

Risk Assessment

Risk Assessment is one of the project management document you can create with our [project management lifecycle tool](#).

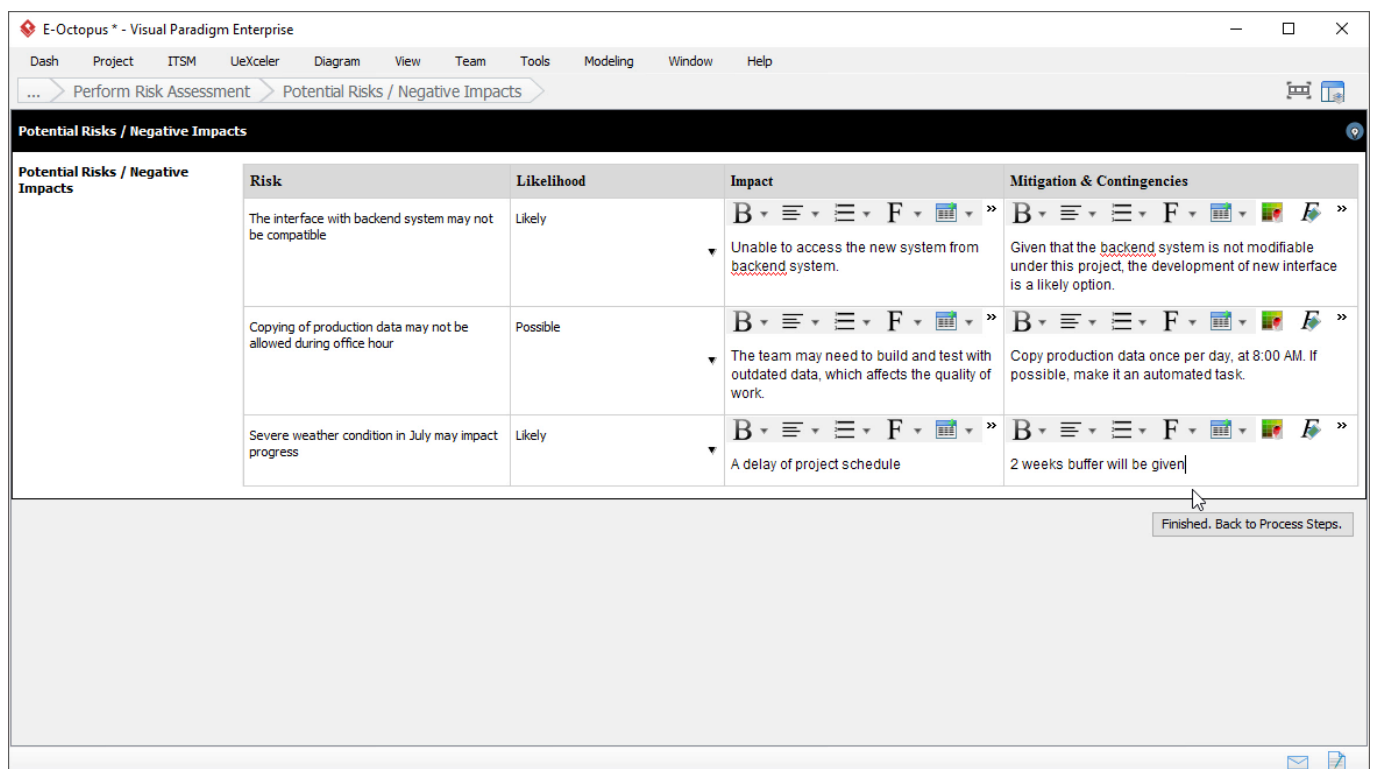
Projects always carry risk, i.e. uncertainty. The purpose of risk assessment is to judge the benefits of the proposed project to be worth the risks involved in undertaking it. Risk Assessment involves assessing the risks associated with the project. A project with high risk may imply a higher chance that it will end with a failure, which is a factor to consider in approving the project proposal.

This article will walk you through the activities involved in risk assessment.

Activity 1: Perform Risk Assessment

List the potential risks and negative impacts

Identify risks to which the project will be exposed. Assess likelihood of each risk occurring and its impact on the project. Outline a plan for managing the risks. Include measures to reduce risk and possible contingency plans for limiting damage and recovery.



The screenshot shows the 'E-Octopus * - Visual Paradigm Enterprise' application window. The 'Perform Risk Assessment' process is active, and the 'Potential Risks / Negative Impacts' step is selected. The table below lists three potential risks with their likelihoods, impacts, and mitigation/contingency plans.

| Potential Risks / Negative Impacts | Risk | Likelihood | Impact | Mitigation & Contingencies |
|------------------------------------|--|------------|--|--|
| | The interface with backend system may not be compatible | Likely | Unable to access the new system from backend system. | Given that the backend system is not modifiable under this project, the development of new interface is a likely option. |
| | Copying of production data may not be allowed during office hour | Possible | The team may need to build and test with outdated data, which affects the quality of work. | Copy production data once per day, at 8:00 AM. If possible, make it an automated task. |
| | Severe weather condition in July may impact progress | Likely | A delay of project schedule | 2 weeks buffer will be given |

At the bottom right of the table, there is a button labeled 'Finished. Back to Process Steps.'

Describe the security considerations

Provide a brief summary of the impacts and/or concerns related to IT Security, such as passing information between systems, authentication, etc. If appropriate, specify the security evaluations needed system purchase or development, in complying with IT security standards.