

Risk Response Plan Template

Project Name: Installation of new Roof sheeting at Lavarack Barracks
Prepared by: Lucy Muston
Date: 09/06/2024
Description of Risk Identified: • Structural Integrity Risks • Weather-related Risks • Material Supply Risks • Safety Hazards • Environmental Risks • Regulatory Compliance Risks • Stakeholder-related Risks • Schedule Risks
Person(s) Responsible: • Engineering Team • Project Manager • Procurement Officer • Safety Officer • Environmental Specialist • Stakeholder Liaison • Project Manager
Results from Risk Analysis: • Identification of High-priority Risks: The risk analysis process would identify risks with the highest likelihood and impact on the project. These risks would be prioritised for further assessment and mitigation. • Quantitative Assessment of Risks: Quantitative risk analysis techniques, such as Monte Carlo simulation or sensitivity analysis, would provide insights into the potential magnitude of risks on project objectives such as cost, schedule, and quality. • Identification of Risk Response Strategies: Risk analysis would inform the development of risk response strategies tailored to address specific risks identified during the analysis. These strategies may include risk mitigation, avoidance, transfer, or acceptance. • Prioritisation of Risk Response Actions: The analysis results would help prioritise risk response actions based on their effectiveness in reducing overall project risk exposure. This ensures that resources are allocated to address the most critical risks first. • Scenario Planning: Risk analysis may involve scenario planning to assess the impact of different risk scenarios on project outcomes. This allows project managers to develop contingency plans and make informed decisions under uncertainty. • Risk Reporting and Communication: The results of risk analysis would be communicated to project stakeholders through comprehensive risk reports and presentations. This ensures that stakeholders are informed about potential risks and the planned response strategies. • Continuous Monitoring and Control: Risk analysis is an iterative process that requires continuous monitoring and control throughout the project lifecycle. The results of risk analysis would inform

ongoing risk management activities, including regular reviews of risk registers and adjustment of risk response plans as needed

Agreed Responses (avoidance, transference, mitigation, acceptance):

Response #1

Avoidance:

- Response: The project team decides to avoid the risk altogether by altering the project plan or taking actions to eliminate the risk entirely.
- Example: If there is a high risk of structural integrity issues due to poor soil conditions, the project team may decide to relocate the installation site to an area with better soil stability to avoid the risk of foundation problems.

Response #2

Transference:

- Response: The project team transfers the risk to a third party, such as an insurance provider or subcontractor, who is better equipped to manage or absorb the risk.
- Example: The project team may transfer the risk of supply chain disruptions to a subcontractor responsible for sourcing materials, who will assume responsibility for ensuring timely delivery and managing any supply chain issues.

Response #3

Mitigation:

- Response: The project team takes proactive measures to reduce the likelihood or impact of the risk, thereby minimising its potential negative effects on the project.
- Example: To mitigate the risk of weather-related delays, the project team may implement measures such as installing temporary weather protection systems, scheduling work during favourable weather conditions, or adjusting project timelines to account for potential weather disruptions

Response #4

Acceptance:

- Response: The project team acknowledges the existence of the risk but decides not to take any specific action to mitigate it, either because the risk is deemed acceptable within predefined tolerance levels or because mitigation measures are not feasible or cost-effective.
- Example: The project team may accept the risk of minor schedule delays due to unforeseen circumstances beyond their control, such as regulatory approval processes or minor weather disruptions, as these delays are not expected to have a significant impact on project objectives.

Residual Risk Level:

- **Effectiveness of Risk Response Actions:** Assess the extent to which risk response actions have reduced the likelihood and impact of the risk. Determine whether the implemented measures adequately address the root causes of the risk or if there are residual vulnerabilities that remain.
- **Residual Uncertainties:** Identify any remaining uncertainties or factors outside of the project team's control that could influence the likelihood or impact of the risk event. Consider the level of confidence in the effectiveness of risk response actions and any residual risks associated with external dependencies.
- **Monitoring and Control Measures:** Establish mechanisms for monitoring and controlling residual risks over time. Implement contingency plans and response strategies to address any unexpected developments or changes in risk conditions that may arise during project execution.

- **Communication and Reporting:** Communicate the residual risk level to project stakeholders, ensuring transparency and alignment on the remaining risk exposure. Provide regular updates on the status of residual risks and any changes in risk levels or priorities.

Action Steps:

- **Review Risk Response Plans:**
 - Review the risk response plans that were developed during the risk management process to ensure that all identified risks have been addressed with appropriate response actions.
- **Evaluate Effectiveness:**
 - Evaluate the effectiveness of the implemented risk response actions in mitigating the identified risks. Determine whether the response actions have successfully reduced the likelihood and impact of the risks to an acceptable level.
- **Identify Residual Risks:**
 - Identify any residual risks that remain after implementing the response actions. These are risks that still pose a potential threat to project objectives, despite mitigation efforts.
- **Assess Residual Risk Levels:**
 - Assess the residual risk levels for each identified residual risk. Determine the likelihood and impact of these risks on project objectives to understand the remaining risk exposure.
- **Develop Contingency Plans:**
 - Develop contingency plans to address the residual risks. Identify specific actions and strategies that can be implemented if residual risks materialise, allowing the project team to respond effectively and minimise the impact on project objectives.
- **Assign Responsibility:**
 - Assign responsibility for monitoring and managing residual risks to appropriate team members. Ensure that clear roles and responsibilities are defined for monitoring the status of residual risks and implementing contingency plans as needed.
- **Implement Monitoring Mechanisms:**
 - Implement monitoring mechanisms to track the status of residual risks throughout the project lifecycle. Establish regular review meetings or checkpoints to assess the effectiveness of contingency plans and identify any changes in risk conditions.
- **Communicate and Report:**
 - Communicate the residual risk status and contingency plans to project stakeholders. Provide regular updates on the status of residual risks, including any changes or developments that may impact project objectives.
- **Review and Adjust:**
 - Regularly review the effectiveness of contingency plans and adjust them as necessary based on changing risk conditions or project requirements. Continuously monitor residual risks and take proactive measures to address emerging threats or opportunities.

Budget & Time for Response:

- **Identify Resource Requirements:**
 - Determine the resources needed to implement the contingency plans for addressing residual risks. This may include personnel, materials, equipment, and external services.
- **Estimate Costs:**
 - Estimate the costs associated with implementing the contingency plans. Consider factors such as Labor costs, material costs, equipment rental fees, and any additional expenses related to risk response activities.
- **Develop a Contingency Budget:**
 - Develop a contingency budget to cover the costs of responding to residual risks. Allocate funds from the project budget to address potential risk events that may occur during project execution.
- **Allocate Time:**

- Allocate time in the project schedule for implementing the contingency plans. Consider the duration of each risk response activity and its impact on overall project timelines.
- **Schedule Contingency Activities:**
 - Incorporate the risk response activities into the project schedule at appropriate intervals. Ensure that sufficient time is allocated for each activity to be completed effectively.
- **Monitor Resource Utilisation:**
 - Monitor the utilisation of resources allocated for risk response activities. Track expenditures against the contingency budget and adjust resource allocation as needed to stay within budget constraints.
- **Regularly Review and Update:**
 - Regularly review the status of residual risks and the effectiveness of contingency plans. Update the budget and schedule as necessary based on changes in risk conditions or project requirements.
- **Communicate with Stakeholders:**
 - Communicate the allocated budget and schedule for risk response activities to project stakeholders. Keep stakeholders informed of any changes or updates to the contingency plans and their impact on project timelines and costs.

Contingency/Fallback Plans:

- **Identify Critical Risks:**
 - Identify the most critical risks that could potentially impact project objectives, such as schedule delays, budget overruns, resource constraints, or technical issues.
- **Assess Likelihood and Impact:**
 - Assess the likelihood and potential impact of each identified risk on project objectives. Prioritize risks based on their severity and the level of disruption they could cause to project outcomes.
- **Develop Response Strategies:**
 - Develop response strategies for addressing each identified risk. Consider different approaches such as risk mitigation, contingency planning, risk transfer, or acceptance based on the nature of the risk and its potential consequences.
- **Allocate Resources:**
 - Allocate resources, including budget, time, personnel, and materials, to support the implementation of contingency plans. Ensure that sufficient resources are available to respond effectively to potential risk events.
- **Establish Trigger Points:**
 - Establish trigger points or thresholds that indicate when contingency plans should be activated. Define specific criteria or conditions that signal the need to implement fallback measures to address emerging risks.
- **Define Contingency Measures:**
 - Define contingency measures or actions to be taken in response to identified risks. These measures may include alternative work methods, reallocation of resources, procurement of additional supplies, or adjustments to project schedules.
- **Document Contingency Plans:**
 - Document contingency plans in detail, including the specific actions to be taken, responsible parties, timelines, and communication protocols. Ensure that contingency plans are accessible to all relevant stakeholders and regularly reviewed and updated as needed.
- **Communicate and Train:**
 - Communicate contingency plans to project team members, stakeholders, and other relevant parties. Provide training and guidance on implementing contingency measures and ensure that everyone understands their roles and responsibilities in executing the plans.
- **Monitor and Evaluate:**

- Monitor the status of identified risks and the effectiveness of contingency plans throughout the project lifecycle. Evaluate the performance of contingency measures and make adjustments as necessary to address changing risk conditions or project requirements.