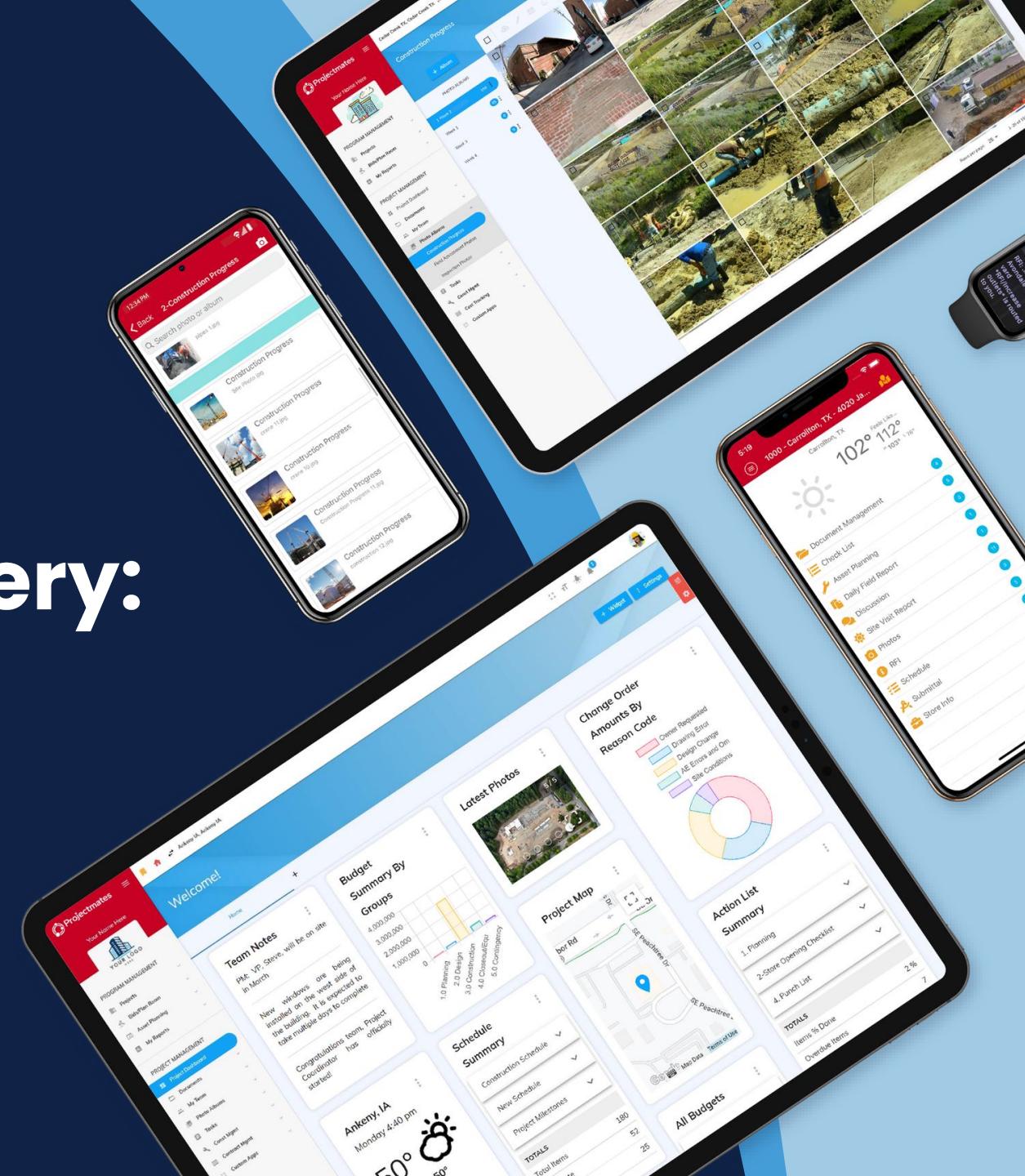




Proactive Project Delivery: Effective Risk Management

 **LIVE** EVENT



Meet Your Speakers



Brittany Riland
Product Specialist



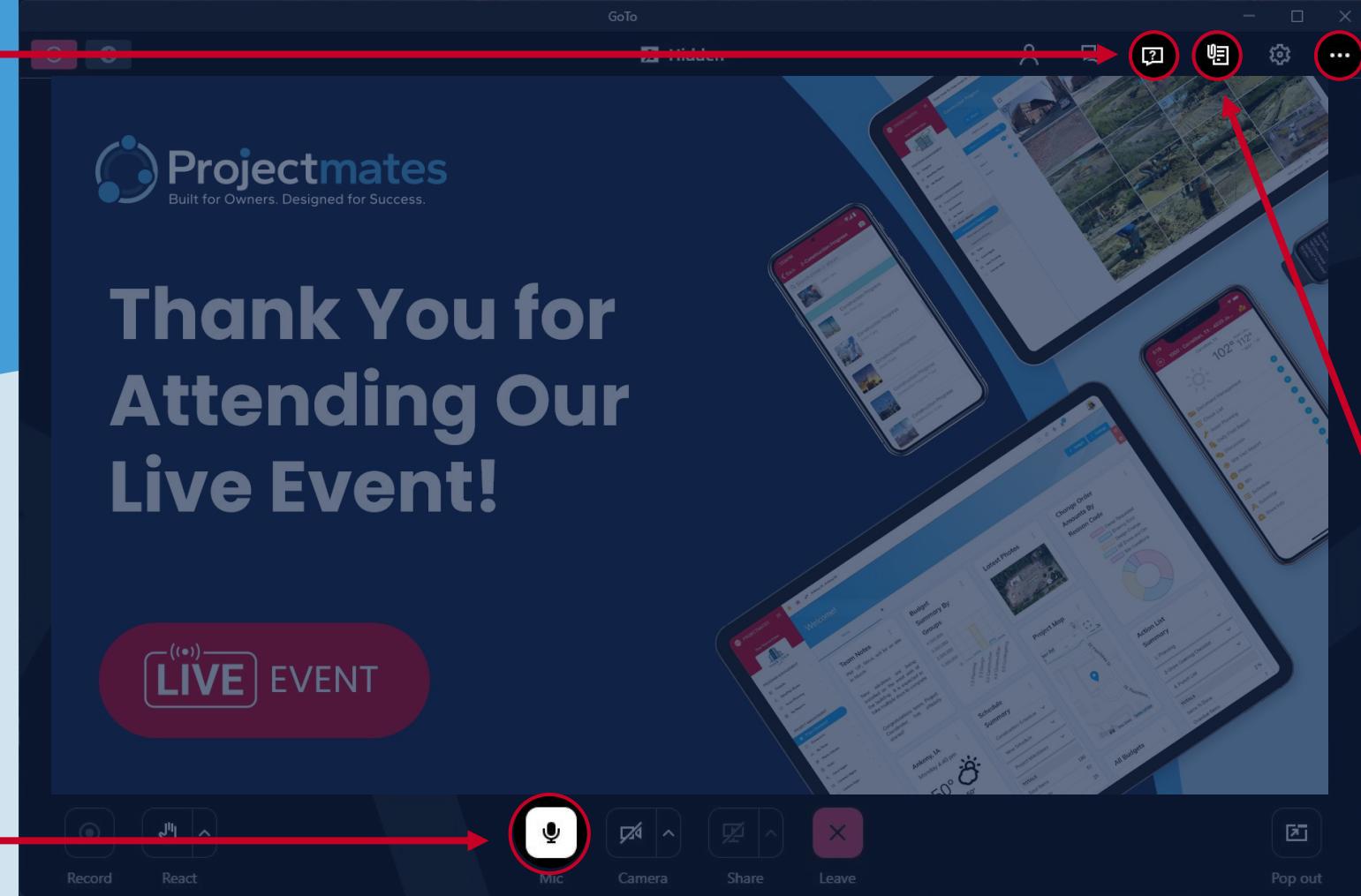
**Marcus Bliss, PMP,
CSM, CMIT**
Vice President

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.

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**Approved
Continuing
Education**

**Be sure to watch
today's full session
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earn your credit.**

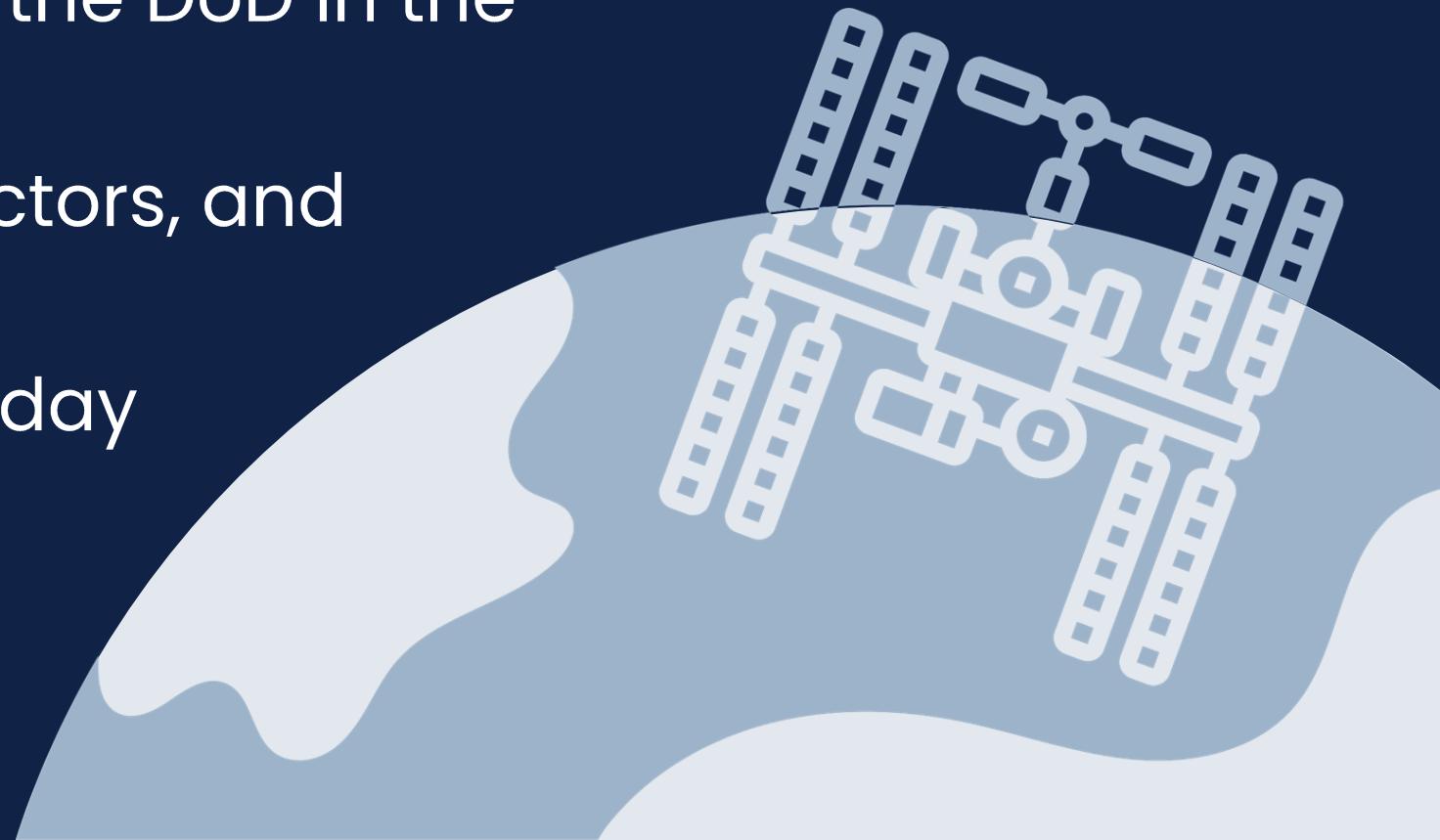
Today's Learning Objectives

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
I	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
I	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

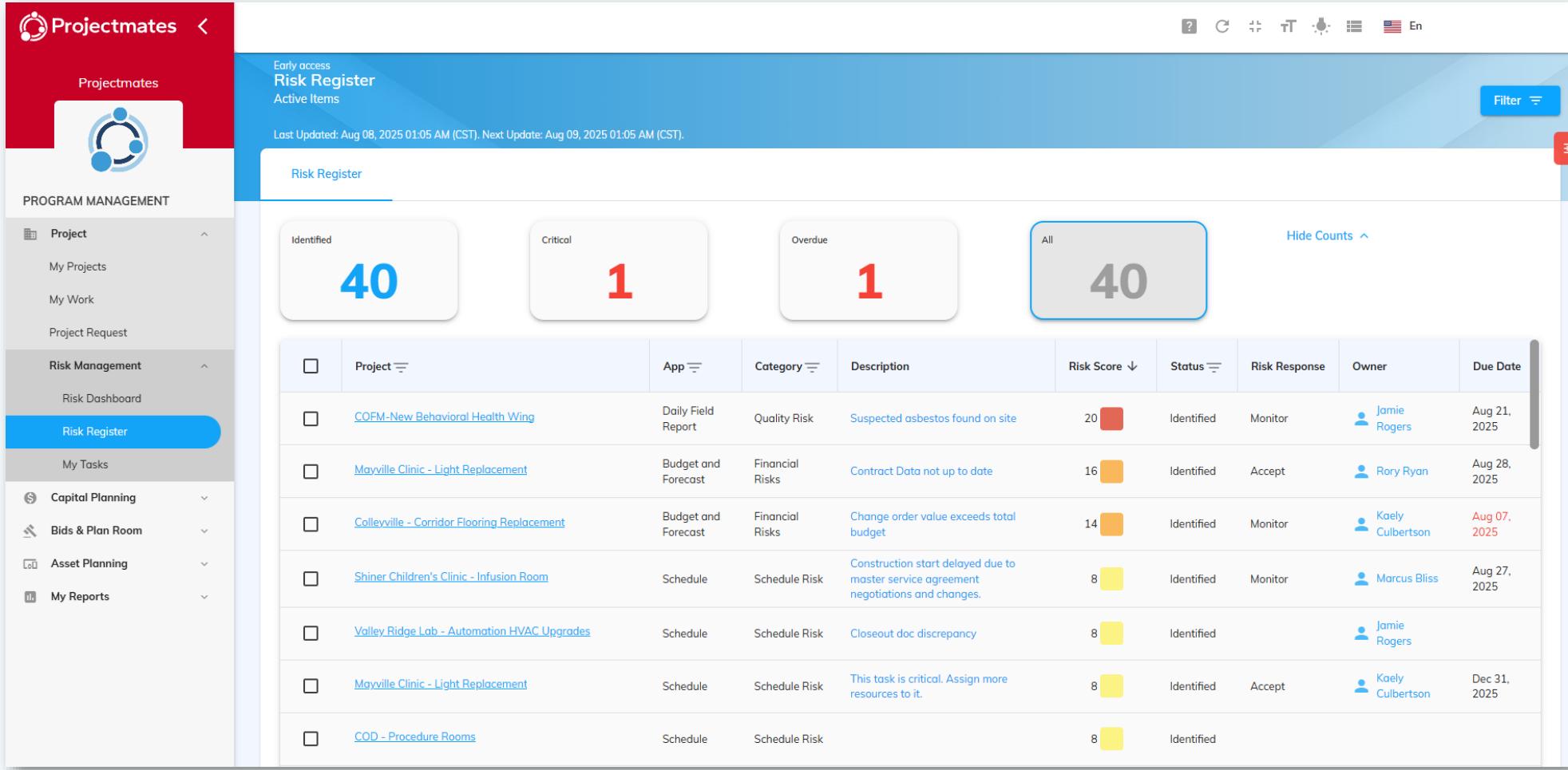
Process Planning



The Risk Lifecycle - Identify



The Risk Lifecycle – Identify



The screenshot shows the Projectmates Risk Register interface. The top navigation bar includes the Projectmates logo, a search bar, and various filter and settings icons. The main title is "Early access Risk Register" with "Active Items". Below this, a message states "Last Updated: Aug 08, 2025 01:05 AM (CST). Next Update: Aug 09, 2025 01:05 AM (CST)." A summary box displays four key metrics: "Identified" (40), "Critical" (1), "Overdue" (1), and "All" (40). A "Filter" button is located in the top right corner of this summary area. The main content area is titled "Risk Register" and contains a table of risk items. The table has columns for checkboxes, Project (with a dropdown menu), App, Category, Description, Risk Score (with a color-coded bar), Status, Risk Response, Owner, and Due Date. The table lists eight risk items, each with a brief description and status information. The "All" summary box is highlighted with a blue border.

	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



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Analysis

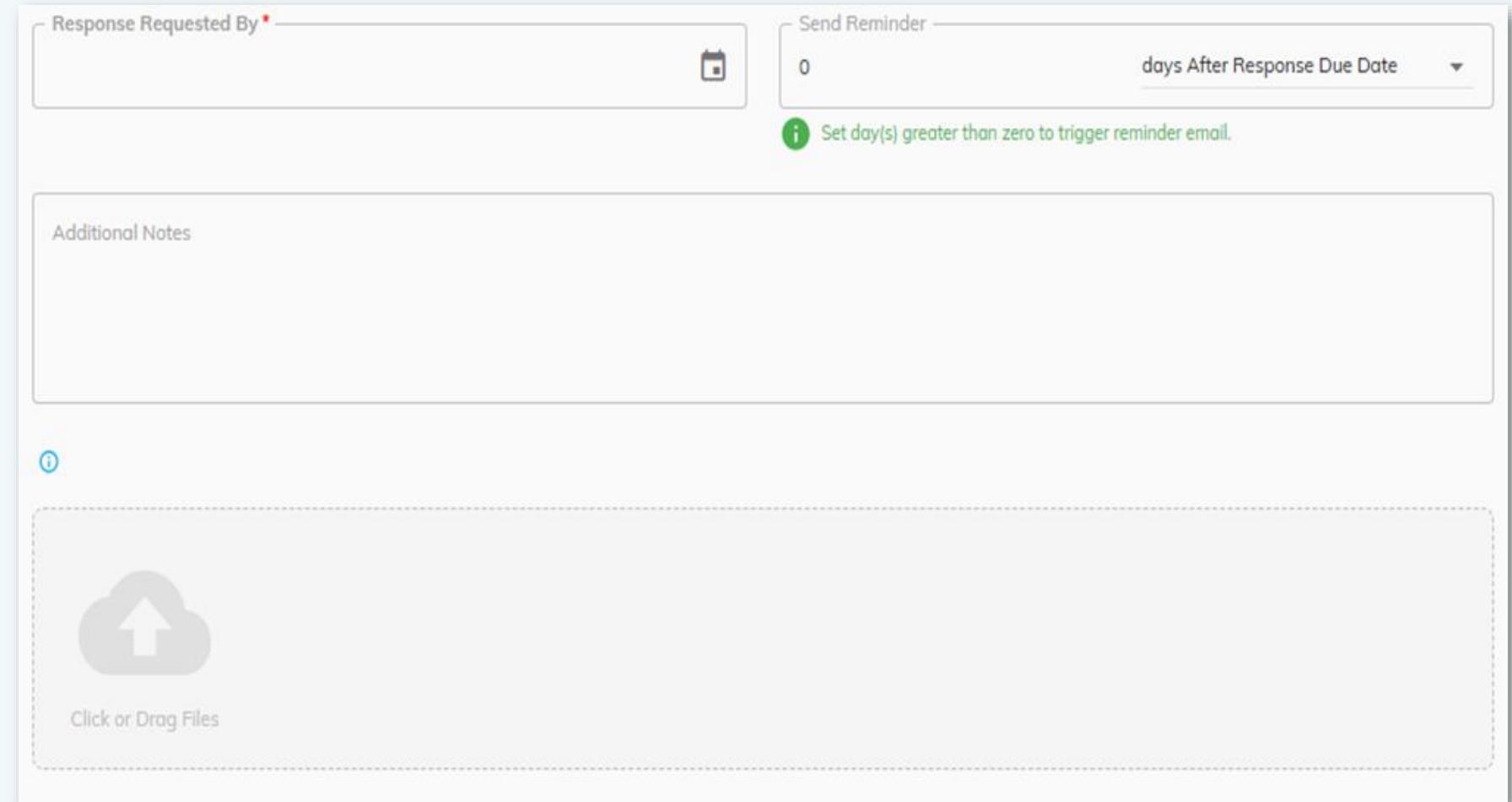
- WHAT is the response strategy (Avoid, Mitigate, Transfer, etc.)
- WHEN is the response requested by?

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



The Risk Lifecycle

Mitigation/Correction



Create Task

Display ID: Complete? No Yes

Description*
Normal

Responsibility
 User Role

Send Reminder
0 days After Response Due Date Due Date*

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

i



Mitigation

- Assign task(s) to responsible parties

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) History will be retained for three years.					
Id	Description	User Name	Access Time (CST)		
2179898	Risk ID: 753700 App: Contract Action: Risk Task Completed	Systemmates 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



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Let's See It in Action



A PMIS is Already a Risk Mitigation Tool

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



Mitigation Vs. Litigation



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Dispute Lifecycle



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



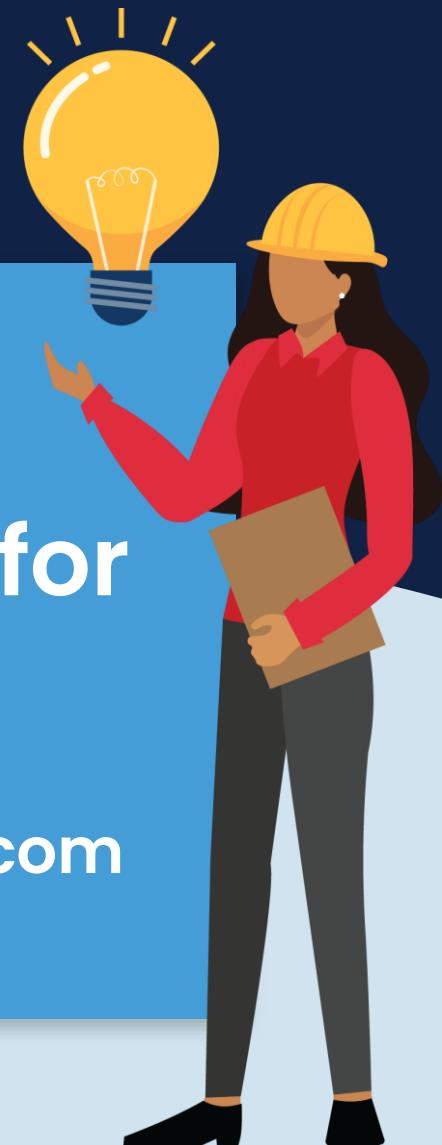
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laura.wards@systemates.com

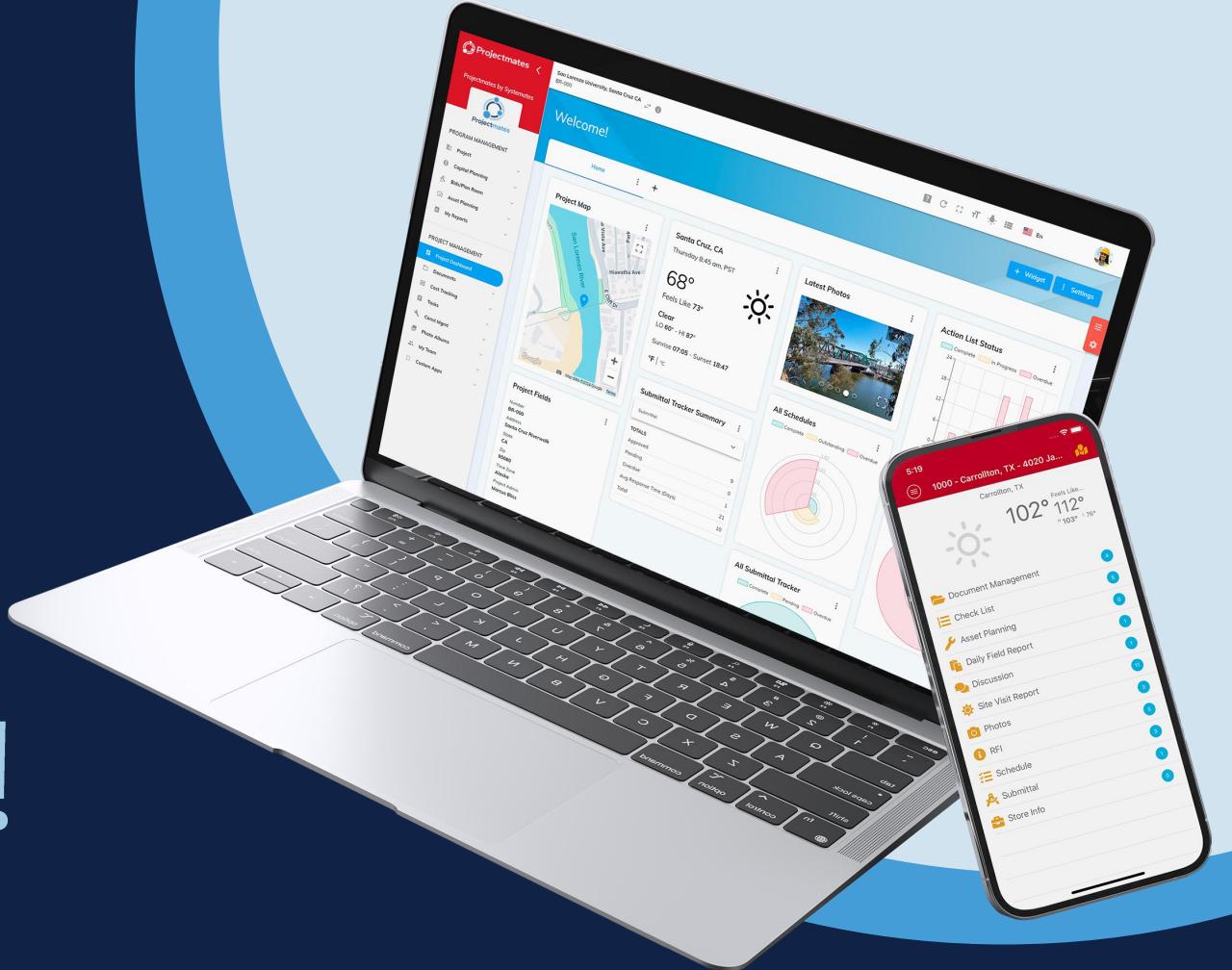




Projectmates

Built for Owners. Designed for Success.

Thank you for attending!



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