

RISK MANAGEMENT & OVERCOMING BARRIERS

Risk Management Definition:

Risk management is a project management process about accepting exposure to or reducing vulnerabilities to risk in a project, either by mitigating the risks or applying cost effective controls.

Risk Management Process:

1) Identify Risks

2) Assess impact and probability of occurrence

3) Rank Risks

- Unacceptable
- High
- Medium
- Low

4) Allocate a management strategy to each risk

- Transfer
- Accept
- Contingency
- Prevent
- Defer

5) Monitor progress

1) Identifying risk

- Think about the factors that might impact on your project's quality, time and cost: these can include financial loss, health & safety considerations, staff resignation, data loss, etc
- Identify whether these factors are risks to: yourself, your organisation, others?
- Quantifying the likely impact of each situation or event

2) Assessing impact & probability of occurrence

		IMPACT ON PROJECT		
		LOW	MEDIUM	HIGH
HIGH		Medium Risk	High Risk	Unacceptable Risk
MEDIUM		Low Risk	High Risk	Unacceptable Risk
LOW		Low Risk	Medium Risk	High Risk

PROBABILITY

4) Identifying an appropriate risk management strategy for each risk

Transfer	Eg: Insurance	Unacceptable risk
Accept	Tough!	Medium or Low
Contingency	Decide now what to do if it happens	High or medium
Prevention	Decide what to do to stop it happening	Unacceptable or high
Defer	Decide later what to do if it happens	Medium or low

Managing Conflict and Problem Solving

All projects encounter some problems along the way. Sometimes they are small and manageable and can be dealt with easily. It's the bigger problems and conflicts that can slow down, alter or even derail a project. Often problems are allowed to grow because they are ignored: people hope they will fix themselves, that conflict will get resolved without anyone doing anything about it if they 'just lay low'. There are a range of tools to help solve problems as they arise however and some simple conflict-resolution tools that can be used. As an overview, these include:

- * **Avoiding blaming** the other person/people
- * Giving **effective feedback**
- * Delivering **tough messages**
- * **Pre-empting difficulties**

Stakeholder Engagement: Problematic Partners

Different stakeholders will have various perspectives on your project and their relationship to it. Please highlight the need to vary modes of communication to engage each individual stakeholder as this will be crucial in getting them to collaborate with project objectives.

Communication Preferences:

Internally driven people will buy into the project only if they believe in it themselves, so your reassurances will not sway them. Communication should be unrestricted and left in a general 'it's up to you tone.'

Externally driven people require lots of feedback and encouragement for motivation. Communication should illustrate that others are happy with the project, particularly those they hold in high esteem.

Most people however, are **general people** who prefer to see the big picture and do not want to concern themselves with detail. A document packed with appendices relating to the particulars of the project will not hold their attention, but a concise half page of bullet points will. Communication with general thinkers should be geared towards the general, overall project plan.

Specifics people tend to communicate in a sequential way, using lots of adjectives and adverbs. Plenty of details are needed to verify worth of the project.

Proactive people are the initiators, often impatient to move things forward and can act without consideration. Proactive people may impose their own ideas without listening to yours or take the project over. Communication will need to be proactive also, using motivating words such as 'why not just run with it' and 'let's get going.'

Proactive people are often goal driven *towards people* and will be inspired by achieving their goals – what they can achieve and gain by participating on the project. They are not necessarily very good at assessing risk or potential problems and are optimists by nature.

Reactive people prefer to respond to views and actions of others and will communicate with long sentences and quantifiers such as perhaps and possibly or conditionals such as would, might or may. They may spend a lot of time thinking and analysing and then not take any action, so it should be expected that they won't respond to the project until required to do so.

Reactive people tend to be *away from* people who can appear to be pessimists. They are motivated by solving problems and overcoming difficulties and will respond to negative stimuli.

Methods of Communicating with Stakeholders:

- ◆ Meetings (face-to-face communication)
- ◆ Newsletters
- ◆ Briefings
- ◆ Phone calls
- ◆ Emails/memos
- ◆ Formal letters

More information is available on our **Motivation Kit CD-Rom**.

Please note the importance of keeping an audit trail of all correspondence and communications

Techniques for engaging, empowering and enabling stakeholders

- **Use local community groups** to engage the community being targeted, as they are a more trusted channel to disseminate information and advice. This also opens avenues for future partnerships.
- Find out what the main barriers are in the community and **address those barriers specifically**
- Promote **ownership of the project** within the community
- Constantly **seek and evaluate feedback** to help further streamline the project

- Be **flexible, patient and consistent**: the stakeholders need to know that you are serious about the project and about their involvement as partners.

Top tips to Borough of Hackney's success

- **Recruit volunteers:** can be a huge asset to a project on limited funds.
- **Use the media** to promote the project and target it to your audience (e.g. community/voluntary organisations).
- **Find a human angle** when promoting media stories and get quotes to make it interesting.
- **Use quality photographs:** spend money on a good photographer who can capture the activity as well as making participants feel important.
- **Get support from a local celebrity or politician** to give the project credibility, support and added attraction.
- **Network:** use your existing contacts to spread the word about your project and gain extra funding.
- **Give something away for free!**