

PROGRAMME LIFECYCLE							
STRATEGIC PHASE				DELIVERY PHASE			
INITIATION STAGE	DEFINITION STAGE	ESTABLISHMENT STAGE	MANAGEMENT STAGE	DELIVERY STAGE			CLOSE
PROGRAMME OBJECTIVES	PROGRAMME SCOPING	PROGRAMME PRIORITISATION	PROGRAMME OPTIMISATION	FEASIBILITY	DESIGN	IMPLEMENTATION	CLOSEOUT STAGE
Risk Reporting							



Raising the bar and driving efficiency through a tailored risk management framework

What is Project Risk Management?

As defined by the APM, a risk is an uncertain event that may impact positively or negatively upon the achievement of project objectives.

Project Risk Management is the application of a set of integrated processes designed to provide you with the ability to identify, manage and control uncertainties to maximise opportunities and minimise threats.

Our tailored project risk management approach provides asset owners with visibility and understanding of risk contingency requirements through risk profiling, enabling the ability to plan, manage and report, providing confidence in successful project delivery.

Project Risk Management Framework

Risk management is an integral part of Project Management. The Risk Management framework is a systematic approach to identifying uncertainties that could affect the successful achievement of your desired outcomes and taking the necessary action is the key to success.

Risk Management has five distinct phases that are continuously applied in a cyclic fashion, whilst at the same time being monitored, reviewed and communicated.

These steps are defined by ISO:31000 Risk Management as:

- **Establish the Context** Understand the scope and desired outcomes of your project.
- **Risk Identification** Look at what uncertainties could impact upon those objectives/scope. These can be positive (Opportunity) or negative (Threat) impacts.
- **Risk Analysis** Scoring risks by likelihood and consequence (qualitatively or quantitatively) to understand the consequences.
- **Risk Evaluation** Prioritising risks to ensure focus is on the opportunities that best aid the project or threats that have a greater potential to disrupt.
- **Risk Treatment** Assign appropriate and cost-effective set of response(s) to address risks (opportunities and threats).



We're active members of the **communities** we serve. That's why at Stantec, we always design with community in mind.



Having risk management activities as part of the project management lifecycle ensures a focussed approach reducing the chances of 'surprises' and aids confidence in the project deliverables (cost, time, quality etc.).

At Stantec, our risk professionals drive opportunity maximisation and threat minimisation through this framework, benefiting from our experience and industry lessons learned.

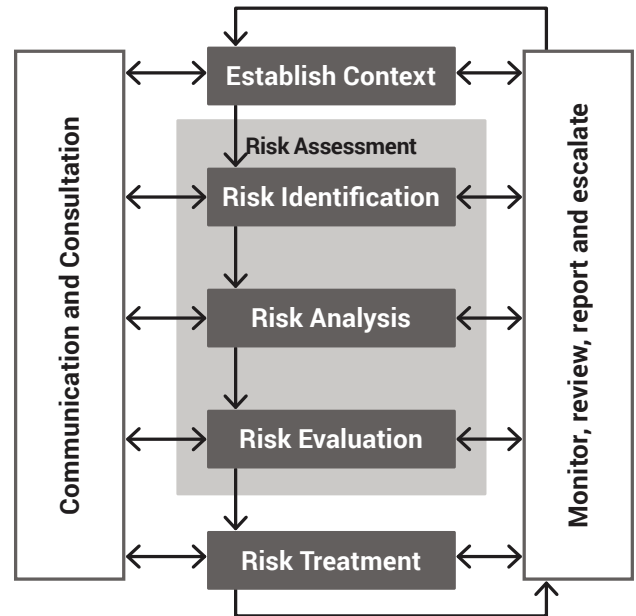


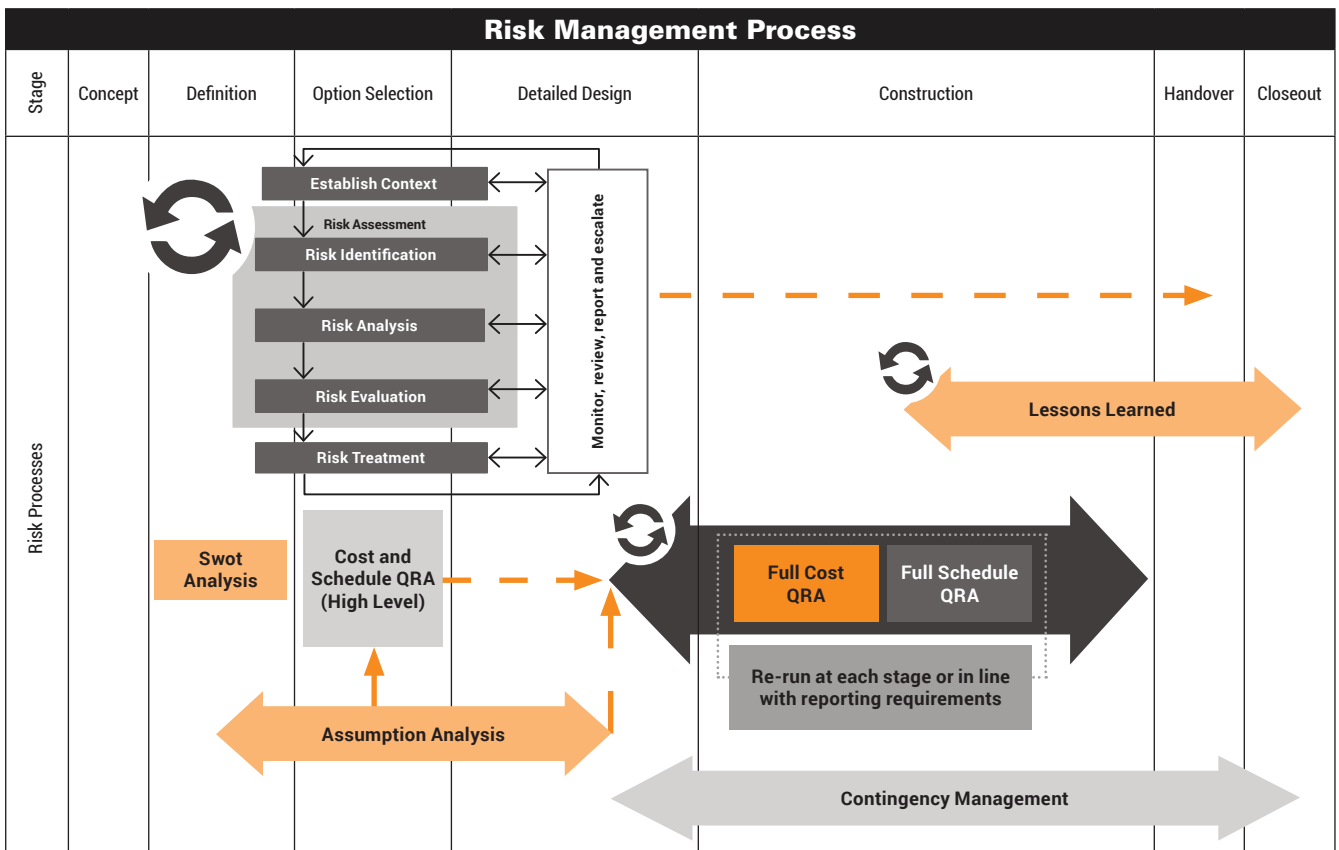
Figure 1 – ISO:31000 Risk Management Process

Risk Management in a Project Lifecycle

The level and type of risk management activities undertaken should be guided by the stage of the project to ensure efforts remain appropriate to the stage of work being undertaken.

Typically, as a project develops from concept and becomes more detailed, so does the approach to Risk Management. However, it is recognised in industry that risk management actions taken early in a project provide the most cost-effective approach.

At Stantec, we believe it's important to establish appropriate risk culture and use a 'back to basics' approach to achieve this. Increasing project risk maturity driving best practice risk management is key to continual success in delivering efficiency within any given project(s).



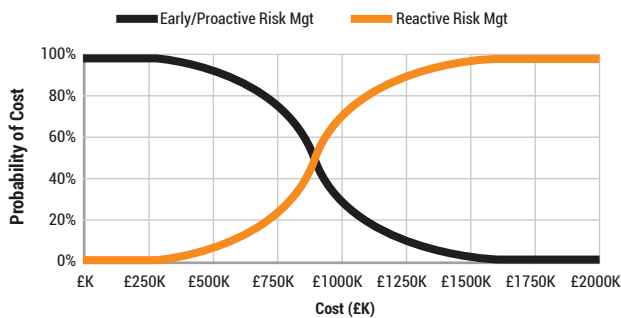
Benefits of Project Risk Management

Stantec work with asset owners to enable forecasting risk contingency with confidence by embedding a risk management framework. Consistency and clear understanding of the process is the key for increasing the chance of success.

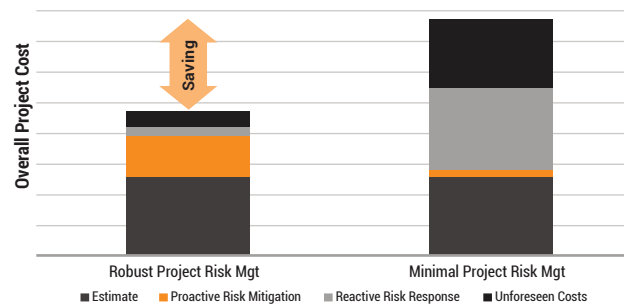
A little spent up-front on proactive risk management actions can help reduce future uncertainty and limit surprises, along with the costs and inevitable delays in dealing with them. In addition, it also aids maximising savings linked to opportunities.

Capturing risk data in a consistent manner that is assured, enables informed decisions to be made in a proactive and not reactive manner; increasing the chance of success.

Value for Money - Cost v Probability of Cost



Robust v Minimal Risk Management



Project Risk Lessons Shared

There are a number of common myths within the area of Risk Management.

“Having a project risk register guarantees risks will not happen”

- You can never fully guarantee risks will or will not happen (if you could, it is no longer a risk), but if risks have appropriate actions assigned to them, and are proactively managed or have suitable fallback plans, then you can be confident in avoiding any surprises.

“Creating an extensive risk register means we have spent time and know everything that will happen”

- It is important to remember that you can only manage a certain amount of risks and we at Stantec have techniques to assist PM's to coach and facilitate them to recognise what should be contained within a project risk register and what will make a difference in achieving the project outcomes.

“Completing a Quantitative Risk Analysis (QRA) means that the project is acceptable and secure”

- Remember that it's the quality of input data that drives the modelled QRA output. A QRA model running poor data will give an equally poor output. At Stantec, we ensure that robust Risk Management assurance is undertaken to health check the data quality to provide confidence for asset owners to make decisions.

Stakeholder Management

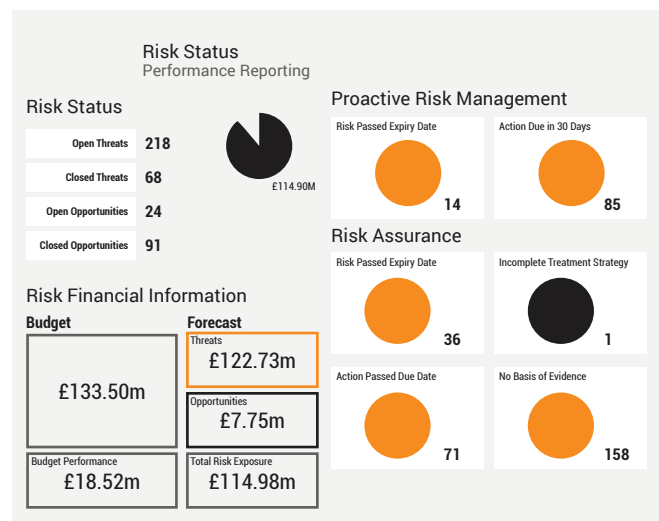
Stakeholder management is vital within the area of risk management, as by the nature of risks it touches most areas within a business (finance, commercial, estimating etc). Understanding the stakeholders needs and aspirations allows for risk management to be set up correctly and communicated effectively, which will in turn creates buy-in and interest.

Risk Reporting

Risk Reporting is critical for Stakeholders as this is the medium for conveying the forecasts and baseline positions. Stantec have in-house experts that work with the risk team and asset owners to ensure we provide the right information, at the right time in the right format. For example, tailored interactive risk dashboards that enable decisions to be made to drive efficiency.

Bridging the gap between project risk and senior management for top down embedment hinges on having the correct metric in the correct format being discussed in the correct forums.

Example dashboard





Expert Team

All projects are different and Stantec has a team of Risk Management experts with vast experience across multiple sectors, at all levels of seniority.

Stantec Experts have:

- Worked on mega-projects like HS2, Crossrail and Doha World Cup.
- Developed Risk Management functions for major clients.
- Assisted in the development of policy and procedures for some of the industry's leading organisations.
- Have been recognised as experts in their field.
- Deep understanding and drive industry best practice through risk insights.
- A strategic but back to basics risk management approach taking advantage of marginal gains and embedding consistent processes.

Key Benefits

Stantec will:

- Understand the clients aspirations within the area of Risk Management.
- Work with our clients to establish a current Risk Maturity baseline.
- Recommend tailored Project Risk Management framework / activities that are suitable to the current process, and some techniques for continuous improvement and organisational learning.
- Keep things simple to embed a risk management culture and approach with no compromise to risk insights and BAU processes.
- Ensure that all activities add value and are understood by the wider Project, not just Risk Managers.
- Deliver a world class service that puts our clients firmly in control.



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