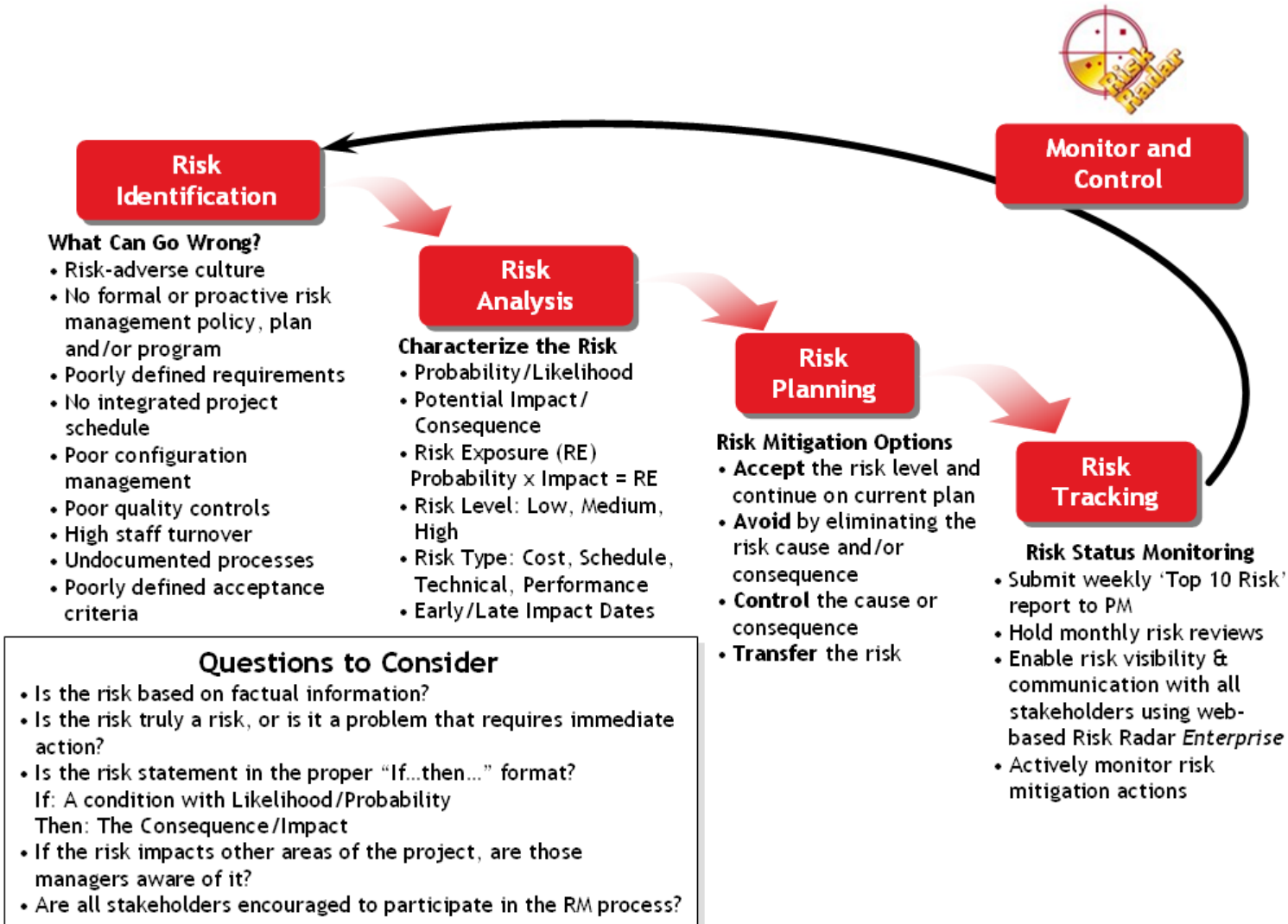


# Programmatic Risk Management

**Risk:** An uncertain event or condition that, if it occurs, has a positive or negative impact on a project.

**Risk Management:** The systematic process of identifying, analyzing, and responding to project risk.



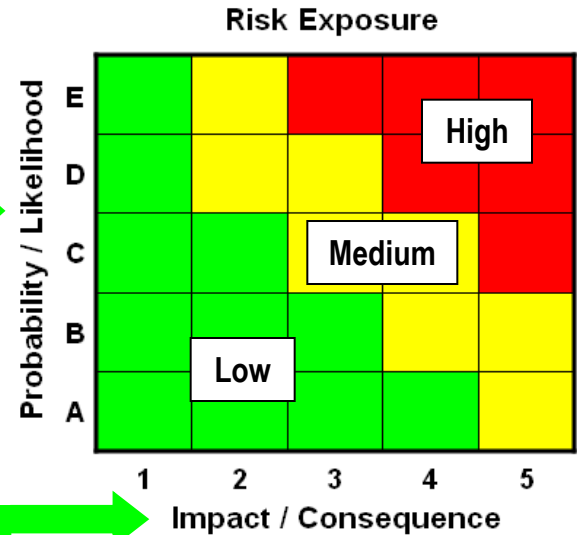


# Programmatic Risk Analysis

Consult non-advocates to support risk analysis

What is the probability or likelihood the risk will actualize?

Level	Likelihood	Probability of Occurrence
E	Near Certainty	~90%
D	Highly Likely	~70%
C	Likely	~50%
B	Low Likelihood	~30%
A	Not Likely	~10%



Always consider interdependencies and benefits impacts

If the risk is actualized, what would be the magnitude of the impact?

Impact / Consequence	If the risk is actualized, what would be the magnitude of the impact?			
	Level	Technical Performance	Schedule	Cost
5	5	Severe degradation in technical performance; Cannot meet KPP or key technical/supportability threshold; will jeopardize program success	Cannot meet key program milestones. Slip > * months	Exceeds budget increase or unit production cost threshold > ** (10% of Budget)
4	4	Significant degradation in technical performance or major shortfall in supportability; may jeopardize program success	Program critical path affected. Slip < * months	Budget increase or unit production cost increase < ** (10% of Budget)
3	3	Moderate reduction in technical performance or supportability with limited impact on program objectives	Minor schedule slip. Able to meet key milestones with no schedule float. Slip < * month(s) Sub-system slip > * month(s) plus available float	Budget increase or unit production cost increase < ** (5% of Budget)
2	2	Minor reduction in technical performance or supportability, can be tolerated with little or no impact on program	Able to meet key dates. Slip < * month(s)	Budget increase or unit production cost increases. < ** (1% of Budget)
1	1	Minimal or no consequence to technical performance	Minimal or no impact	Minimal or no impact



Real Help Is Available!

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