



Association for Project Management

APM and Risk

Miles Shepherd
Chairman
Association for Project Management



Association for Project Management

Aim

APM interests in Risk

Business risks

Professional development

APM Development

SIG Development Plans

Body of Knowledge Plans



Association for Project Management

Introduction

APM as a Charity

- Charities Acts
- By Laws
- Council

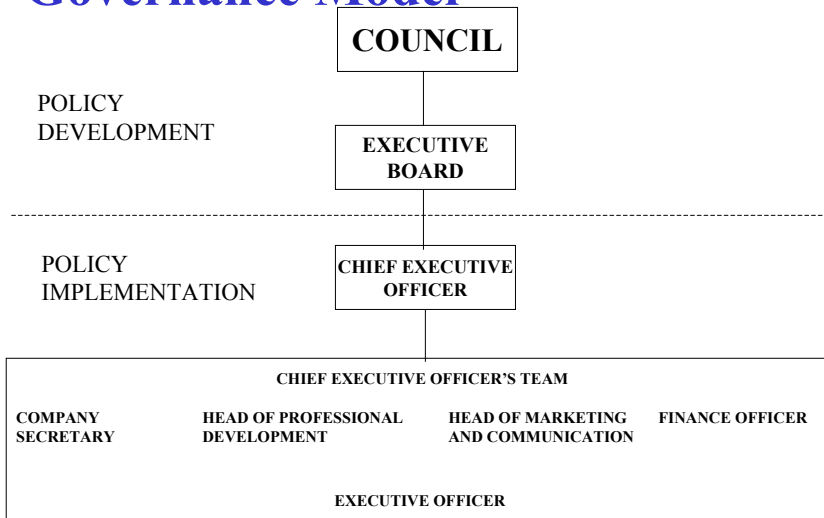
APM as a Business

- Companies Acts
- Memorandum and articles of association
- Executive Board



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Governance Model





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Approach to Risk - Classical



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Risk Assessment Method

- External facilitator
- Brainstorm for qualitative risks
- Quantify
- Assign risk owners
- Assign responsibilities
- Corporate agreement
- Periodic review and update



Ranking

Ranking	Amount	Definition
1	£ 10,000	Minor and can be contained
2	£ 25,000	Potentially important in a single financial period or, in the short-term, can be contained
3	£ 50,000	Important - a threat which could cause reasonable damage in the short term
4	£ 100,000	Could seriously weaken the Association without threatening its short-term survival
5	£ 250,000	Could threaten the survival of the Association

Ranking	Definition
1	Extremely unlikely within this financial period, but feasible within a 2 year business cycle
2	Unlikely within the current financial period, but expected within a 2 year business cycle
3	Feasible within the current financial period, but confidently expected within a 2 year business cycle
4	Probable within this financial period
5	Expected within this financial period

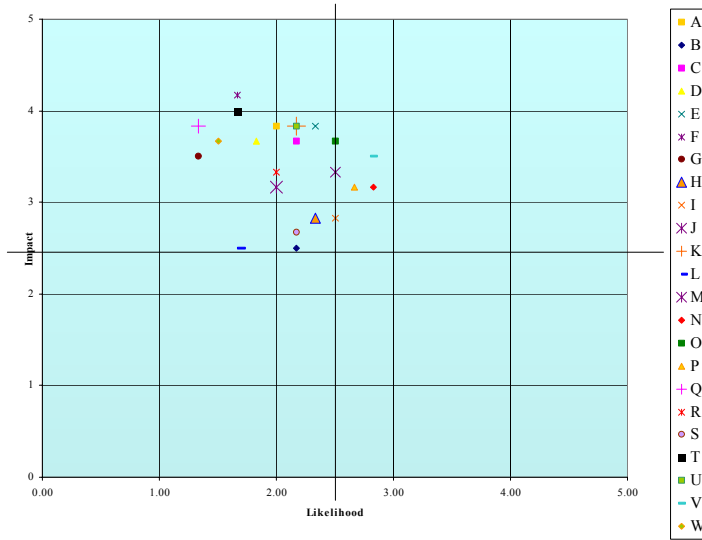


Risk Classification

Risk	Description	Assessed Impact	Assessed Likelihood	Importance High/Medium
A	Major disruption to income stream	3.83	2.00	
B	Significant increase in operating costs	2.50	2.17	
C	New examinations introduced by competitors	3.67	2.17	M
D	Loss of credibility in examination process	3.67	1.83	
E	Failure to keep product stream up to date	3.83	2.33	H
F	Disaster	4.17	1.67	
G	Lose contact with members	3.50	1.33	
H	Mismanagement of expectations	2.83	2.33	
I	Perceived as being uncaring	2.83	2.50	
J	Failure to communicate to individual members	3.17	2.00	
K	Failure to communicate to corporate members	3.83	2.17	M
L	Poor public perception of project management	2.5	1.67	
M	Loss of key members of staff	3.33	2.50	H
N	Failure to recruit high quality staff	3.17	2.83	H
O	Failure to recruit high quality volunteers	3.67	2.5	H
P	Internal political feuding	3.17	2.67	M
Q	Loss of records	3.83	1.33	
R	Breach of IT security	3.33	2.00	
S	Breach of physical security	2.67	2.17	
T	Hostile bid	4.00	1.67	
U	Loss/ degradation of brand image	3.83	2.17	H
V	Inadequate operational policies/ procedures	3.50	2.83	M
W	Theft or illegal act	3.67	1.50	



Risk Identification



Control Process

Individual Risk and Control Assessment		
Risk No	Classification	WHAT CAN GO WRONG? - (ACTUAL RISK)
IS IT CONTROLLABLE?		OWNER
DESCRIBE IN MORE DETAIL WHAT CAN GO WRONG:		
DESCRIBE IN MORE DETAIL HOW IT CAN GO WRONG:		
HOW IS THIS RISK MANAGED CURRENTLY?		
HOW DO WE PREVENT IT?		
HOW DO WE DETECT IT?		
ACTION PLAN	RESPONSIBILITY	DATE
Assertion (X)		
X	Current risk management approach reduces exposure to an acceptable level	Risk is not fully under control and action plans are in place to address it
Revision No	Date	



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Responsibilities

	Owner	Action Plan
CEO	19	16
Chairman	2	2
HOPD	2	2
HMC	-	2
Co Sec	-	1