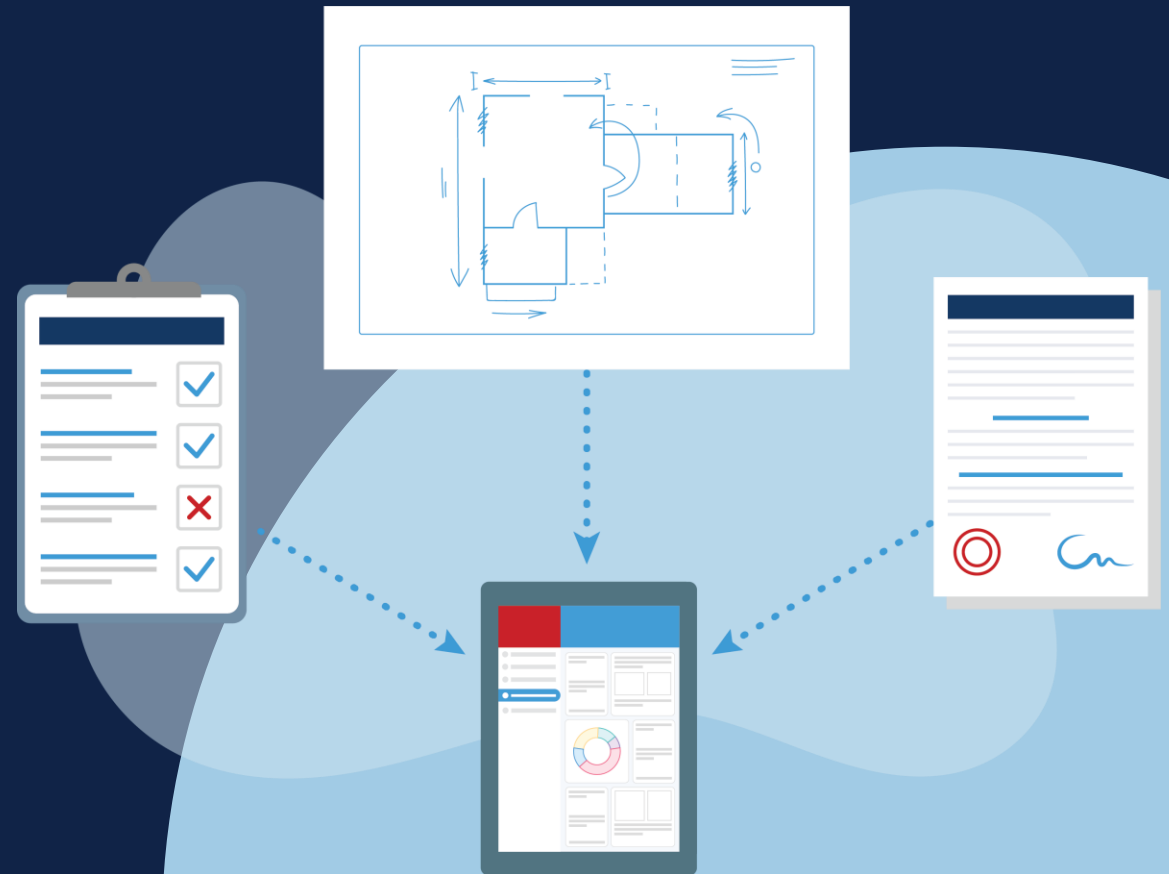


Let's See It in Action



A PMIS is Already a Risk Mitigation Tool

- Centralized data
- Real-time visibility
- Standardized processes
- Audit-ready records
- Controlled access



Mitigation Vs. Litigation

Dispute Lifecycle

Potential change				
Assertion of change - time and/or cost				
Debate/negotiation within project team				
Formal request (REA)				
Certified claim and resolution process				
Mediation				
Litigation: lawsuit, arbitration, board hearing				

Owners Must Lead, Not Delegate Risk



- Your goals, your dollars, your risk
- Complexity doesn't require chaos
- Visibility = control
- Be proactive, not reactive



Time for Q&A



Receiving Credit from Today's Stream



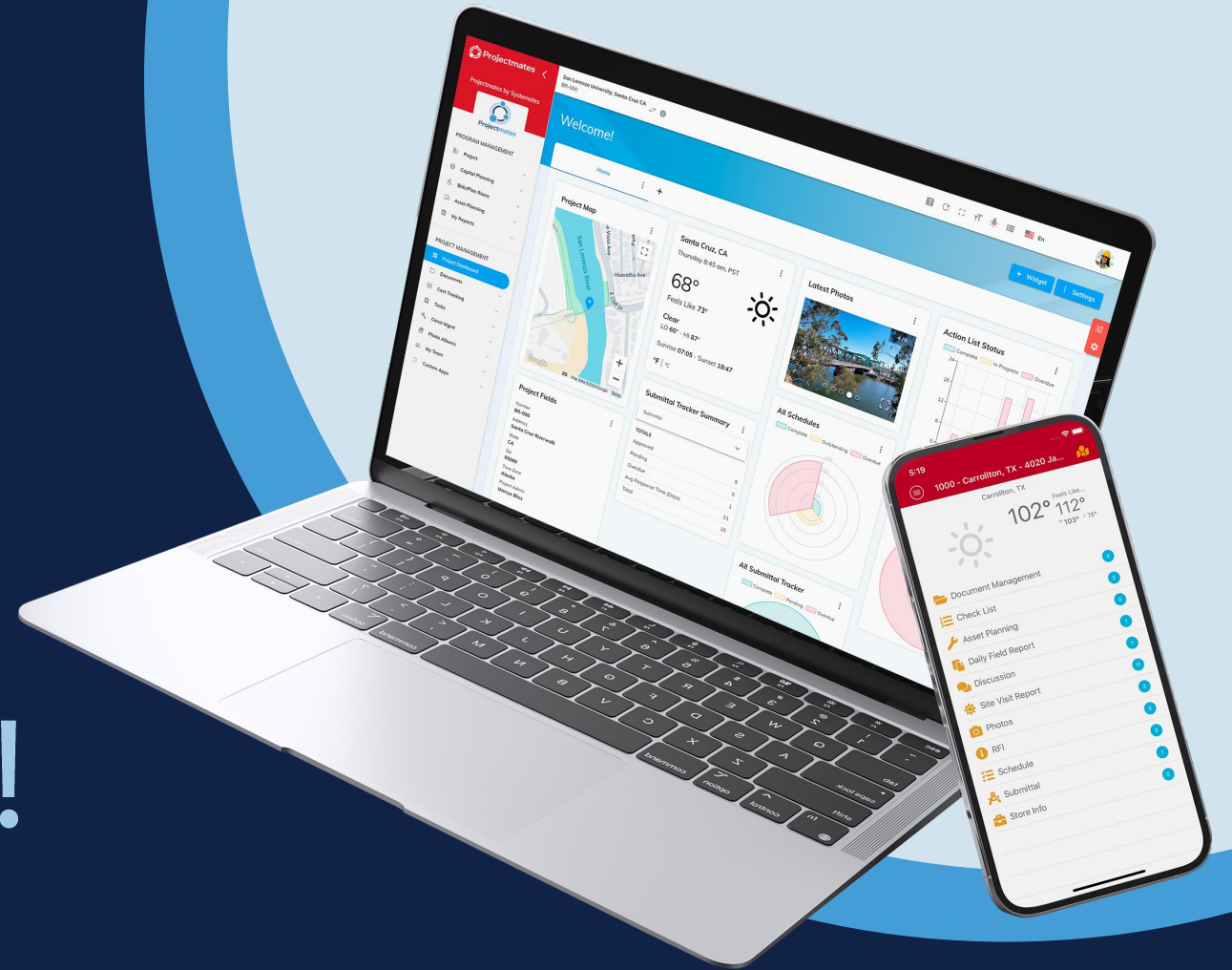
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