

Risk Management

Question 1

A risk plan is a necessity for any operation in the traditional business environment; however it becomes even more significant for specialized projects. In this satellite development project, the working team had to develop a comprehensive risk aversion strategy, which would ensure that the project is completed as per the schedule. It is mentioned that the team was working on a strict timeline, and also had budget constraint, hence any malfunction or operational could have led to very negative consequences. In a mega project in which the development of a satellite is occurring, the team had to ensure that any possible risk factor was adequately highlighted and also alleviated. In these projects there are numerous risks factors which can have an impact on the entire operation (Zwikael & Ahn, 2011). In the satellite development program there are several high tech and advanced machineries, which are very sensitive in nature. A malfunction may occur due to the smallest of miscalculations or operational activities; hence in the context of this mega project the development of a risk plan is a crucial activity. If such an initiative would not have adopted by the team members on the project, there were risks that could have had a negative impact on the entire satellite development project.

Question 2

As mentioned the risk plan in eth satellite development project, was highly relevant to the nature of the activity. It is true that in order to develop a comprehensive risk aversion strategy the team members allocated a vast amount of resources and also effort. The team could have used these time and discussion efforts in to other important tasks of the project. However it is also important to consider the fact that the team had to ensure that the risk associated with the

project can be minimized. It is important to consider the entire scope of the project and the opportunity cost of not developing a meticulous risk aversion infrastructure. Firstly the team had to ensure that the budget constraints were satisfied, and the operational mishaps and accidents were averted (Straub & Welke, 1998). Any small incident could have caused a major issue in the project, and due to which the company would have had to deplete the limited financial budget. In projects in which advanced technological components are used, it is highly important that a high risk aversion strategy is used. Any small dilemma in these projects, can lead to astronomical high financial costs. Hence the effort that the team put in to develop the risk plan can be justified on the basis of the scope of the final plan. Also once operational the cost of making adequate repairs would also be extremely high. Hence in this context the development of the risk plan can be justified as per the opportunity cost of not making such a plan.

Question 3

In this scenario the relevant technological tools would have played a crucial role in the risk assessment process. The team members would have to depend on the technological tools to communicate with each other, and adequately highlight the risk factors associated with the project. The presence of a visual communication system would ensure that the team members could adequately discuss any risk factor that they may have highlighted and also develop the relevant strategies to alleviate the associated risks (De Bakker et Al, 2010). The investment in the technological communication tools would have a direct impact on the risk assessment qualities of the entire team. These tools would ensure that even though the team members are not able to interact physically, they may however highlight and discuss the significant risk factors associated with the satellite development project. Considering the scale of the project it would be essential

that the input from the entire team is taken in order to complete the comprehensive risk assessment activity. Hence the communication tools based on the latest technologies would ensure that the entire team can work on a collaborative manner, to minimize the risk factors.

Question 4

The project is very important considering the operational objectives and the vast scope; however the team also has to cater the project timeline factors. It is important that the team highlights the risks associated with the project and then develop plans to alleviate them efficiently; however this activity can also become highly time consuming. In my opinion the operational team has to develop a flexible and efficient work management schedule in which they can satisfy the risk aversion factors and also achieve the operational project goals. In terms of the project planning objectives, the team has already carried out a vast day long clinic through which the risk plan was developed (Robin & Uma, 2011). The team has to rely on this strategy of developing a collaborative approach to resolve the risks associated with the project; however must also focus on the timeline and the efficiency factors. Hence in the execution phase the risk plan components should actually aid the members, rather than create time consuming pauses. The focus on the efficiency of operations and also the operational feasibility factors, the team can incorporate a more effective risk plan.

References

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