



1.0 Purpose

- 1.1 This procedure defines the Risk Management process and application.

2.0 Responsibilities

- 2.1 Management is responsible for identifying the Program Manager and Program Team.
- 2.2 The Program Manager is responsible for the risk management process for the project and for accepting or rejecting the level of risk for the project.
- 2.3 The Project Team is responsible for providing input to the process for identifying risks.

3.0 Definitions

- 3.1 Risk: a measure of the inability to achieve overall program objectives within defined cost, schedule and technical constraints.
- 3.2 Risk Management: the processes concerned with identifying, analyzing and responding to project risk.
- 3.3 Risk Identification: determining which risks are likely to affect the project and documenting the characteristics of each.
- 3.4 Risk Analysis: the process of evaluating risk and risk interactions to assess the range of possible project outcomes.
- 3.5 Risk Mitigation: reducing the likelihood or consequence to acceptable levels.

4.0 Equipment/Software

- 4.1 None

5.0 Instructions

- 5.1 Define and Plan the Risk Management Approach
- 5.1.1 Identify the Program Manager
 - 5.1.2 Identify the Program Team
 - 5.1.3 The Program Manager documents the Risk Management Approach in the Risk Management Plan (RMP).
- 5.2 Identify Risks
- 5.2.1 Document the risk identification approach in the RMP. Risks can be identified using:
 - a) Program Plans
 - b) Program Requirements



- c) Customer Concerns and Issues
- d) Subject Matter Expert Interviews
- e) Trade Study Results
- f) Cost and Schedule simulation and Analysis Results
- g) Test, Logistics and Support Date
- h) Vendor Assessments
- i) Risk Checklists
- j) Technical Performance Measures
- k) Failure Mode and Effects Analyses

5.2.2 Document the risks in a Risk List (F-722-002). Include:

- a) The risk identification number
- b) The risk name
- c) A risk statement that includes the root cause, possible outcomes, impact and consequence of the risk.
- d) Risk owner responsible for mitigation plan

5.3 Assess and Prioritize the risks

5.3.1 Rank the identified risk items according to degree of risk (high, moderate, low) or quantitatively in accordance with program needs.

5.3.2 Prioritize the risks by risk level

5.4 Develop and Implement Risk Handling Approaches

5.4.1 Risk mitigation plans can be implemented when some aspect of the risk is controllable by the program.

5.4.2 Risk owners document a Risk Mitigation plan, including:

- a) Task IDs, Task names
- b) Start and finish dates
- c) Cost of task
- d) Contribution of the task towards mitigating the risk
- e) Criteria for success of the risk mitigation plan

5.4.3 For high risks that have no cost-effective mitigation possibilities, the risk owner documents a contingency plan. Include:

- a) Contingency preparation tasks
- b) Contingency tasks
- c) Decision criteria for implementing the contingency tasks

5.4.4 The mitigation and contingency plans are submitted to the program manager for approval.



5.5 Track and Report

5.5.1 Reassessments and risk closures are done in accordance with the Risk Management Plan. Tracking includes:

- a) Identifying new risks
- b) Reassessing each risk on a periodic basis
- c) Closing risks
- d) Adjusting mitigation plans or developing new mitigation plans
- e) Adjusting schedules and budgets.

5.5.2 The program manager is responsible for approving all changes.

6.0 Forms and Records

6.1 F-722-001 Risk Management Plan

6.2 F-722-002 Risk List

7.0 Attachments

7.1 None

8.0 Related Documents

8.1 None

9.0 References

9.1 List any technical references here