

# SPECIFICALLY ABOUT RISK!

IT IS not surprising that the Association for Project Management (APM) boasts some of the best collective wisdom on project risk management.

This wisdom centres on the association's Risk Specific Interest Group (SIG), which includes a number of recognised world leaders in the field. With a membership of more than 350, it is the largest such group in APM and is widely acknowledged as one of the leading expert bodies on project risk management.

Established in 1990 with an initial 12 members, the Risk SIG has grown and developed alongside increased awareness of risk management.

Its aim is to provide an environment which enables those involved in project management from any industry to develop a full understanding of risk management principles and techniques and the benefits from their use.

"There is an increasing awareness of the importance of risk management, driven by both corporate governance and likes of Nigel Turnbull and his report for the Chartered Institute of Accountants, and this is spilling into projects," explained SIG chairman Jeremy Harrison. "A significant number of high profile project 'failures' – the latest being the new Scottish Parliament building – have also increased the focus on risk management.

## Essential

"Risk management is essential because it is the only structured approach to understand and attempt to manage the uncertainties inherent in projects. A risk is defined as being 'an uncertain event or set of circumstances that, should it or they occur, would have an effect on the achievement of one or more of the project's objectives'.

"From this you can see that risk is in one sense very simple yet actually complicated – risk is the uncertainty that is important to one (defined by one's objectives). This is therefore relevant to all and everyone in all aspects of life as we all have objectives and everything in the future is uncertain to some degree – except death perhaps!

"The SIG enables people from risk backgrounds to keep in touch with colleagues from other industries, to hear presentations from leading experts on all aspects of risk and of particular projects and allows them to keep in touch with developments such as qualifications or risk tools."

When Jeremy took over the chair two years ago, he and secretary Simon Jackson decided to raise the profile of the SIG and take it out to a wider audience.

As well as leading the field, it provides databases of risk-related

information, training and methods and runs workshops, themed conferences and presentations which attract considerable interest beyond APM's membership at home and overseas, as well as from others who are not project managers.

It has organised joint events with APM branches, the Institute of Risk Management (IRM) and the Royal Institute of Chartered Surveyors (RICS). A number of members are also involved with other bodies such as the Project Management Institute (PMI) and promote the SIG through personal contact.

"We don't force people to become members of APM – at least, not initially," said Jeremy. "But once they have seen the benefits, we encourage them to join."

Because of the wealth of expertise within the SIG, its publications and qualification documentation are seen as best practice. For example, the Institute of Risk Management has adopted the Specific Qualification in Project Risk Management. Members are also involved in updating both APM's and PMI's bodies of knowledge.

## PRAM

This year, the SIG has been particularly active in updating APM's best-selling risk publication, the Project Risk Analysis and Management (PRAM) Guide.

Released last month (October) at the Risk SIG AGM hosted by Network Rail, the revised guide provides advice on the latest approaches to a systematic and disciplined approach to managing and controlling risks in projects.

As you would expect, the SIG approached the revisions as a project, with a plan, milestones and deliverables and, of course, a risk register. A steering group was elected to oversee the process and quality was controlled by a combination of storyboarding before a word was written and various levels of review, including a 'red team' of subject matter experts, a professional copy editor and a technical proof-reader.

Several of the original authors contributed to the revised edition and new ones also came forward who were experienced risk practitioners and some were also published authors in their own right.

"With a team of some of the leading names in risk management, I knew we had the knowledge and experience and I expected the biggest problem to be keeping all the egos in one room!" reported Paul Close, the SIG project manager for the PRAM issue 2. "However, this did not turn out to be a problem. All were keen to produce a guide that represented best practice – differences of opinion were quickly and amicably resolved."



**GUIDING HANDS:** Proudly displaying the new PRAM Guide after attending the launch are some of the authors. Standing, (left to right) are SIG chairman Jeremy Harrison, Piyush Desai, Karl Davey, Ken Newland, Steve Simister, John Bartlett, Guy Hindley and SIG secretary Simon Jackson. Seated (left to right) are Emma Major, Paul Close and Martin Hopkinson.

Much is written and said about project risk management. There is one place you can go and know that what you see, hear – and learn – is in the forefront of current thinking and practice. Project spoke to Jeremy Harrison, chairman of APM's Risk Specific Interest Group, which has just brought its guide on project risk management right up-to-date.

The first PRAM guide was a pamphlet produced in March 1992. The more detailed guide in book form was published in 1997 and is widely regarded as the standard text for this subject.

"Many who are practising risk in any capacity know the guide and speak fondly of it. It also crops up in the bibliography of almost every risk publication since 1997 and most professional project risk practitioners have a copy on their desk.

"After six years, some trends had emerged that were going to stay and needed to be developed further. These included risk as threat and opportunity, risk management as part of governance and strategic risk management throughout the project lifecycle alongside the management of specific risks.

"There has also been a great deal of progress in tools and techniques with greater recognition of soft skills and behaviour. The goal was to bring in this new material without compromising the features that had made the first edition popular. In particular, we wanted to cover the topics in depth but not put off the novice or casual reader by diving in at the deep end.

The new guide provides a process framework, tools and techniques that are tried and tested by practitioners in projects of all types, from

construction to IT. It can be consulted for advice on particular techniques or used as an overview of best practice in project risk analysis and management.

"It can be used by relative newcomers and digested a bit at a time, or by experienced risk managers to refresh or augment their knowledge in particular areas. It has been made as simple as possible without being simplistic.

"All in all, it is an approachable guide to the issues that concern anyone dealing with risk in projects."

To find out more about the Risk SIG, email [apmrisksig@simonjackson.org](mailto:apmrisksig@simonjackson.org)

The new edition of the PRAM Guide is available through APM Publications, price £25 [www.apm.org.uk](http://www.apm.org.uk)