



Operations & Training Risk Management Plan

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Objective

The objective of this document is consulting with team members to identify potential risks for the Plants operations launch.

Executive Summary

There are two main risks types you need to plan for:

1. Going over the project **budget**
2. Falling behind the training **schedule**

Your team identifies three possible risk scenarios for each category:

Budget Risks

Your team's Fulfillment Director has identified three possible budgetary risks to mitigate:

- **Each delivery truck costs \$16,000 more than initially quoted.** Your team estimates a 50% chance this risk will occur. If it does, Office Green would pay \$32,000 more than expected for their two delivery trucks.
- **A product vendor charges a higher rate than expected.** Your team determines a 20%-25% chance this risk will occur. The budget impact would be approximately \$17,000.

- **A product vendor loses a product shipment.** Your team estimates only a 5% chance this risk will occur. A lost shipment would cost over \$25,000.

Schedule Risks

Your training team is concerned that they could fall behind schedule when training Office Green’s employees, and highlighted three possible scheduling risks:

- **Your Training Manager gets sick and misses a week of training.** Your team estimates a 5%-10% chance this risk will occur.
- **You cannot hire enough employees in time to train them before launch.** Your team estimates a 20%-30% chance this risk will occur, and it could delay the project by over a month.
- **More than 50% of employees quit after a difficult training process, leaving the company short-staffed.** Your team estimates only a 5% chance this risk will occur.

RISK TYPE ONE: Going over the project budget

Scenario	Risk to project (L/M/H)	Mitigation Plan
Each delivery truck costs \$16,000 more than initially quoted	H	ACCEPT
A product vendor charges a higher rate than expected	M	REDUCE OR CONTROL
A product vendor loses a product shipment	M	TRANSFER

RISK TYPE TWO: Falling behind the training schedule

Scenario	Risk to project (L/M/H)	Mitigation Plan
Your Training Manager gets sick and misses a week of training	L	CONTROL

You cannot hire enough employees in time to train them before launch	M	ACCEPT
More than 50% of employees quit after a difficult training process, leaving the company short-staffed	M	REDUCE OR CONTROL

Appendix:

Probability chart:

Probability		
	Qualitative	Quantitative (if measurable)
Low	Very low chance of risk occurring.	Less than <10% chance of risk occurring.
Medium	Medium chance of risk occurring.	10%-49% chance of risk occurring.
High	High chance of risk occurring.	50%-100% chance of risk occurring.

Impact chart:

Types of Impact	Low	Medium	High
Financial	Low financial impact, costing the company \$0-\$14,000	Medium financial impact, costing the company \$15,000-\$29,000	High financial impact, costing the company \$30,000 or more
Operational	Low impact to project operations, causing delays of a few days to a few weeks	Medium impact to project operations, with potential to delay project by a month or more	High impact to project operations, with potential to cause project failure
People	Low impact to employee attrition, with 5%+ of employees quitting	Medium impact to employee attrition, with 25%+ of employees quitting	High impact to employee attrition, with 50%+ employees quitting