



Project Risk Management Specific Interest Group

*Joint meeting with the Midland Branch,
Staffordshire Chapter*

Calling Notice

“End-to-end risk management for IT Projects”

8th July 2004

Venue Sponsor: Staffordshire University
Red Lecture Theatre, Octagon Building, Stafford Campus
Beaconside, Stafford, ST18 0AD

The next meeting of the APM Risk SIG will be held at Staffordshire University on **Thursday 8th July 2004, starting at 1400**. This meeting is a collaborative meeting between the **Risk SIG** and the **Midland Branch, Staffordshire Chapter**. One of the key aims of this meeting is to discuss risk management related to **Information Technology Projects**.

As you will see from the programme, it is designed to be modular with optional morning, afternoon, or all day attendance. The morning is made up of a **Workshop** on the “*Upsides and downsides of risk management*”, followed by a **Knowledge Sharing Network**. The afternoon consists of a Risk SIG meeting and three presentations by expert speakers on elements of risk within IT projects.

There is no charge to attend the Knowledge Sharing Network or afternoon session. The price for the morning Workshop is £15 – which includes a buffet lunch.

How to reserve your place

If you'd like to attend, then please e-mail the APM Risk SIG Secretary at apmrisksig@simonjackson.org - **no later than Friday 24th June 2004**, with the following information:

- Full name
- Company name and address
- Telephone number
- Any special dietary requirements

Please state whether you'll be attending the morning, afternoon, or all day.

Location and directions

Stafford mainline rail station is about a mile and a half from the Stafford Campus. Please also let the Secretary know if you would like collecting from the station by minibus. Stafford is also well served by road links with easy access from the M6 motorway at junctions 13 and 14. For directions see www.staffs.ac.uk/maps/stafford_directions, or see the map located at www.staffs.ac.uk/maps/pdf/stafford_campus.pdf

PROGRAMME

Registration, tea and coffee – from 0930

- 1015 MORNING WELCOME**
Roger Fairhead – Staffordshire Chapter Chairman
- 1030 WORKSHOP: THE UPSIDES AND DOWNSIDES OF RISK MANAGEMENT** (see next page)
- 1300 KNOWLEDGE SHARING NETWORK** (see next page)
- 1400 AFTERNOON WELCOME**
Roger Fairhead – Staffordshire Chapter Chairman
- RISK SIG MEETING**
Jeremy Harrison – Risk SIG Chairman
1. Report of the previous meeting
 2. Introduction to the Risk SIG – Simon Jackson
 3. Workshop summary – Ian Isaac
 4. KSN summary / Techniques and tools – Dave Scarbrough
 5. Training and seminars – Simon Robertson
 6. PRAM Guide – Paul Close
 7. Specific qualification – Andrew Chalklen
 8. Risk tip: Risk registers in the plan, not on the shelf – Ian Pain
 9. Committee nominations
 10. Any other business
 11. Date of next meeting
- 1425 MANAGING RISK WITH DELIVERY PARTNERS**
Frances Scarff – Office of Government Commerce
- 1500 BREAK FOR TEA AND COFFEE**
- 1515 INFLUENCE OF INTERVENING CONDITIONS ON PROJECT RISK MANAGEMENT IN IT PROJECTS**
Elmar Kutsch – University of Bath
- 1550 THE NEED FOR ENTERPRISE RISK TOOLS IN THE MANAGEMENT OF CORPORATE RISK**
Paul Callender – CMRS Group
- 1625 QUESTIONS AND DISCUSSION**
- 1645 SUMMARY OF THE DAY**
Roger Fairhead – Staffordshire Chapter Chairman
- 1700 CLOSE**

1015 MORNING WORKSHOP

“UPSIDES AND DOWNSIDES OF RISK MANAGEMENT”

RISK THREATS AND OPPORTUNITIES – HOW DO WE APPLY THE THEORY?

**Facilitated by Guy Hindley (BAE Systems), Ian Isaac (O₂),
Simon Robertson (Fujitsu Services) and David Hillson (Risk Doctor & Partners)**

Identifying threatening risks is one thing, but how do we also demonstrate the value of including risk opportunities when we are identifying, assessing and planning the management of risk?

This workshop will examine how traditional risk “threat-management” can be complemented by “opportunity theory”, and how it can be applied in a project environment. The workshop will be based around professional experiences of the facilitators, and include guidance on proven and effective risk management techniques.

The objectives of this workshop are to:

- *Define what is, and is not, an upside to risk*
- *Identify the prerequisites for using opportunity theory*
- *Modify the risk process to include opportunities*
- *Apply the approach to a practical example*

The workshop runs from 1015 to 1230 in Room C346. Registration is from 0930.

The charge is just £15 – which includes a buffet lunch.

1300 KNOWLEDGE SHARING NETWORK (KSN)

Facilitated by Dave Scarbrough (Fujitsu Services)

The ‘KSN’ enables you to discuss any aspects of risk management in an informal group session.

If there are any topics that you’d like to discuss during this period, please inform the Secretary when registering for this meeting.

The KSN will run from 1300 to 1400 in Room C321.

All are welcome to attend to share and discuss opinions with other participants.

FACILITATORS AND MAIN SPEAKERS

Guy Hindley - BAE Systems

Guy has been involved with project risk for many years, both as a user and creator of risk data. His primary specialism is as an Integrated Planner. The use and creation of risk database information with the quantitative schedule risk analysis is an integral part of his role. This has involved the creation and subsequent revisions to the risk network (as well as the main planning network). In order to mitigate threat and mitigate the probability of success. As such he has "hands-on" experience of a number of risk management tools and processes.

Ian Isaac - O₂

Ian joined what was BT Cellnet in April 2000 as Head of Risk Management. This involved implementing the Turnbull requirements by creating and communicating a risk policy and framework. He conducts regular risk workshops with the O2 UK Board of Directors and agrees the way these risks will be recorded and monitored. In November 2002 Ian became the Compliance Officer for O2 UK. In April 2003 he took over responsibility for reporting on key programmes to the UK board.

Simon Robertson - Fujitsu Services

Simon is currently a project manager within the UK Defence sector of Fujitsu, a well known international IT supplier. His varied career has spanned two continents and taken in a short period in research science. That didn't last long and after a quick rise career in HR in the South African Mining world lasting just over 8 years focusing on various development projects. Simon spent a 5 year period as a pastor of a church before returning to the UK in 1988. With several training delivery, development and business process projects behind him, Simon joined ICL in 1999. Following 2 years in one of the largest IT POS delivery projects in the UK to the Post Office, Simon was given the opportunity to join the UK corporate Risk Management team. As one of three consultants across Fujitsu Services he spent two years at the sharp end of Risk Management Business consultancy enjoying every minute. After a shorter spell working in the corporate Business Assurance team he was asked to work with the management team of a large transition project in Wales responsible for turning around the management of risk and training the project team during the latter end of 2002. It was at this point that Simon was introduced to Quality Management in the world of UK defence industry, and after 9 months he decided that he was really a project manager hiding in quality clothes.

David Hillson – Risk Doctor & Partners

David is Director of Risk Doctor & Partners, and a past Chairman of the APM Risk SIG. He has an international reputation for clear thinking and practical application, in consultancy, training, speaking and writing. He is an editor and author of the APM's PRAM Guide.

Ian Pain – Martin Baker Aircraft

Following a Master's degree at Birmingham University, Ian has worked as mechanical engineer and project manager on a range of high technology projects. Initially involved with armoured bridgelayers in Newcastle he moved to Hawai'i in 1994 as the mechanical engineer for two UK telescopes. He returned to Edinburgh in 2000 as project manager for several astronomical instruments, including a cryogenic spacecraft mechanism. A chartered Engineer and Member of APM, Ian is currently a Senior Programme Manager at Martin-Baker Aircraft, working on helicopter crashworthy seat systems and involved in risk management process improvements.

Frances Scarff – Office of Government Commerce

Frances Scarff is working with HM Treasury to support their initiative to improve the application of risk management practices across UK Government organisations (as part of their Risk Improvement Programme). Also Frances was responsible, as project manager and co-author, for the OGC publication 'Management of Risk: Guidance for Practitioners' (M_o_R). This work included development of a qualification scheme to sit alongside M_o_R.

Frances joined the civil service 25 years ago as a trainee programmer, working on building and running systems for mainframes and micro-computers. Then worked on IS management methods, such as SSADM and ITIL, particularly looking at how they support business change. Subsequently Frances worked on the Government-wide Year 2000 programme, in particular providing guidance on business continuity management.

Organisations need to work with others (partners) to deliver services to their customers. Sometimes partners may provide services internally to your organisation, in some situations they may provide services directly to your customers. So how can you work with partners in a way that meets your business objectives, and so manages risk to an acceptable level? Frances will suggest some solutions.

Elmar Kutsch – University of Bath

After accomplishing his first degree at University of Aachen followed by a MBA, Elmar Kutsch began his career as a project manager. Situated in Frankfurt he conducted major IT Services projects for m+s Elektronik AG, the second biggest Full IT Service provider in Germany. Holding a variety of project manager roles, he was responsible for the successful delivery of a number of large IT services projects, including major Roll Out and Outsourcing projects. Seeking a new challenge, Elmar has started his PhD at University of Bath in 2001. His topic deals with project risk management and the concept of flexibility in project management.

Many information technology projects fail to meet specified project objectives of scope, time and budget. The failure may be caused by actions of project managers applying project risk management (PRM) for the purpose of reducing the impact of uncertain threats on the achievement of project objectives; those actions may deviate from what is considered as optimal according to the expected utility theorem. As part of an effort to understand the discrepancy between how project manager actors should act and how they actually respond to uncertain threats, the present study aims to provide a basis for understanding how risk related conditions influence PRM. In order to empirically investigate this research problem, the research strategy included the use of research techniques of interviews and questionnaires. Results show that project managers tend to deny, avoid, ignore and delay uncertainties with the consequence of those actions of having an adverse influence on the project outcome and the perceived effectiveness of PRM by project managers. If PRM and their underlying processes are not to be discredited, those results have to be taken into consideration and actions need to be taken to manage intervening conditions on PRM that lead to residual uncertainty having an adverse impact on the achievement of the project objectives; if it can not be managed to be prepared for residual uncertainty to materialise.

Paul Callender – CMRS Group

Paul Callender is the Technical Director of CMRS-Group, Corporate Management and Risk Services. Paul has a broad experience in business change management and programme delivery, encompassing strategic conceptual planning and development, business case justification and programme director delivery to a business.

Graduating from Kingston University with an MSc in project management and law, Paul has been employed within a number of industries including, rail, aeronautical, highways, manufacturing and construction. Most recently he was the risk manager for the \$4 billion expansion to Madrid Barajas Airport. From Paul's experience of managing risk in large programmes of work. Paul identified the need, in 1999 for a software application to assist in the practical management of the life cycle of risk. This was required when dealing with hundreds of risks across 10 – 20 projects within an extensive programme. Initially, the requirement was to obtain efficiency of the management process associated with this task. But subsequent, to this the requirement for more effective communication of risk, improved allocation of responsibility and accountability and the development of a corporate knowledge base for risk. Resulted in Paul designing EROS – Enterprise, Risk and Opportunity System, which was recently launched to the commercial market. It is Paul's contention that, with increased future corporate sensitivity to risk, resulting in a greater business need to manage risk, that this cannot be done effectively without an Enterprise software application.