Common Sources of Risk

1. **The work to be done –**
* the extent to which the work is clearly defined and understood
* the magnitude of the work and the extent of change it will cause to the organization
* the extent to which the organization is dependent on the project
* any regulatory or compliance issues
* the technical complexity of the work being done (has it been done before successfully; is it something entirely new; is it something routine; has it been tried before but failed)
* the technology being used to complete the work and the extent to which it’s been successfully used in the organization
1. **The people who are doing the work –**
* whether or not they’re available
* whether or not they’re capable of doing the work that is needed
* whether or not they understand the expectations
* whether or not they support project goals
* whether or not they get along with each other or work well together
* the extent to which they’re comfortable with the level of ambiguity or precision the project will require
1. **The time line –**
* whether it accounts for holidays, vacations, operational peak-seasons
* whether it’s fixed or flexible
* whether it’s externally imposed, or driven from within the project
* how many of the project activities are on the critical path
* whether estimates were provided by those closest to the work
* whether estimates included both effort and duration or just one or the other
* the extent to which weather or other external, uncontrollable factors play into
the project schedule
1. **The cost of the work to be done –**
* whether or not the money is available
* how soon the project costs would be paid back to the organization
* how strong the support of the project is within the revenue-generating parts of the organization
* how realistic the budget is for the scope
1. **If there’s a vendor –**
* the vendor’s process maturity
* the vendor’s technical capabilities for new product development
as well as ongoing support
* the vendor’s existing clients and current production issues
* the vendor’s ability to meet time lines
* the vendor’s awareness of and buy-in to expectations
* the vendor’s ability to support security needs
* the vendor’s relationship management skills
* the vendor’s escalation processes
1. **The environment –**
* whether there’s another project competing for priority
* how tolerant the organization is to changes within the project
* the impact to the organization if the project delivers only some
or none of the expected benefits
* any issues of organizational politics relating to the project
* whether the project is dependent on any other concurrent project or effort in order to be successful
* the extent to which organizational leadership understands and supports the project