# Risk Management Plan

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Project Name:** | | | | | |
| Risk # | Risk | Impact | Initial risk rating  (Before treatment strategies in place) | Risk treatment strategies | Residual risk  (Once treatment strategies in place) |
| Action |
| 1 | Risk:  Source: |  | Consequence:  Likelihood:  Risk rating (1-5 with 1 being low, 5 being high): |  | Consequence:  Likelihood:  Risk rating (1-5): |
| 2 | Risk:  Source: |  | Consequence:  Likelihood:  Risk rating (1-5): |  | Consequence:  Likelihood:  Risk rating (1-5): |
| 3 | Risk:  Source: |  | Consequence:  Likelihood:  Risk rating (1-5): |  | Consequence:  Likelihood:  Risk rating (1-5): |
| 4 | Risk:  Source: |  | Consequence:  Likelihood:  Risk rating (1-5): |  | Consequence:  Likelihood:  Risk rating (1-5): |
| 5 | Risk:  Source: |  | Consequence:  Likelihood:  Risk rating (1-5): |  | Consequence:  Likelihood:  Risk rating (1-5): |

## Risk rating assessment guidance

### *Consequences of risks*

| Potential Risk Categories | Insignificant | Minor | Moderate | Major | Severe |
| --- | --- | --- | --- | --- | --- |
| Objective | - Negligible impact on delivering project | - Minor Milestone delays. | - Milestone moderately delayed  - Objective delayed by less than 20% of original timeframe. | - Objective delayed by more than 20% of original timeframe.  - Milestone significantly delayed or not achieved. | - Project Objective not able to be achieved. |
| Reputation | - Internal impact only.  - No adverse publicity.  - No stakeholder conflict. | - Some adverse publicity.  - Minor loss of stakeholder confidence. | - External scrutiny / criticism.  - Substantial adverse publicity or loss of some stakeholder confidence. | - Serious loss of stakeholder confidence.  - Adverse media reports on failings, inefficiency or inadequacy, causing serious embarrassment to business. | - Complete loss of stakeholder confidence.  - Intense public, political and media scrutiny/criticism evidenced by front-page headlines, adverse media reports and/or sustained television coverage causing extreme damage to business reputation. |
| Financial | - <1% impact on budget. | - Between 1% and 2.5% impact on budget. | - Between 2.5% and 10% impact on budget. | - Between 10% and 20% impact on budget. | - Greater than 20% impact on budget. |
| WHS | - Staff member sustains minor cuts or abrasions requiring first aid treatment. | - Staff members sustains minor injury requiring medical attention  - Staff absences increase sufficiently to cause delay. | - Skilled staff shortages lead to significant additional costs or delays.  - Work accident leads to staff/client hospitalisation. | - Unable to attract any skilled staff.  - Work accident leads to extensive or serious staff/client injury or temporary disablement. | - Death or serious permanent disablement of staff or clients. |
| Environmental | - Minor and reversible effect on physical environment | - Moderate short term effects on project environment.  - No impacts on ecosystem services | - Serious medium term environmental impacts. | - Serious long term impairment of the environment and surrounding ecosystem functions. | - Very serious long term impairment of the environment and surrounding ecosystem functions. |
| Technical | - Minor and reversible effect on technical environment | - Moderate short-term effects on technical environment. | - Serious medium-term technical impacts including security breaches. | - Serious long-term technical impacts including sustained security breaches. | - Very serious long-term technical impacts including irreversible security breaches. |

### *Likelihood of risks*

| Category | Example of Qualitative Measures |
| --- | --- |
| Almost Certain | The event is expected to occur in most circumstances |
| Likely | The event will probably occur in most circumstances |
| Possible | The event might occur at some time |
| Unlikely | The event is not expected to occur in most circumstances |
| Rare | The event will only occur in exceptional circumstances |

### *Risk rating*

|  | | Consequence | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Insignificant | Minor | Moderate | Major | Severe |
| Likelihood | Almost Certain | Medium | High | High | Extreme | Extreme |
| Likely | Medium | Medium | High | High | Extreme |
| Possible | Low | Medium | Medium | High | High |
| Unlikely | Low | Low | Medium | Medium | High |
| Rare | Low | Low | Low | Medium | Medium |