

SP3.03.02_003_SOP

CxO project risk management

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1 purpose

The document describes the process for identifying, assessing, preventing, mitigating or acting on Risks that can impact the desired outcomes of a project.

Purpose of this process is to be able to identify and control all unintended occurrences and their undesired impact on the service delivery.

2 scope

2.1 in scope

- CxO project management for internal projects

2.2 out of scope

- project services projects

3 normative references

ISO 9001:2015 quality management systems - requirements

- § 8.1 operational planning and control

4 related documents

doc id	doc name
SP3.03.02_001_SOP	CxO program management
SP3.03.02_002_SOP	CxO project management

5 definitions and abbreviations

5.1 definitions

name	definition
CxO	Customer Experience Office, responsible for the execution of internal tooling projects within Ausy Belux
risk	any unintended occurrence that may impact the desired outcomes
risk management	is the practice of identifying, assessing, preventing, mitigating or acting on risks that may impact the desired outcomes.
timeflow	tool for project management, enabling project managers to allocate resources and monitor progress of their project. Time tracking.
jira	tool for project activity tracking. As part of this process it is used for risk monitoring and follow-up on actions.
Project type Blue	initiatives in the Blue category are considered a 'simple' project for which basic controls need to be in place in order to monitor progress and conduct a fit for purpose check. These projects deliver a specific business product.
Project type Bronze	initiatives in this category are considered an average project for which more than just the basic controls need to be in place in order to monitor progress and conduct a fit for purpose check. Same as for Blue, these projects deliver a specific business product however delivering this takes more time and resources.
Project type Silver	initiatives in the Silver category are considered as essential parts of the program. A program is a group of related projects that deliver a capability related to a strategic objective. For these programs more than just the basic controls need to be in place in order to monitor progress and conduct a fit for purpose check.
Project type Gold	initiatives in the Gold are considered programs as such with high organisational impact and are transformational in its nature.



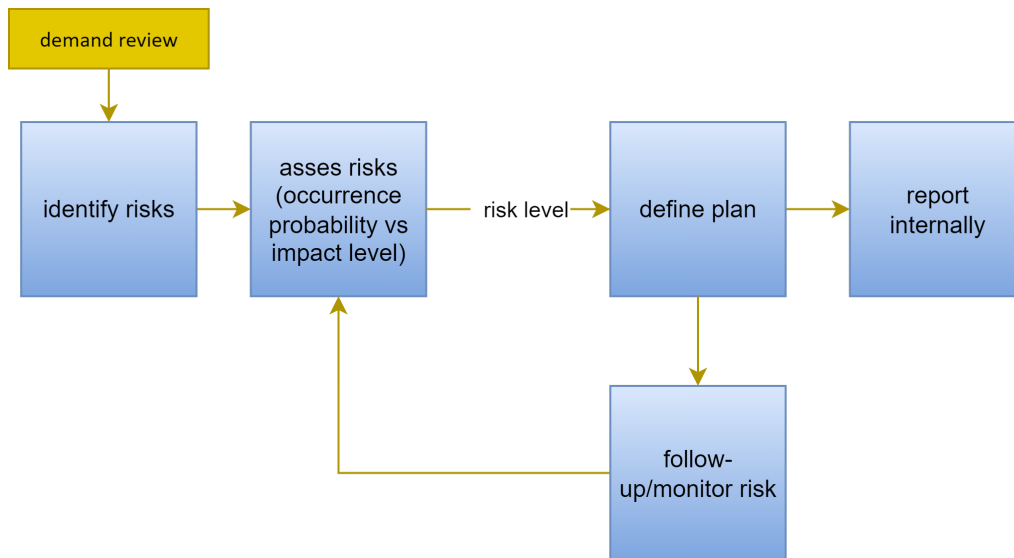
For these programs more than just the basic controls need to be in place in order to monitor progress and conduct a fit for purpose check.

5.2 abbreviations

abbreviation	definition
PM	project manager
PT	project team
QA	quality (eg. quality director, project QA)

6 procedure

6.1 process flow



6.2 explanation of the process flow

A first risk identification is initiated in the demand review phase while assessing the project. When the demand gets qualified and a GO is given for project execution, the PM becomes responsible for the Risk Management process, which is implemented in Jira.

6.2.1 identify risks

Identify and document any risks that can impact the overall health of the project and reputation of Ausy.



6.2.2 assess risks

6.2.2.1 risk impact level

The impact level (tolerable - major - severe) is determined by defining the most serious impact if the risk becomes a reality.

impact on user satisfaction	tolerable impact	major impact	severe impact
	user is not satisfied about a minor aspect of the service delivery	user is not satisfied about an important aspect of the service delivery	user is not satisfied with the entire service delivery
impact on project milestones	tolerable impact	major impact	severe impact
	delay in project milestone(s) - project type bronze	delay in project milestone(s) - project type silver	delay in project milestone(s) - project type gold
impact on fulfilling project requirements	tolerable impact	major impact	severe impact
	not being able to fulfil nice to have project requirements	not being able to fulfil important project requirements	not being able to fulfil project acceptance criteria
impact on project resource availability	tolerable impact	major impact	severe impact
	high attrition within the project delivery team.	project is dependent on technological knowledge of 2 persons PM is replaced with handover	project is dependent on technological knowledge of 1 person PM is replaced without handover
impact on project team efficiency	tolerable impact	major impact	severe impact
	actuals planned vs burned down > 70%	actuals planned vs burned down between 70 and 50%	actuals planned vs burned down <50%

impact on scope

tolerable impact	major impact	severe impact
scope variation - project type bronze	scope variation - project type silver	scope variation - project type gold

6.2.2.2 risk occurrence probability

Define the likelihood that the identified risk occurs:

- very high: very likely to occur (= above 75% chance)
- high: likely to occur (= above 50% chance)
- moderate: may occur (above 25% chance)
- rare: unlikely to occur (= below 25%)

6.2.2.3 risk level and action plan

The risk level = risk occurrence probability x risk impact

		impact →		
		tolerable	major	severe
occurrence probability ↑	risk level			
	very high	4	5	5
	high	3	4	5
	moderate	2	3	4
rare	1	2	3	

risk level		
acceptable risk	risk level = 1	→ no mandatory action
low risk	risk level = 2	→ no mandatory action → periodic follow-up to detect changes that can increase the risk level.
medium risk	risk level = 3	→ risk evaluation: accept or mitigate → monitoring of risk level evolution.

risk level		
significant risk	risk level = 4	<ul style="list-style-type: none"> → mandatory mitigation plan or contingency plan → monitoring of risk level evolution.
critical risk	risk level = 5	<ul style="list-style-type: none"> → mandatory mitigation <u>and</u> contingency plan → close follow-up of the plan and monitoring of risk level evolution.

6.2.3 risk mitigation plan

A risk mitigation plan is a plan to reduce or eliminate the impact and/or occurrence probability of a risk. There are different types of methods to mitigate a risk: risk avoidance, risk reduction, risk sharing and risk transfer.

- risk avoidance: is an action to reduce or eliminate the probability that a risk will occur.
- risk reduction: is an action to reduce or eliminate the impact if a risk becomes reality
- risk sharing: sharing the responsibility for the risk with one or more other parties. If the risk becomes reality each party absorbs some or the full impact of the risk. Another party can be: the customer, a supplier, an Ausy operating company, etc.
- risk transfer: transferring the responsibility for the risk to one or more other parties. If the risk becomes reality the other parties absorb the full impact of the risk. Another party can be: the customer, a supplier, an Ausy operating company, etc.

A risk mitigation plan can include one of several methods to mitigate the risk.

6.2.4 contingency plan

A contingency plan is a plan to describe the actions to initiate in case the risk becomes reality. It is a plan to control the impact if the risk occurs.

6.2.5 follow-up and monitor risk

During the project life cycle, risk levels can evolve. The PM monitors the risks and follows-up on actions via a risk management dashboard (Jira). If an increase of risk level is observed it is escalated to the Program Director

6.2.6 risk reporting

Risk reporting is done according to the governance model below. Risk reporting includes occurrence probability, impact analysis and action plan.



meeting	Min frequency	risk levels to discuss	responsible
project team meeting	weekly	all levels \geq 2	project manager
1-2-1 with program director	weekly	all levels \geq 3	project manager
project steerco	monthly	all levels \geq 4	program director

6.3 responsibilities (RACI)

activity	responsible	accountable	consulted	informed
identify risks	Business owner - CxO program director	CxO program director	Business Owners	CxO Project team
asses risks	CxO Project team	PM	Business Owners - CxO Project team	-
define plan	CxO Project team	PM	Business Owners	-
follow-up/monitor risk	PM	PM	Business Owners	-
report	PM	PM	-	Business Owners - CDO - steerco

7 annexes

doc id	doc name
SP3.03.02_002A	CxO project framework