

In Lucid Thought 36, we discussed the need to make risk workshops exciting not boring. **We suggested that by varying the overall approach to a workshop, and the techniques used within them, they could become far less of a drag to be at and therefore more effective.** Having said that risk workshops need to be made more fun in order to make them worthwhile we believe it can't stop there. Even if risk workshops are made exciting the rest of the risk management process still has to take place for risk management to be effective; and of course it needs to be continued with the same vigour and enthusiasm throughout the life of the project. **In fact the whole risk management process needs to be exciting not boring.**

We have been thinking about what else needs to be done in order to improve the overall effectiveness of the risk management process and to maintain the necessary enthusiasm. One of the problems we observe is that organisations tend to apply exactly the same process to all their projects whatever their size or complexity. What this means is that in some cases an organisation uses the proverbial 'sledge hammer to crack a nut' where a perceived bureaucratic, time consuming process is applied to simple non-complex projects while in other cases a totally inadequate 'quick and dirty' process is applied to mission critical or large, complex projects.

What is needed is a process that is scalable and therefore can be tailored to meet the needs of the particular project to which it is to be applied. Tailoring might even mean that for small or simple projects a risk workshop is not used at all while for mission critical or complex projects 'every trick in the book' is used in order to ensure that all risks are identified and managed appropriately. 'Every trick' might include regular, independently facilitated workshops lasting

two or more days coupled with a rigorous application of quantitative modelling tools.

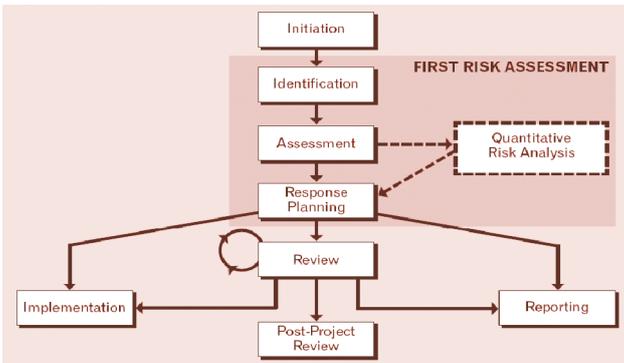
Another element of the process that might be tailored is the use of the probability and impact matrix to assess the importance of a risk. Today's best practice seems to have plumped for a 5x5 matrix as advocated by the APM, OGC and PMI®. We suggest that for small projects a 5x5 matrix might be overkill and that a 3x3 or 4x4 matrix might be more appropriate for the level of granularity required. In addition when using these matrices many organisations are unwilling to vary the scales used and in particular the impact scales. What this can mean is that for some projects, especially the smaller ones, there can be important or red risks that are not considered or given 'the time of day' as they don't map to the organisation's big picture of risk even though for the individual Project Manager they could be career limiting if left unmanaged. We believe that the use of project-specific impact scales is fundamental to making risk management work for all projects.

What we are saying is that a 'one size fits all' mindset must not be applied to risk management if it is to be successful and dare we again say 'exciting not boring'. What is needed to make risk management work is a scalable process that uses the tools and techniques that are appropriate to the project in question i.e. a process that can be applied to simple, non-complex projects as well as large or mission critical, complex projects. The ATOM Risk Management Methodology (ATOM stands for Active Threat and Opportunity Management) does exactly that. The ATOM methodology is based on a combined project risk management experience of over 50 years. Its whole intent is to make risk management pragmatic not

bureaucratic and as a result applicable to all projects.

ATOM offers an approach for project risk management that addresses both upside and downside risks (threats and opportunities). It is not a theoretical framework, not a set of principles, and not a standard; however project risk management with ATOM is accessible to all, simple to use, and scalable for any project in any organisation or industry type.

ATOM offers a fully scalable risk management process that recognises that simple or low-risk projects may need just a simple risk process, while complex or high-risk projects require more rigour and discipline. ATOM provides scalability in three ways: through the number and type of reviews required during the project life cycle, through the optional use of quantitative risk analysis techniques, and through the range of tools and techniques used during each of the ATOM steps.



The ATOM Process steps

Written by practitioners for practitioners with little or no prior experience, **“Practical Project Risk Management: The ATOM Methodology”** by David Hillson and Peter Simon offers a realistic and proven approach to project risk management that really works, packed with tips and hints to demystify the risk process, and providing generic templates and guidelines to support real-world application. For more information on ATOM and the book that describes it visit

www.atom-risk.com

Whether you use ATOM, or another in-house method, the message is the same. Your project, programme or portfolio is full of risk. Once you have established your first-cut or base-lined plans, all you can then manage is implementation of, and variances from that plan. If you have effective and inspiring methods of identifying and managing those situations that will take you, detrimentally or beneficially away from your plan you will do a better job and deliver more value to your organisation. **Risk management matters and to make risk management work ‘one size does not fit all’.**

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