Best practices for identifying project risks

As a project manager, you can feel certain on almost every new project that something will go wrong along the way. You may not know what exactly it will be: unavailable resources, scheduling conflicts, changes in requirements or something else, but chances are that at least one part of your project plan will break.

What separates average project managers from superior project managers is the ability to minimize the number of things that go wrong on any given project. Some things like sudden illness of a critical team member, for example may be out of anyone's control, but most project challenges can be avoided through the use of project management risk analysis.

Knowing how to identify project risks, and tracking risks through the entire project life cycle, is a primary part of every enterprise project manager's job. Here's a look at how you can apply risk management techniques and best practices on your next project.

Start with the scope document

If you're like most project managers, you start the planning phase of each project with a detailed review of the scope statement. Your primary focus may be to identify deliverables and the roles of different stakeholders, but this is also when you should begin the risk identification process.

As you review the scope document and other basic materials, look for poorly-defined requirements and time or budget commitments that are clearly unrealistic. Not only are these the elements that are most likely to create difficulties once the project team gets to work, they may also be the details that senior stakeholders are most likely to remember. The sooner you draw attention to these issues, the less likely they are to reflect poorly on you or your team members.

Study similar projects

No two projects are alike, but if you look through your organization's recent history, you'll probably be able to find at least a few projects that have significant similarities to your own. Whether those projects went well or fell apart, you're certain to learn something valuable by reading through their documentation and talking to the project managers who ran them.

Look for new or unfamiliar elements

One of the most important areas to look towards when identifying project risks is the use of new technology or methodology. Your project team may have very good reasons for trying something new on the project, but that initiative automatically creates an element of uncertainty.

New techniques can present unexpected challenges in team member training, they can fail to deliver the expected result or they may trigger unforeseen consequences in later project tasks. Given the uncertainty, you may not even be able to define the exact risks that a new element will present, but it's imperative that you identify as many possible trouble points as possible ahead of time.

Learn more

Clarizen's award-winning portfolio and project management solution features an array of robust, easy-to-use risk management tools that cover all risk management aspects, including:

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- ✅ **Expected monetary value analysis (EMV)**
- ✅ **Cost risk analysis**
- ✅ **Cause and effect diagrams**
- ✅ **System and process flow charts**
- ✅ **Probability and impact matrices**
- ✅ **Risk categorization**
- ✅ **Data gathering and representation techniques**
- ✅ **Quantitative risk analysis and modeling techniques**

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