



Fermilab Risk Management and Register

Lucas Taylor, Fermilab Risk Manager

PIP-II Risk Workshop, 6th April 2017

Lucas Taylor

- Particle Physicist (PhD)
 - CMS, L3, Pierre Auger Observatory, UA1
 - Higgs discovery, (g-2) of tau, tau neutrino mass, V_{tb} , rare decays, b-lifetime, mixing, hadron production ...
- Project Management Professional (PMP)
 - CMS detector upgrades, CMS Head of Communications, construction of Control Rooms, LHC Grid, CMS Software
- Current Roles

- **Deputy Project Manager, CMS Phase 1 Upgrades**

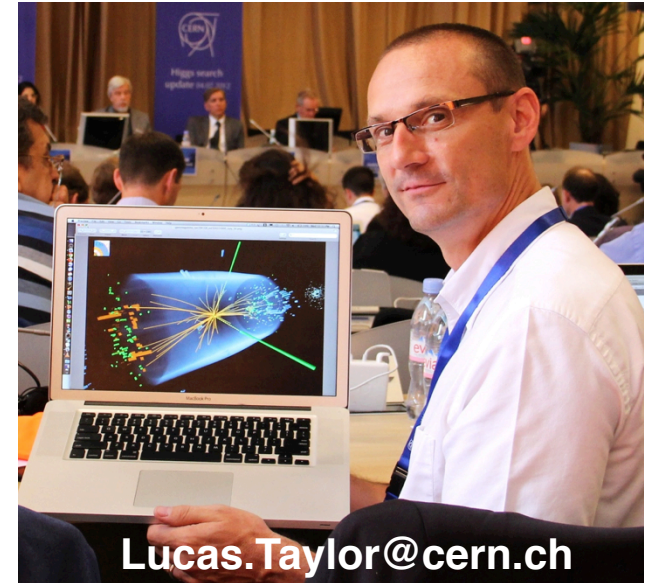
- Cost, Schedule and Risk from CD-0 to CD-1 to CD2/3 (CD-4a fall 2017)

- **Associate Project Manager, CMS HL-LHC Upgrades**

- Established Cost, Schedule and Risk processes and related documents
 - BoE templates, P6 customization and guidance, risk register and risk analysis
 - Training and guidance for CAMs and oversight of Project Controls

- **Fermilab Risk Manager**

- Established Lab-wide “Fermilab Risk Management Procedures for Projects”, Enterprise and Operations Risk programs (Chair of Fermilab Risk Mgmt. Board)
 - Lab-wide Risk Register, risk workshops, analysis, MC modeling, reviews
 - Helping CMS Phase 1, LBNF/DUNE, HL-LHC CMS Upgrades, LHC AUP, PIP-II

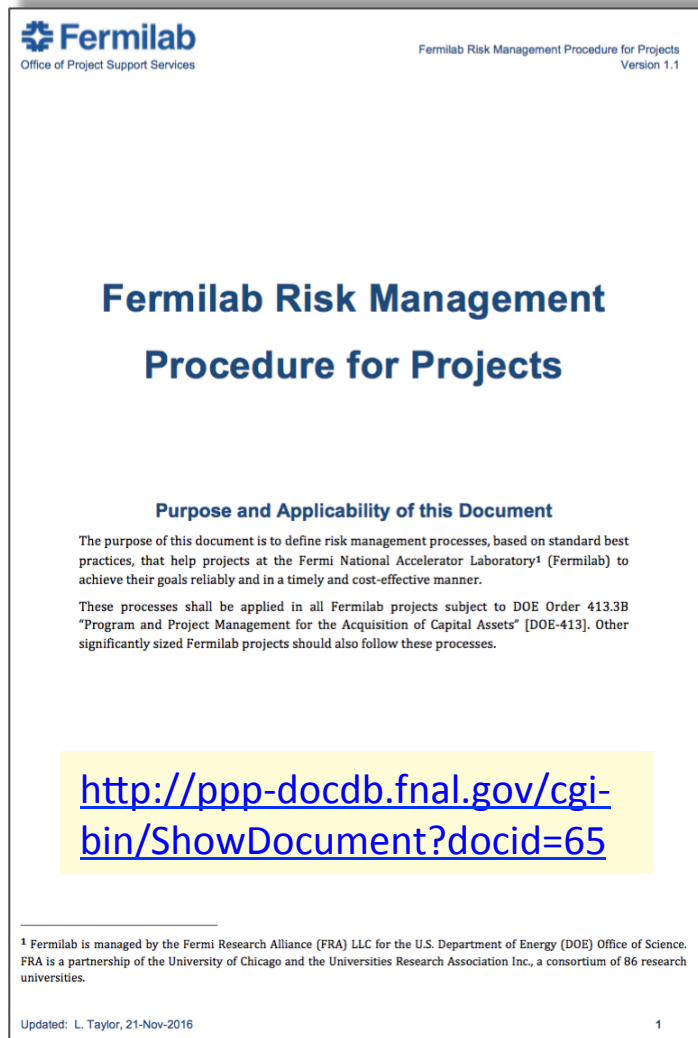


Lucas.Taylor@cern.ch

Overview

- Fermilab Risk Management Procedure
 - Including key terminology
- Practical guidance on using the Risk Register tool
- Some takeaway messages

Fermilab Risk Management Procedure

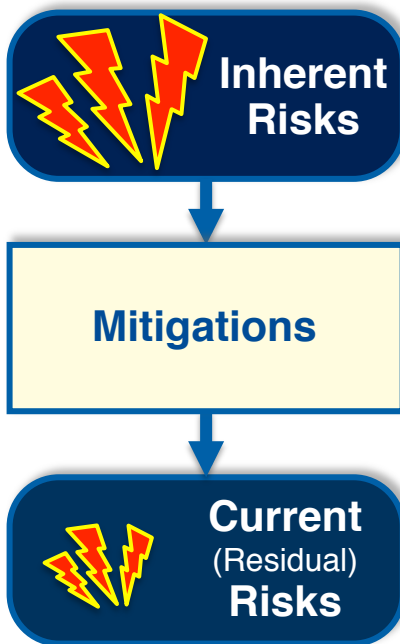


For CD-1 the Project shall:

- develop a **preliminary Risk Management Plan** (based on this document, as described in sec. 2.1)
- **identify the main risks** to the project, perform qualitative analysis, and
- **document the risks in the Project's risk register.**

The **cost and schedule impacts** of this preliminary risk analysis shall be factored into the **CD-1 cost and schedule range.**

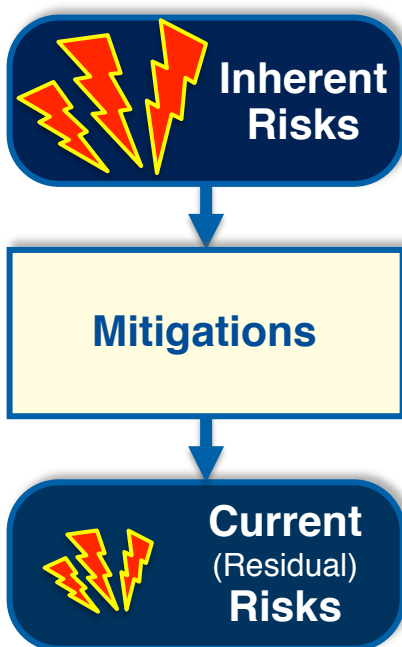
Risk Mitigations



- **Mitigations** – actions taken *before* a risk occurs, to reduce risk probability / impacts
 - Mitigations are often part of standard operating procedures and controls
 - Funds for mitigations must be in base plans

Examples: build and test prototypes, work with multiple vendors, manufacture spares, safety training, financial controls, IT security...

Risk Mitigations vs. Proposed Actions



IF *mitigation IS in the base plan* THEN

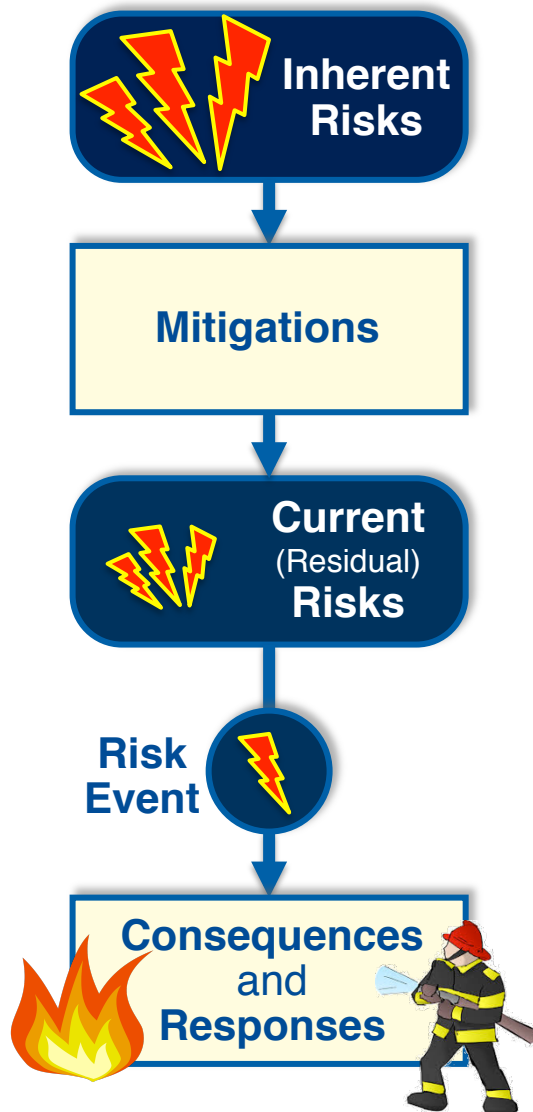
- Describe in **Risk Mitigation** field (including mitigation cost if known)
- Cost of mitigation is not necessarily expected (e.g. if mitigation actions are simply following usual best practices)

ELSE

- Describe in **Proposed Actions** field
- Fill in **Proposed Actions Cost** (k\$)

Workshop (and after) will need to decide whether to incorporate new, **proposed actions** into baseline **mitigation plans**

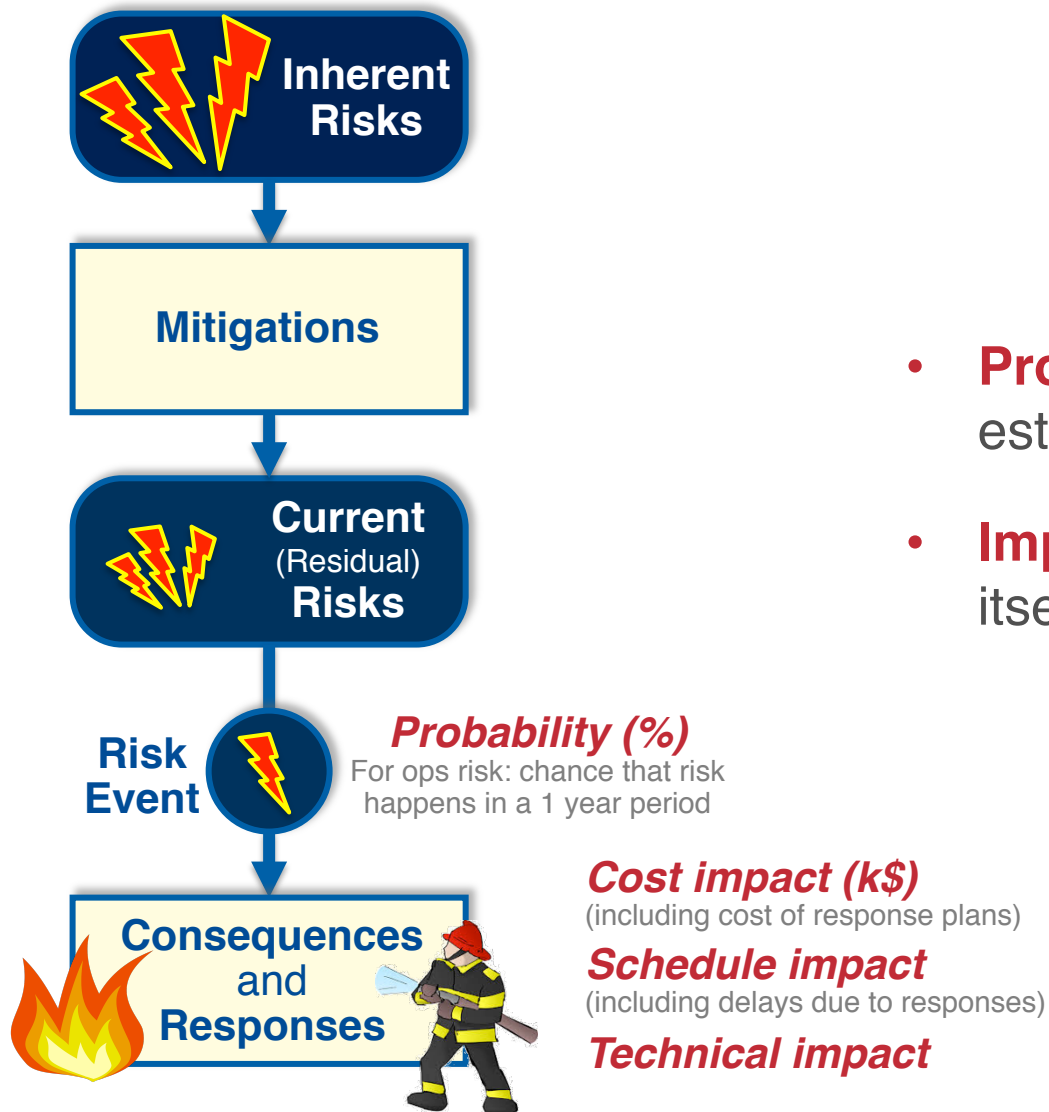
Risk Responses



- **Risk responses** – actions only taken *after* a risk occurs, to reduce the impacts
 - They are contingency (not baseline) plans
 - Funds for responses in contingency budget

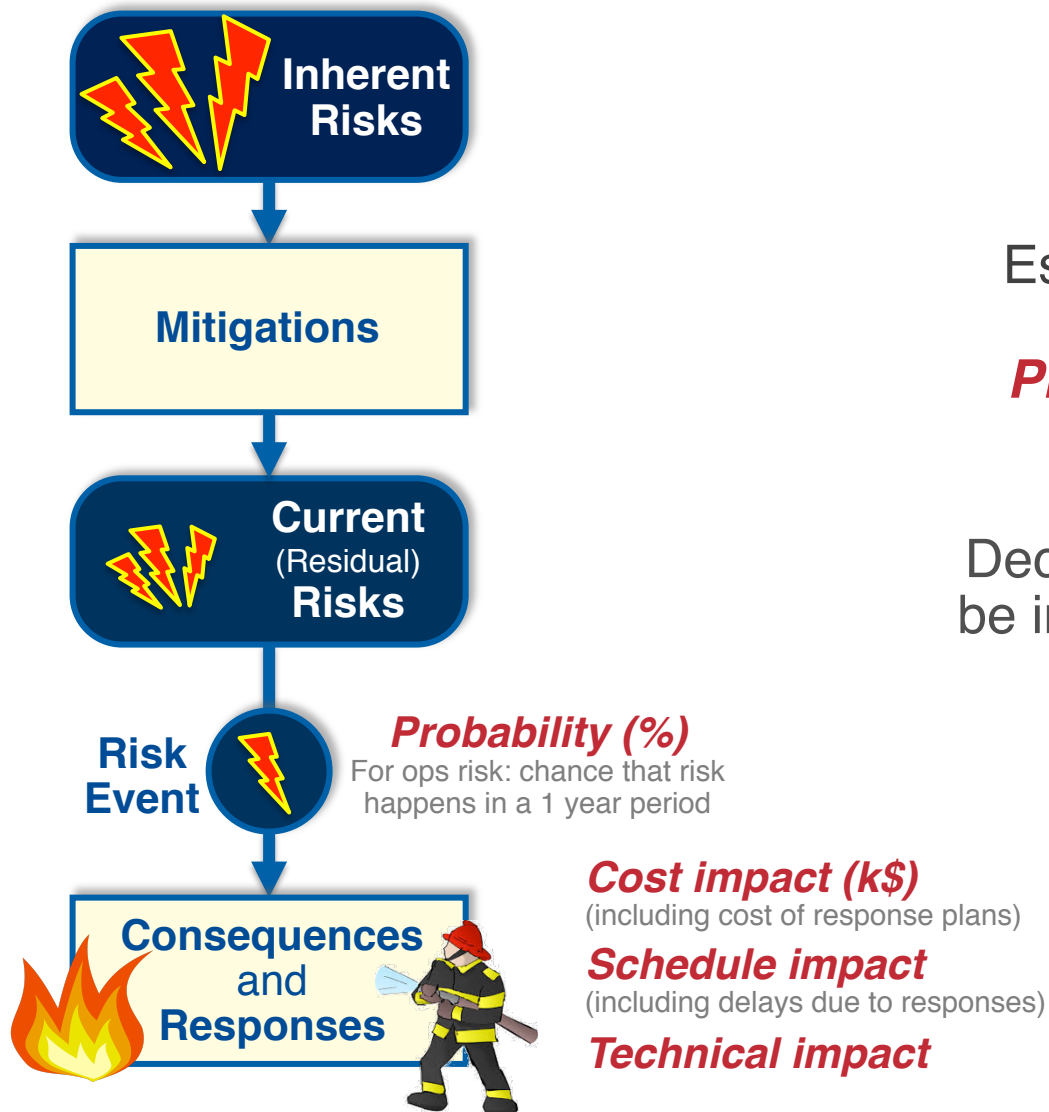
Examples: rework non-compliant items, install spare hardware, respond to a fire, restore a hacked IT system...

Probability and Impacts



- **Probability** and **Impacts** are estimated post-mitigation
- **Impacts** cover the risk event itself and the response plans

Probability and Impacts



Estimate the cost of proposed new (mitigation) actions
Proposed Actions Cost (k\$)

Decide which new actions should be incorporated into baseline plan
(cost-benefit trade-offs)

Probability x Cost Impact (k\$)

Risk Ranking

Risks are ranked according to the values of the **Probability** and **Impacts** (technical, cost, schedule). *The register tool does the ranking automatically.*

Risk Impact Scoring	Low Impact	Medium Impact	High Impact
Technical Impact	Slightly sub-standard	Moderately sub-standard	Significantly sub-standard or KPP in jeopardy
Cost Impact	< 0.1 M\$	(0.1 - 1) M\$	> 1 M\$
Schedule Impact	< 2 weeks	2 weeks – 2 months	> 2 months

Maximum value of all impacts (above)
determines overall risk impact (below)

Risk ranking matrix (Probability vs. Impact)		Low Impact	Medium Impact	High Impact
Very High	64 - 100%	Medium Rank	High Rank	High Rank
High	39 - 64%	Medium Rank	High Rank	High Rank
Medium	21 - 39%	Low Rank	Medium Rank	High Rank
Low	9 - 21%	Low Rank	Medium Rank	Medium Rank
Very low	0 - 9%	Low Rank	Low Rank	Medium Rank

(these are current default values – matrix could be tuned if needed)

Risk Ranking – implications

High Rank risks → PM + Lab / DOE

- May jeopardize the Project's key performance parameters (KPPs)
- May lead to failure to complete major deliverables within cost or schedule
- Well-developed mitigation or response plans are required

Medium Rank risks → PM / L2 manager

- Not expected to jeopardize Project KPPs
- Significant impact on ability to deliver all scope in a timely & cost-effective manner
- Have mitigation or response plans.

Low Rank risks → L2 / L3 manager

- Will not jeopardize KPPs
- Modest technical, cost or schedule impact
- Mitigation or response plans not required

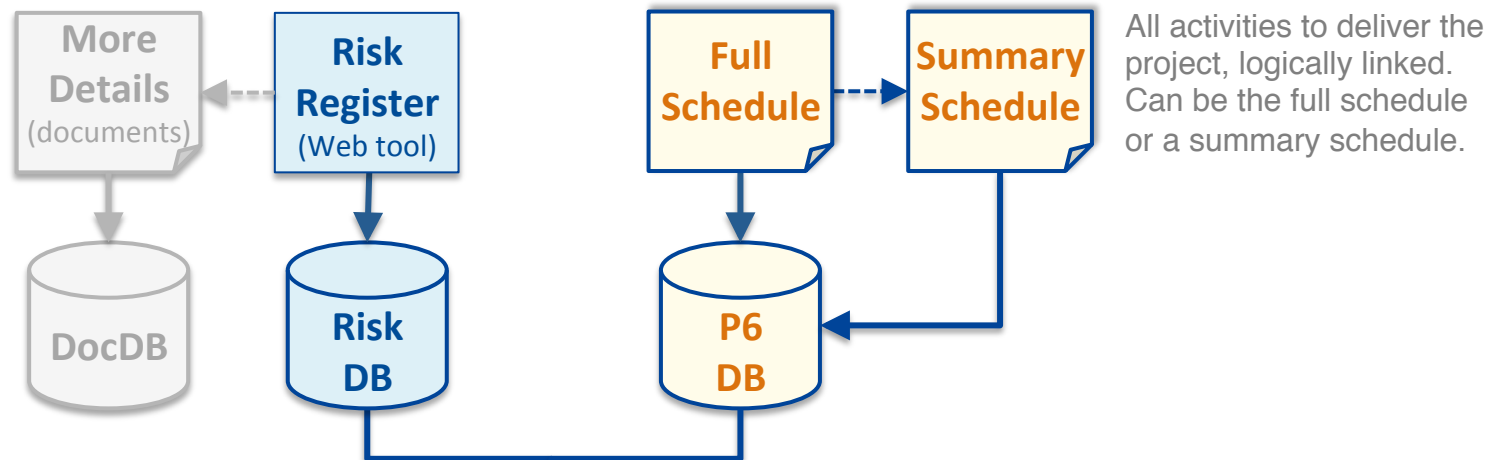
Risk Impact Scoring	Low Impact	Medium Impact	High Impact
Technical Impact	Slightly sub-standard	Moderately sub-standard	Significantly sub-standard or KPP in jeopardy
Cost Impact	< 0.1 M\$	(0.1 - 1) M\$	> 1 M\$
Schedule Impact	< 2 weeks	2 weeks – 2 months	> 2 months

Maximum value of all impacts (above)
determines overall risk impact (below)

Risk ranking matrix (Probability vs. Impact)		Low Impact	Medium Impact	High Impact
Very High	64 - 100%	Medium Rank	High Rank	High Rank
High	39 - 64%	Medium Rank	High Rank	High Rank
Medium	21 - 39%	Low Rank	Medium Rank	High Rank
Low	9 - 21%	Low Rank	Medium Rank	Medium Rank
Very low	0 - 9%	Low Rank	Low Rank	Medium Rank

(these are current default values –
matrix could be tuned if needed)

Risk Monte Carlo Modeling – Contingency Analysis

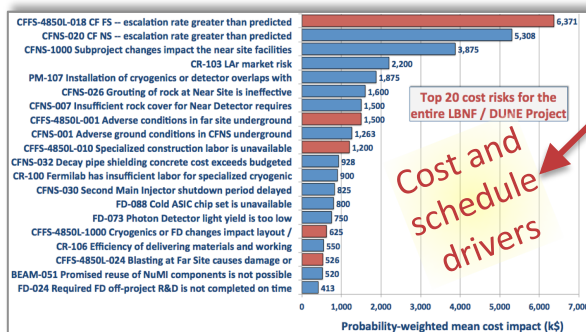


Implements Risk Events as probabilistic activities in the P6 schedule

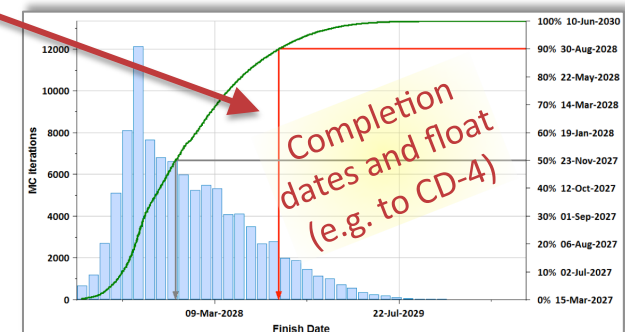
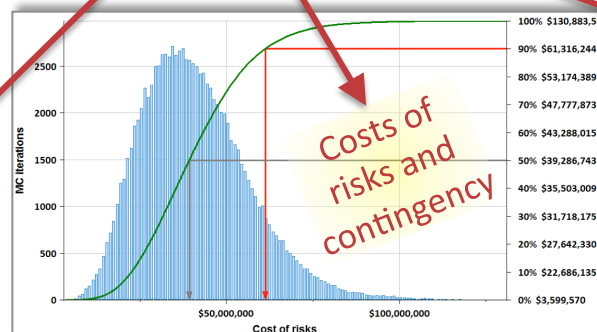
MC Risk Model
(Primavera Risk Analysis - PRA)

Results of Risk Modeling

- Evaluate effectiveness of risk mitigations
- Identify cost and schedule risk drivers
- Determine cost and schedule contingency to finish on time, within budget (at 90% C.L.)



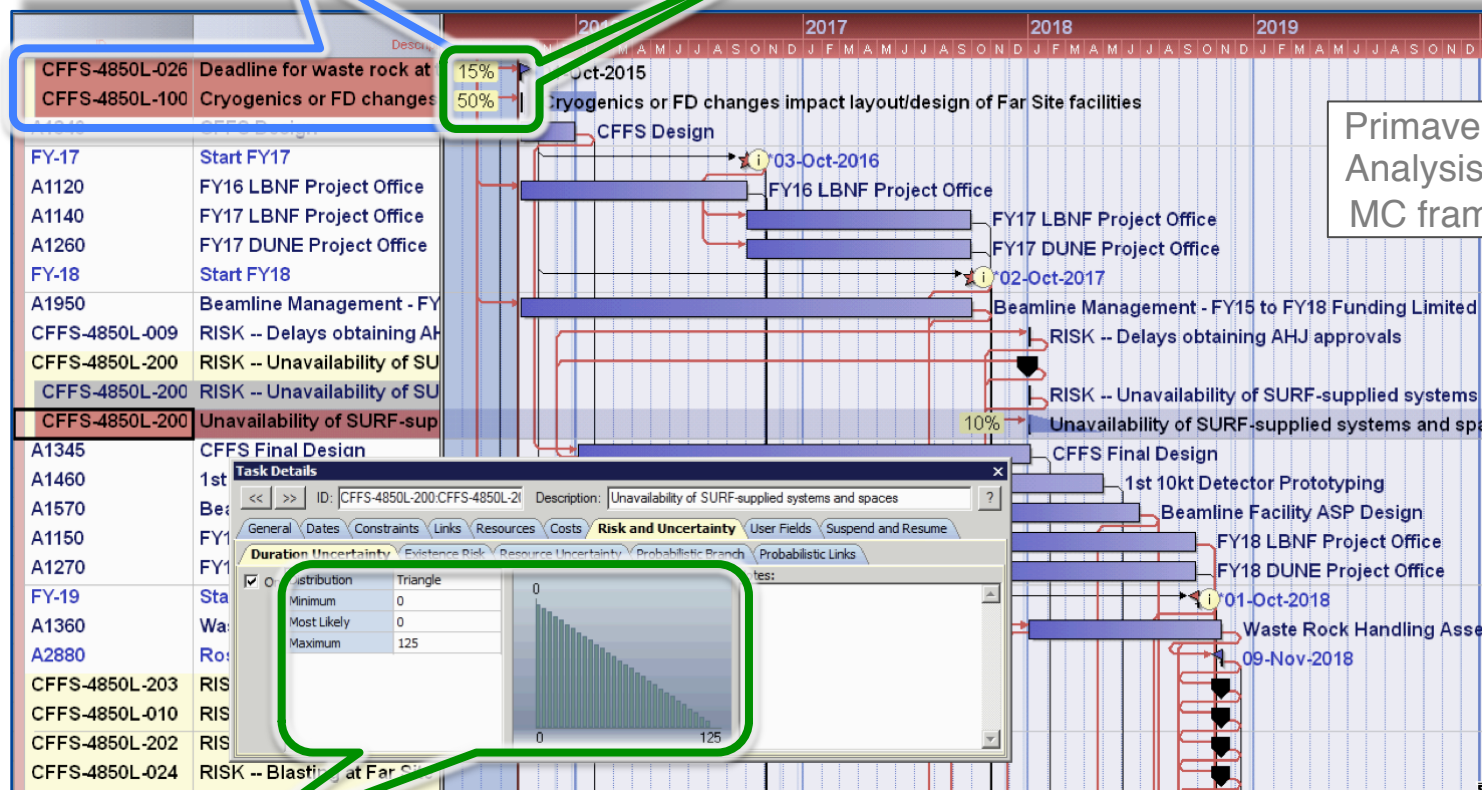
Cost and schedule drivers



Risk Monte Carlo Modeling – Contingency Analysis

(1) Placeholder risk events are inserted into schedule with zero cost and zero duration

(2) Throw dice – if risk happens, risk activity is assigned risk impacts (cost and duration)



Primavera Risk Analysis (PRA) MC framework

(3) Choose cost and schedule impacts from distributions

(4) Update entire schedule to generate one complete project outcome (scenario)

(5) Repeat steps (2) – (4) thousands of times to study the statistical behavior of many scenarios




Practical Guide to the Fermilab Risk Register

Fermilab Risk Register

<https://go.usa.gov/x9sCm>

Login: *your-Fermilab-services-account*
(ask Lucas.Taylor@cern.ch to get access)



Office of Integrated
Planning & Performance
Management

Project Risk Management

PEMP

Lab Goals

Lab Objectives

Lab Activities

Lab Achievements

Risk Management

Skills Database

Annual Lab Plan

POG Meeting

Lessons Learned

IPPM Task List

IERC Science Activities

IERC Activity View

IPPM contacts

IPPM DB admin

ERM ADMIN

EDIT LINKS

Fermilab Project Risk Management Procedure

Project risk is managed following a standard Fermilab Risk Management Procedure for Projects

Project Risk Register

Risks are documented and managed using a Lab-wide, web-based Risk Register Tool (see slide presentation):

Add New Risk

Add new risk

General views:

- View all risks -- filter by project or operations area
- View all risks -- browse by project or operations area
- View all risks -- by owner
- View open risks -- by rank; filter by project
- View open risks -- by Risk Breakdown Structure
- View top cost risks -- ordered by Probability x Cost Impact
- View top schedule risks -- ordered by mean schedule impact
- View risk data warnings (what data needs to be improved)
- Recent changes (with filter by project/Ops area)

Specific views:

- Fermilab top project cost risks
- CMS Phase 1 Upgrades (open risks)
- CMS HL-LHC Upgrades (open risks)
- HL-LHC AUP (all risks)
- LBNF/DUNE (open risks)
- PIP-II (all risks)

Many views of risks

PIP-II specific view
(we can easily tailor this)

Risk Ranking

Risks are ranked based on a combination of probability and impacts, as described in the [Fermilab Risk Management Procedure for Projects](#). The implications of the ranking is as follows:

- **High Rank risks** may lead to failure to complete the Project's key performance parameters (KPPs) or major deliverables within cost, schedule, quality or other constraints. High-rank risks have well-developed mitigation or response plans and are monitored by the Project Manager.
- **Medium Rank risks** should not jeopardize the Project's KPPs but may have a significant impact on the ability of the Project to deliver all aspects of the Project scope in a timely and cost-effective manner. Medium-rank risks have well-developed mitigation or response plans and are monitored by the Project Manager.
- **Low Rank risks** have modest technical, cost or schedule impacts that will not affect the KPPs. Low-rank risks are not required to have mitigation or response plans, although it is preferable if they have. Low rank risks are monitored and handled by the L2 sub-project managers and risk owners.












Risk Breakdown Structure

Risk are identified in a wide range of areas as described in the [online Risk Breakdown Structure](#).

PIP-II Risk Register View

<https://go.usa.gov/xXRrr>

Open / close WBS level

Edit	RI-ID	Title	Probability	Cost Impact	Schedule Impact	Risk Rank	Warnings
	WBS / Ops Lab Activity : 121.01 Major Milestones (7)						
	WBS / Ops Lab Activity : 121.02 Project Office (16)						
	WBS / Ops Lab Activity : 121.03 Linac (48)						
	WBS / Ops Lab Activity : 121.06 Conventional Facilities (55)		Probability, Impact and Rank				
	RO-121-6-032	Wetland Mitigation Less Than Anticipated	50 %	840 k\$	12 months	3 (High)	Specify earliest Start Date (of mitigations or risk event).
	RT-121-6-010	Radiation Shielding Inadequate	40 %	1000 k\$	10 months	3 (High)	Improve Quality of Estimate. Specify earliest Start Date (of mitigations or risk event).
	RO-121-6-018	Radiation Shielding Opportunities	50 %	750 k\$	3 months	3 (High)	Improve Quality of Estimate. Specify earliest Start Date (of mitigations or risk event).
	RT-121-6-037	Substantial Claim by Subcontractor	30 %	1000 k\$	3 months	3 (High)	Specify earliest Start Date (of mitigations or risk event).
	RT-121-6-053	Construction Bids Exceed Estimates	30 %	1000 k\$	4 months	3 (High)	Improve Quality of Estimate. Specify earliest Start Date (of mitigations or risk event).
	RT-121-6-025	CUB Chilled Water Inadequate	25 %	1000 k\$	3 months	3 (High)	Specify earliest Start Date (of mitigations or risk event).
	RT-121-6-033	Significant Injury/Fatality During Construction	25 %	1000 k\$	3 -- 18 months	3 (High)	Specify earliest Start Date (of mitigations or risk event).

Edit risk

Warnings

These are generated by the system (a bit like a software compiler).
You should aim to have no warnings.

Risk Register: (1) General description & metadata

RI-ID	<div>RT-401-3-031</div> <div>Unique risk identifier (leave blank if unsure)</div>
Title *	<div>FPIX -- Disk is damaged during shipping to CERN</div> <div>Standalone descriptive name of risk event</div>
Project	<div>CMS Upgrades Phase 1</div> <div>Select your project or "operations area".</div>
Summary	<div>If a disk were damaged in transport to CERN, then the modules would have to be removed and reassembled on the spare disk, which would result in a delay of approximately 1 month. Unless it is the last disk the rework would be in parallel to other activities and would not delay the overall FPIX completion date.</div> <div>Example: If <RISK> occurs then <IMPACT> jeopardizes <OBJECTIVE></div>
Risk Type	<div>Threat</div>
Risk Area (RBS)	<div>Management Risk / Logistics</div>
Owner (Person)	<div>Will E Johns x</div> <div>If name is not found, specify Owner in Comments field below.</div>
WBS / Ops Lab Activity	<div>401.03 FPIX</div>
Risk Status	<div>Open</div> <div>Status of the risk itself</div>
Approval Status	<div>4 - approved</div> <div>Status and actions in the risk review process</div>

→ **Risk ID = Rx-nnn-i-jjj**

- **x** = "T" (threat) or "O" (opportunity)
- **nnn** = P6 project ID (121 for PIP-II)
- **i** is the L2 P6 ID (= 1,2,3,4)
- **jjj** is risk number (001, 002, etc.)

Risk Register: (1) General description & metadata

RI-ID	RT-401-3-031 <small>Unique risk identifier (leave blank if unsure)</small>
Title *	FPIX -- Disk is damaged during shipping to CERN <small>Standalone descriptive name of risk event</small>
Project	CMS Upgrades Phase 1 <small>Select your project or "operations area".</small>
Summary	<p>If a disk were damaged in transport to CERN, then the modules would have to be removed and reassembled on the spare disk, which would result in a delay of approximately 1 month. Unless it is the last disk the rework would be in parallel to other activities and would not delay the overall FPIX completion date.</p> <p>Example: If <RISK> occurs then <IMPACT> jeopardizes <OBJECTIVE></p>
Risk Type	Threat
Risk Area (RBS)	Management Risk / Logistics
Owner (Person)	Will E Johns x <small>If name is not found, specify Owner in Comments field below.</small>
WBS / Ops Lab Activity	401.03 FPIX
Risk Status	Open <small>Status of the risk itself</small>
Approval Status	4 - approved <small>Status and actions in the risk review process</small>

→ Risk title describes a risk event rather than a consequence of a risk

It should make sense standalone

Examples:

Not good: “Delivery damage”

Better: “FPIX – Disk is damaged during shipping to CERN”

Not good: “Cost increases”

Better: “Niobium price increases faster than assumed escalation rate”

Risk Register: (1) General description & metadata

RI-ID	<input type="text" value="RT-401-3-031"/>
	Unique risk identifier (leave blank if unsure)
Title *	<input type="text" value="FPIX -- Disk is damaged during shipping to CERN"/>
	Standalone descriptive name of risk event
Project	<input type="text" value="CMS Upgrades Phase 1"/>
	Select your project or "operations area".
Summary	<p>If a disk were damaged in transport to CERN, then the modules would have to be removed and reassembled on the spare disk, which would result in a delay of approximately 1 month. Unless it is the last disk the rework would be in parallel to other activities and would not delay the overall FPIX completion date.</p> <p>Example: If <RISK> occurs then <IMPACT> jeopardizes <OBJECTIVE></p>
Risk Type	<input type="text" value="Threat"/>
Risk Area (RBS)	<input type="text" value="Management Risk / Logistics"/>
Owner (Person)	<input type="text" value="Will E Johns x"/>
	If name is not found, specify Owner in Comments field below.
WBS / Ops Lab Activity	<input type="text" value="401.03 FPIX"/>
Risk Status	<input type="text" value="Open"/>
	Status of the risk itself
Approval Status	<input type="text" value="4 - approved"/>
	Status and actions in the risk review process

Accelerator Division -- Operations
CMS -- Operations
CMS HL-LHC
CMS Upgrades Phase 1
Core Computing Division -- Operations
Directorate
Integrated Engineering Research Center
IPPM
LBNF / DUNE
LBNF / DUNE -- Operations
LCLS II
Management Systems -- Business Operations
MicroBooNE
Mu2e
Muon g-2
Neutrino Division -- Operations
NOvA
OPSS
Particle Physics Division -- Operations
Pierre Auger Project
✓ PIP II Project
PIP-II Stage 1
Scientific Computing Division -- Operations
SLI-UUP
SuperCDMS
Technical Division -- Operations
US ATLAS / CMS / LHC Construction
US HL-LHC Accelerator Upgrades

Risk Register: (1) General description & metadata

RI-ID	RT-401-3-031 <small>Unique risk identifier (leave blank if unsure)</small>
Title *	FPIX -- Disk is damaged during shipping to CERN <small>Standalone descriptive name of risk event</small>
Project	CMS Upgrades Phase 1 <small>Select your project or "operations area".</small>
Summary	<div>If a disk were damaged in transport to CERN, then the modules would have to be removed and reassembled on the spare disk, which would result in a delay of approximately 1 month. Unless it is the last disk the rework would be in parallel to other activities and would not delay the overall FPIX completion date. <small>Example: If <RISK> occurs then <IMPACT> jeopardizes <OBJECTIVE></small></div>
Risk Type	Threat
Risk Area (RBS)	Management Risk / Logistics
Owner (Person)	Will E Johns x <small>If name is not found, specify Owner in Comments field below.</small>
WBS / Ops Lab Activity	401.03 FPIX
Risk Status	Open <small>Status of the risk itself</small>
Approval Status	4 - approved <small>Status and actions in the risk review process</small>

Risk “grammar” captures risk **causes** and **effects**, and hence points towards mitigation actions

If <RISK EVENT> occurs then

- IMPACTS to technical scope, or
- IMPACTS to cost, or
- IMPACTS to schedule

would jeopardize the Project’s

- Technical OBJECTIVES (e.g. KPP)
- Cost OBJECTIVES (e.g. TPC)
- Schedule OBJECTIVES (e.g. CD-4)

(If it does not jeopardize a project objective, is it really a risk?)

Risk Register: (1) General description & metadata

RI-ID	<input type="text" value="RT-401-3-031"/> <small>Unique risk identifier (leave blank if unsure)</small>
Title *	<input type="text" value="FPIX -- Disk is damaged during shipping to CERN"/> <small>Standalone descriptive name of risk event</small>
Project	<input type="text" value="CMS Upgrades Phase 1"/> <small>Select your project or "operations area".</small>
Summary	<div><p>If a disk were damaged in transport to CERN, then the modules would have to be removed and reassembled on the spare disk, which would result in a delay of approximately 1 month. Unless it is the last disk the rework would be in parallel to other activities and would not delay the overall FPIX completion date.</p><p>Example: If <RISK> occurs then <IMPACT> jeopardizes <OBJECTIVE></p></div>
Risk Type	<div><div>Threat</div><div>Opportunity</div><div>✓ Threat</div></div>
Risk Area (RBS)	<input type="text" value="Management Risk / Logistics"/> <small>If name is not found, specify Owner in Comments field below.</small>
Owner (Person)	<input type="text" value="Will E Johns x"/>
WBS / Ops Lab Activity	<input type="text" value="401.03 FPIX"/>
Risk Status	<input type="text" value="Open"/> <small>Status of the risk itself</small>
Approval Status	<input type="text" value="4 - approved"/> <small>Status and actions in the risk review process</small>

- External Risk / Collaborators
- External Risk / Facilities
- External Risk / Market
- External Risk / Public Impact
- External Risk / Regulatory
- External Risk / Vendors
- Management Risk / Communications
- Management Risk / Controlling
- Management Risk / Estimating
- Management Risk / Experience or Capability
- Management Risk / Funding or Resources
- ✓ Management Risk / Logistics
- Management Risk / Planning
- Technical Risk / Complexity
- Technical Risk / ES&H
- Technical Risk / Interfaces

Risk Breakdown Structure
(common areas of risk)

Risk Register: (1) General description & metadata

RI-ID	<input type="text" value="RT-401-3-031"/>
	Unique risk identifier (leave blank if unsure)
Title *	<input type="text" value="FPIX -- Disk is damaged during shipping to CERN"/>
	Standalone descriptive name of risk event
Project	<input type="text" value="CMS Upgrades Phase 1"/>
	Select your project or "operations area".
Summary	<p>If a disk were damaged in transport to CERN, then the modules would have to be removed and reassembled on the spare disk, which would result in a delay of approximately 1 month. Unless it is the last disk the rework would be in parallel to other activities and would not delay the overall FPIX completion date.</p> <p>Example: If <RISK> occurs then <IMPACT> jeopardizes <OBJECTIVE></p>
Risk Type	<input type="text" value="Threat"/>
Risk Area (RBS)	<input type="text" value="Management Risk / Logistics"/>
Owner (Person)	<input type="text" value="Will E Johns x"/>
	If name is not found, specify Owner in Comments field below.
WBS / Ops Lab Activity	<input type="text" value="401.03 FPIX"/>
Risk Status	<input type="text" value="Open"/>
	Status of the risk itself
Approval Status	<input type="text" value="4 - approved"/>
	Status and actions in the risk review process

Personnel DB lookup
(includes external people
with Fermi services account)

Human Resources (M15)
Legal (M16)

121.01 Major Milestones
121.02 Project Office
121.03 Linac
121.04 Booster
121.05 Recycler / Main Injector
✓ 121.06 Conventional Facilities

131 - LBNF / DUNE - Operations

131.01.01 - Project Office - LBNF
131.01.02.02 - Far Site Conv. Facilities
131.01.02.03 - Cryogenics
131.01.03.02 - Near Site Conv. Facilities
131.01.03.03 - Beamline

Risk Register: (1) General description & metadata

RI-ID	<input type="text" value="RT-401-3-031"/> <small>Unique risk identifier (leave blank if unsure)</small>
Title *	<input type="text" value="FPIX -- Disk is damaged during shipping to CERN"/> <small>Standalone descriptive name of risk event</small>
Project	<input type="text" value="CMS Upgrades Phase 1"/> <small>Select your project or "operations area".</small>
Summary	<div><p>If a disk were damaged in transport to CERN, then the modules would have to be removed and reassembled on the spare disk, which would result in a delay of approximately 1 month. Unless it is the last disk the rework would be in parallel to other activities and would not delay the overall FPIX completion date.</p><p>Example: If <RISK> occurs then <IMPACT> jeopardizes <OBJECTIVE></p></div>
Risk Type	<input type="text" value="Threat"/>
Risk Area (RBS)	<input type="text" value="Management Risk / Logistics"/>
Owner (Person)	<input type="text" value="Will E Johns x"/> <small>If name is not found, specify Owner in Comments field below.</small>
WBS / Ops Lab Activity	<input type="text" value="401.03 FPIX"/>
Risk Status	<input type="text" value="Open"/> <small>Status of the risk itself</small>
Approval Status	<input type="text" value="4 - approved"/> <small>Status and actions in the risk review process</small>

- Proposed
- Rejected
- ✓ Open
- Closed - Managed
- Closed - Retired
- Closed - Obsolete

Risk Status:

- Used in project execution phase to track if risk is still a concern

- 0 - obsolete
- 1 - proposed
- 2 - see Comments
- 3 - pending approval
- ✓ 4 - approved

Approval status:

- Used in planning phase (e.g. risk workshop) to tag progress
- Enter proposed risks freely – use this field to tag approval (or not)

Risk Register: (2) dates, probability, tech. impact

RISK PROBABILITY AND TECHNICAL IMPACT

Start Date
Approx. date when risk might first occur or when some action is needed

Expiration Date
Approximate date after which risk should not occur

Probability %
Estimated risk probability (%). If you have a range enter the mid-point.

Technical Impact
Technical impact AFTER risk mitigation and BEFORE risk responses.

August 2016						
S	M	T	W	T	F	S
31	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31	1	2	3
Today is Monday, November 28, 2016						

Entering dates is optional
They can be used for risk reports (e.g. “6-month look-ahead”) and to track risks to closure

Probability that risk occurs

This is critical input to the choice of risk mitigation strategy, and the contingency and float MC analysis

It does not need to be very precise!
(by it's very nature, risk is imprecise)

- 0 (?) - Not yet defined
- 0 (N) - negligible technical impact
- 1 (L) - slightly substandard
- ✓ 2 (M) - moderately substandard
- 3 (H) - significantly substandard

Used in risk ranking. Impact levels are project-specific.

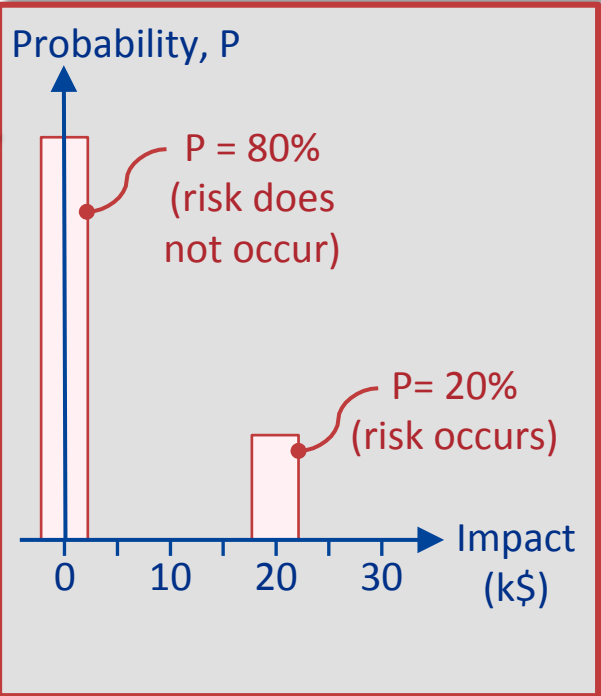
Risk Register: (3) cost impact

COST IMPACTS	
Impact (k\$) - Function	<div>1-point - single value ▾</div> <div>Type of function used to model the cost impact. 1-point - single value --> specify most likely impact only 2-point - flat range --> specify min / max impacts only 3-point - triangular --> specify min / most likely / max impacts</div>
Impact (k\$) - Min	<div></div> <div>Min. cost impact (k\$) for 2- / 3-point estimates (not needed for 1-point)</div>
Impact (k\$)	<div>20</div> <div>Most likely cost impact (k\$) of risk event AND associated response plans. Does not include mitigation costs -- these are part of the project baseline. +ve for overruns, -ve for savings</div>
Impact (k\$) - Max	<div></div> <div>Max. cost impact (k\$) for 2- / 3-point estimates (not needed for 1-point)</div>

- Impact (*assessed after mitigations in the baseline were done*) includes
 - **Cost of risk if it happens** (e.g. higher cost of a backup vendor)
 - **Cost of response plans** (e.g. rework needed to repair damage)
- Cost impact fields do not include **burn rate costs of delays** (standing army and escalation) – this comes out of a MC risk simulation of the schedule


Risk Register: (3) cost impact – single value

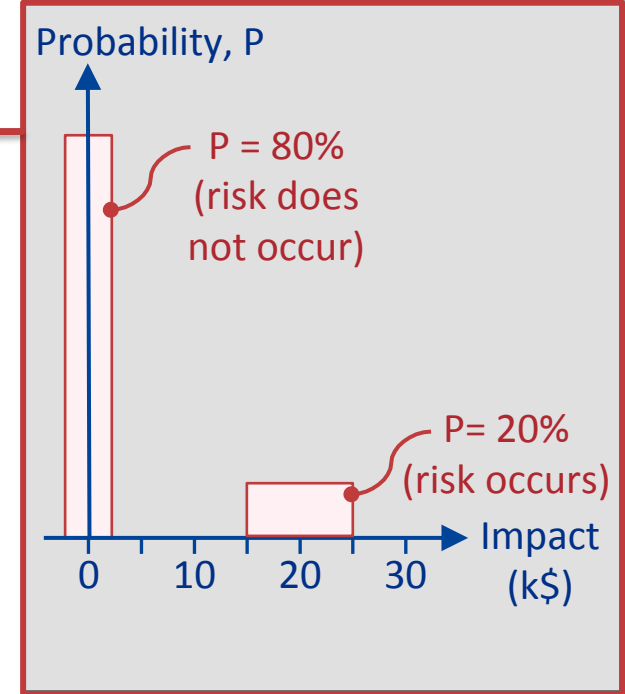
COST IMPACTS	
Impact (k\$) - Function	<div>1-point - single value</div> <p>Type of function used to model the cost impact.</p> <ul style="list-style-type: none">1-point - single value --> specify most likely impact only2-point - flat range --> specify min / max impacts only3-point - triangular --> specify min / most likely / max impacts
Impact (k\$) - Min	<div></div> <p>Min. cost impact (k\$) for 2- / 3-point estimates (not needed for 1-point)</p>
Impact (k\$)	<div>20</div> <p>Most likely value</p> <p>Most likely cost impact (k\$) of risk event AND associated response plans. Does not include mitigation costs -- these are part of the project baseline. +ve for overruns, -ve for savings</p>
Impact (k\$) - Max	<div></div> <p>Max. cost impact (k\$) for 2- / 3-point estimates (not needed for 1-point)</p>



- **1-point estimate (single value)** for impact
 - If risk occurs, impact is always exactly 20k\$

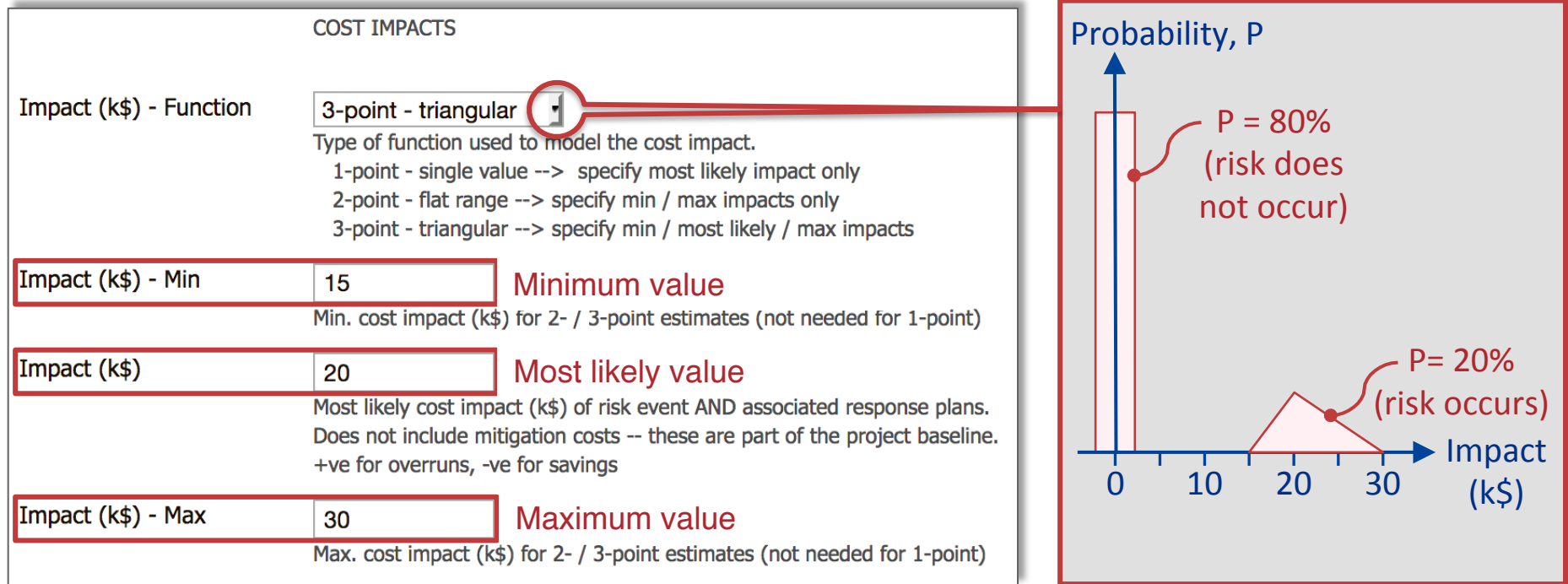
Risk Register: (3) cost impact – range

COST IMPACTS	
Impact (k\$) - Function	<div>2-point - flat range </div> <p>Type of function used to model the cost impact.</p> <ul style="list-style-type: none">1-point - single value --> specify most likely impact only2-point - flat range --> specify min / max impacts only3-point - triangular --> specify min / most likely / max impacts
Impact (k\$) - Min	<div>15</div> <div>Minimum value</div> <p>Min. cost impact (k\$) for 2- / 3-point estimates (not needed for 1-point)</p>
Impact (k\$)	<div></div> <p>Most likely cost impact (k\$) of risk event AND associated response plans. Does not include mitigation costs -- these are part of the project baseline. +ve for overruns, -ve for savings</p>
Impact (k\$) - Max	<div>25</div> <div>Maximum value</div> <p>Max. cost impact (k\$) for 2- / 3-point estimates (not needed for 1-point)</p>



- **2-point estimate (flat range)** for impact
 - If risk occurs, impact is in range 15k\$ – 25k\$ (all equally likely)
 - Most likely impact = 20k\$; Mean impact = 20k\$

Risk Register: (3) cost impact – 3-point estimate



- **3-point estimate (triangle distribution) for impact**
 - If risk occurs, impact in range 15k\$ – 30k\$ (extremes less likely)
 - Most likely impact = 20k\$; Mean impact* = 21.7k\$

* Mean x of triangular probability distribution function
 $= (\text{minimum } x + \text{most likely } x + \text{maximum } x) / 3$

Risk Register: (4) schedule impact

SCHEDULE IMPACTS	
Impact (months) - Function	<div>3-point - triangular</div> <div>Type of function used to model the schedule impact. 1-point - single value --> specify most likely impact only 2-point - flat range --> specify min / max impacts only 3-point - triangular --> specify min / most likely / max impacts</div>
Impact (months) - Min	<div>0.75</div> <div>Min. impact (months) for 2- / 3-point estimates (not needed for 1-point)</div>
Impact (months)	<div>1</div> <div>Most likely schedule impact (in months) for impacted activity. +ve for delays, -ve for schedule advances</div>
Impact (months) - Max	<div>1.25</div> <div>Min. impact (months) for 2- / 3-point estimates (not needed for 1-point)</div>
Impacted Activities	<div>PRA-401.03-P116110 Re-assemble of half disks onto HC4</div> <div>P6 activity(ies) directly impacted by risk event (risk event is typically added in P6 as a successor to this activity)</div>

→ 1-, 2-, 3-point schedule impacts (in months)
(similar to cost impacts)

→ For now, just say in a few words what work is delayed

Risk Register: (5) explanation & quality of estimate

Explanation of Estimate	<div>1 month delay if the breakage occurs during transport to CERN. 20k\$ labor and travel.</div> <div>Describe how the probability, cost and schedule impacts were estimated</div>
Quality of Risk Estimates	<div>2 - Reasonable estimate</div> <div><div>- Not yet defined -</div><div>0 - Wild guess</div><div>1 - Rough guess</div><div>✓ 2 - Reasonable estimate</div><div>3 - Solid estimate</div></div>

Brief explanation of how the risk probability and impacts were estimated

See “Link to more details” field below, to add a URL

Tag your level of confidence in the estimates so you know what might need follow-up analysis

Risk Register: (6) mitigation and response plans

RISK MITIGATIONS, RISK RESPONSES AND MORE INFORMATION	
Cause or Trigger	<div></div> <p>OPTIONAL: describe event or circumstance that drives this risk.</p>
Risk Mitigations	<div>Pack disk in a custom-built, padded, shock-resistant suitcase. Ship disks inside the airplane cabin (in their own seat) accompanied by an FPIX team member. Produce a spare set of FPIX mechanics components in case rework due to damage is required.</div> <p>Describe actions to reduce the risk probability and impact as part of the baseline plan, BEFORE the risk event occurs. These actions must be funded. N.B. if these actions are not in the baseline plan (e.g. due to lack of funds) enter them in the "Proposed Actions" field.</p>
Proposed Actions	<div></div> <p>Additional mitigation or response plans that are not currently in the baseline plan (e.g. due to a lack of funding)</p>
Proposed Actions Cost (k\$)	<div></div> <p>Estimate cost of the proposed actions (k\$)</p>
Risk Responses	<div>Repair the damaged disk using the spare parts.</div> <p>Short description of actions that can be taken to reduce the risk impacts AFTER the risk event occurs</p>

- **Risk mitigations:** pre-emptive actions to reduce the probability and impact of a risk **BEFORE** it happens. Such actions are included in the baseline plan.
- **Proposed Actions:** capture any mitigations that you are considering, but which are not yet approved for inclusion in the baseline
- **Risks responses:** actions that are executed **AFTER** a risk happens, to reduce the impacts. Cost and schedule impacts should also account for response plans.

Risk Register: (7) more information

Link to more details	Type the Web address: (Click here to test) <input type="text" value="http://"/> Type the description: <input type="text"/> For LBNF/DUNE risk supplement detail form and instructions see: http://docs.dunescience.org:8080/cgi-bin/ShowDocument?docid=412	→ Optional: link to more information (can be left blank)
BCR	Type the Web address: (Click here to test) <input type="text" value="http://"/> Type the description: <input type="text"/> Link (URL) to Baseline Change Request (if any). For CMS use: https://cms-docdb.cern.ch/cgi-bin/DocDB/ShowDocument?docid=12345	→ Pre-CD-1: leave blank (used for baseline change control)
Comments	<div>2015-09-17 LT: Revise impacts -- agreed with Marco Verzocchi 2016-08-04 LT: Revise impacts -- agreed with Marco Verzocchi: Reduce the 2 month delay to 1 month delay, since we are already making additional spare parts. Reduce the cost impact from 50k\$ to 20k\$</div>	→ Optional: any other comments (e.g. next steps to assess risk)
Tags	<input type="text"/> User-defined text tags for use in filters (comma-separated list)	→ Optional: tags for creating custom filters or views
Change log *	<div><input type="text"/></div> <div>Summarize the changes you made -- then click SAVE at bottom of form</div>	→ Obligatory: keeps track of what was changed and why

Risk Register: (8) version history

ADMIN USE ONLY

☐ Lucas Taylor (11/28/2016 5:14 AM): Update Start and Expiration dates

☐ Lucas Taylor (8/4/2016 6:45 AM): 2016-08-04 LT: Revise impacts -- agreed with Marco Verzocchi: Reduce the 2 month delay to 1 month delay, since we are already making additional spare parts. Reduce the cost impact from 50k\$ to 20k\$

☐ Lucas Taylor (9/17/2015 9:49 AM): 2015-09-17 Revise impacts -- agreed with Marco Verzocchi

☐ Lucas Taylor (9/17/2015 9:39 AM): 2015-09-17 Revise impacts -- agreed with Marco Verzocchi

ADMIN COMMENT

Version: 28.0
Created at 5/6/2015 6:39 AM by ☐ Lucas Taylor
Last modified at 11/28/2016 5:14 AM by ☐ Lucas Taylor

→ Displays the change log

**Be sure to save
your changes**

Risk Breakdown Structure

<https://go.usa.gov/x9sCm>

One risk identification approach

1. Brainstorm all risks with open mind
2. Consider risks for each WBS area
3. Look through the **Risk Breakdown Structure** to see if you missed major risk areas

Fermilab
Office of Integrated Planning & Performance Management

Project Risk Management

Fermilab Project Risk Management Procedure
Project risk is managed following a standard Fermilab Risk Management Procedure for Projects

Project Risk Register
Risks are documented and managed using a Lab-wide, web-based Risk Register Tool (see [slide presentation](#)):

- [Add New Risk](#)

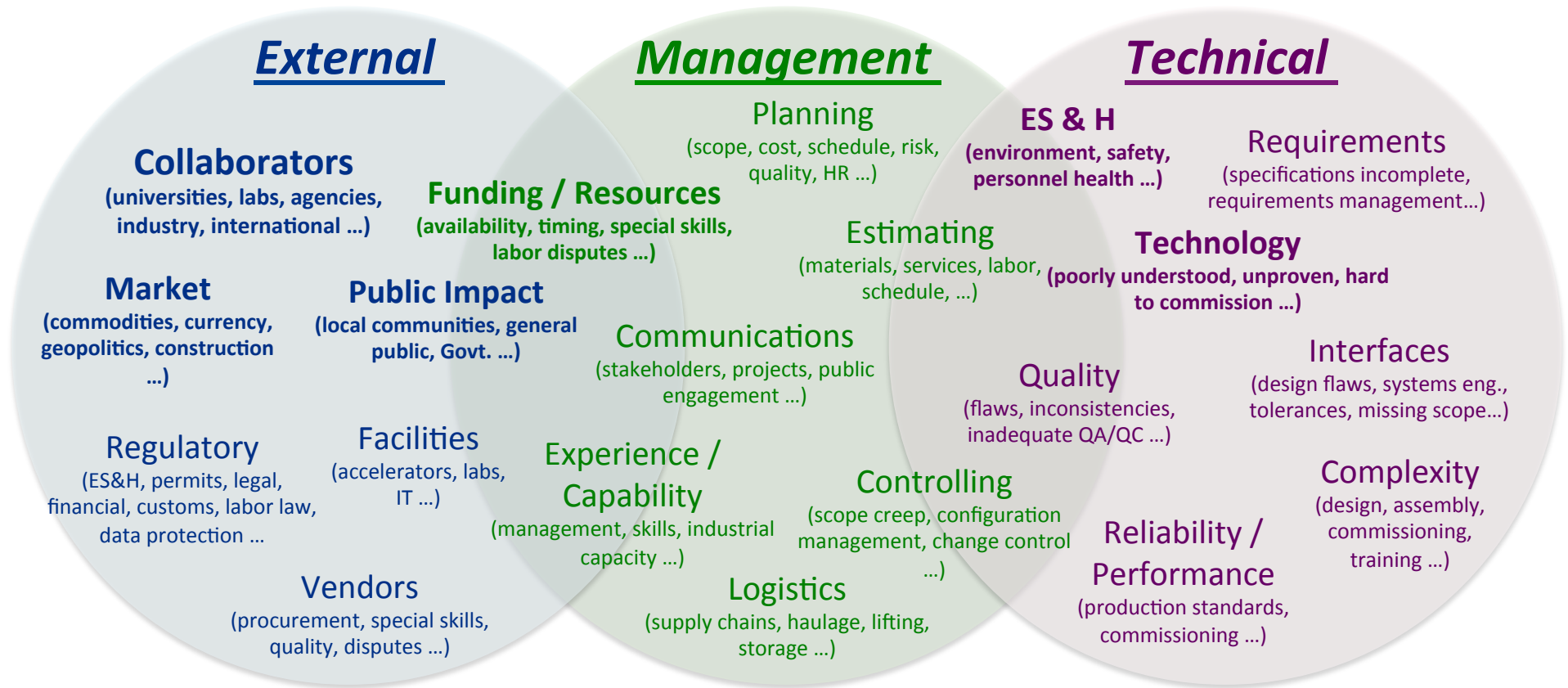
General views:	Specific views:
<ul style="list-style-type: none">• View all risks -- filter by project or operations area• View all risks -- browse by project or operations area• View all risks -- by owner• View open risks -- by rank; filter by project• View open risks -- by Risk Breakdown Structure• View top cost risks -- ordered by Probability x Cost Impact• View top schedule risks -- ordered by mean schedule impact• View risk data warnings (what data needs to be improved)• Recent changes (with filter by project/Ops area)	<ul style="list-style-type: none">• Fermilab top project cost risks• CMS Phase 1 Upgrades (open risks)• CMS HL-LHC Upgrades (open risks)• HL-LHC AUP (all risks)• LBNF/DUNE (open risks)• PIP-II (all risks)

Risk Ranking
Risks are ranked based on a combination of probability and impacts, as described in the [Fermilab Risk Management Procedure for Projects](#). The implications of the ranking is as follows:

- **High Rank risks** may lead to failure to complete the Project's key performance parameters (KPPs) or major deliverables within cost, schedule, quality or other constraints. High-rank risks have well-developed mitigation or response plans and are monitored by the Project Manager.
- **Medium Rank risks** should not jeopardize the Project's KPPs but may have a significant impact on the ability of the Project to deliver all aspects of the Project scope in a timely and cost-effective manner. Medium-rank risks have well-developed mitigation or response plans and are monitored by the Project Manager.
- **Low Rank risks** have modest technical, cost or schedule impacts that will not affect the KPPs. Low-rank risks are not required to have mitigation or response plans, although it is preferable if they have. Low rank risks are monitored and handled by the L2 sub-project managers and risk owners.

Risk Breakdown Structure
Risk are identified in a wide range of areas as described in the [online Risk Breakdown Structure](#).

Risk Breakdown Structure



Some takeaways

- ***Risk Management*** just means “*managing when there is uncertainty*”
 - You all already do this. The risk register tool just provides structure.
- Consider positive ***opportunities*** as well as negative ***threats***
- **Capture candidate risks in the register without too much filtering** and don't over-polish the data. You'll refine everything later anyway.
 - Come from different angles: brainstorming, WBS, RBS review
- **Don't confuse *risk causes* with *risk events* with *risk impacts***
 - Work back from risk consequences to find possible root causes
- Consider pre-emptive ***mitigations*** and reactive ***risk responses***
- **Today: aim to capture all the major risks with broad brush strokes**
 - Don't forget to agree on a risk owner to further assess the risk

More information

- Fermilab Risk Management → <https://go.usa.gov/x9sCU>
 - **Project Risk Management** → <https://go.usa.gov/x9sCm>
 - Risk Management Board → <https://go.usa.gov/xXcyM>
 - Operations Risk Management → <https://go.usa.gov/x9sCp>
 - Enterprise Risk Management → <https://go.usa.gov/x9sCv>
-
- **PIP-II Risk Summary** → <https://go.usa.gov/xXRrr>

Any questions: Lucas.Taylor@cern.ch

EXTRAS



Fermilab Risk Register

SharePoint Reference Documentation

SharePoint details

The Risk Register is built using several three inter-linked Lists:

1. RBS

- Risk Breakdown Structure: areas of risk with descriptions
- Each risk is assigned an RBS category

2. Projects

- List of projects (also includes operations areas)
- Each risk is assigned to a project / ops area

3. Risk Register

- The main list – one entry per risk

RBS : SharePoint List Definition

Columns

A column stores information about each item in the list. The following columns are currently available in this list:

Column (click to edit)	Type	Required
Risk Area -- base	Choice	
Risk Topic	Single line of text	✓
RBS	Calculated (calculation based on other columns)	
Risk Area	Calculated (calculation based on other columns)	
Description	Multiple lines of text	
Modified	Date and Time	
Created	Date and Time	
Created By	Person or Group	
Modified By	Person or Group	

Projects: SharePoint List Definition

Columns

A column stores information about each item in the list. The following columns are currently available in this list:

Column (click to edit)	Type	Required
Title	Single line of text	✓
P6 ID	Number	
Home page	Hyperlink or Picture	
ID plus Title	Calculated (calculation based on other columns)	
IS_OPERATIONS	Single line of text	
Modified	Date and Time	
Created	Date and Time	
Created By	Person or Group	
Modified By	Person or Group	

Risk Register: SharePoint List Definition (1 of 6)

Columns

A column stores information about each item in the list. The following columns are currently available in this list:

Column (click to edit)	Type	Required
RI-ID	Single line of text	
Title	Single line of text	✓
Project	Lookup	
Summary	Multiple lines of text	
Risk Type	Choice	
Risk Area (RBS)	Lookup	
Owner (Person)	Person or Group	
WBS / Ops Lab Activity	Choice	
Risk Status	Choice	
Approval Status	Choice	
Start Date	Date and Time	
Expiration Date	Date and Time	

Risk Register: SharePoint List Definition (2 of 6)

Probability	Number
Technical Impact	Choice
Impact (k\$) - Function	Choice
Impact (k\$) - Min	Number
Impact (k\$)	Number
Impact (k\$) - Max	Number
Impact (months) - Function	Choice
Impact (months) - Min	Number
Impact (months)	Number
Impact (months) - Max	Number
Impacted Activities	Multiple lines of text
Explanation of Estimate	Multiple lines of text
Quality of Risk Estimates	Choice

Risk Register: SharePoint List Definition (3 of 6)

Cause or Trigger	Multiple lines of text
Risk Mitigations	Multiple lines of text
Proposed Actions	Multiple lines of text
Proposed Actions Cost (k\$)	Number
Risk Responses	Multiple lines of text
Link to more details	Hyperlink or Picture
BCR	Hyperlink or Picture
Comments	Multiple lines of text
Change log	Multiple lines of text

Risk Register: SharePoint List Definition (4 of 6)

ADMIN COMMENT	Single line of text
ADMIN TAGS	Single line of text
Comments to Tim	Single line of text
LT done	Choice
Workshop comment	Calculated (calculation based on other columns)
RBS:Risk Topic	Lookup
RBS:Risk Area	Lookup
Project:P6 ID	Lookup
Project:ID plus Title	Lookup
Created	Date and Time
Modified	Date and Time
Project:IS_OPERATIONS	Lookup
Created By	Person or Group
Modified By	Person or Group

Risk Register: SharePoint List Definition (5 of 6)

Impact (workdays)	Calculated (calculation based on other columns)
Impact (workdays) - Min	Calculated (calculation based on other columns)
Impact (workdays) - Max	Calculated (calculation based on other columns)
P x Impact (k\$)	Calculated (calculation based on other columns)
Post-mitigation P x Impact (k\$)	Calculated (calculation based on other columns)
Impact (months) - Mean	Calculated (calculation based on other columns)
Impact (k\$) - Mean	Calculated (calculation based on other columns)
Probability Score	Calculated (calculation based on other columns)
Impact Score - Schedule	Calculated (calculation based on other columns)
Impact Score - Cost	Calculated (calculation based on other columns)
Impact Score - Max	Calculated (calculation based on other columns)
PS	Calculated (calculation based on other columns)
IS	Calculated (calculation based on other columns)
Risk Rank	Calculated (calculation based on other columns)
RR	Calculated (calculation based on other columns)
Risk ID plus Title	Calculated (calculation based on other columns)
Cost Impact	Calculated (calculation based on other columns)
Schedule Impact	Calculated (calculation based on other columns)

Risk Register: SharePoint List Definition (6 of 6)

PID	Calculated (calculation based on other columns)
CBIN1	Calculated (calculation based on other columns)
CBIN2	Calculated (calculation based on other columns)
CBIN3	Calculated (calculation based on other columns)
CMAX	Calculated (calculation based on other columns)
SBIN1	Calculated (calculation based on other columns)
SBIN2	Calculated (calculation based on other columns)
SBIN3	Calculated (calculation based on other columns)
SMAX	Calculated (calculation based on other columns)
Months to Start Date	Calculated (calculation based on other columns)
Within next 12 months	Calculated (calculation based on other columns)
Warnings	Calculated (calculation based on other columns)
Warning01	Calculated (calculation based on other columns)
Warning08	Calculated (calculation based on other columns)
Warning11	Calculated (calculation based on other columns)
Warning13	Calculated (calculation based on other columns)
Warning15	Calculated (calculation based on other columns)
Warning16	Calculated (calculation based on other columns)
Warning19	Calculated (calculation based on other columns)