The Architect and Risk Management: Threat or Opportunity

A Review of Current Trends in Extending Scope of Design Services to include Risk Management

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Summary

- Identify sources of project uncertainty
- Describe project risks with a risk statement
- Qualify project risks through ranking
- Quantify project risks through Expected monetary Value
- Develop responses to risk events

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Project Risk Management for Architects: Introduction

- Successful Project
 - On time, on budget, all features and characteristics as designed and specified Satisfied client



- Failed Project
 - Project is not operational as planned or project cancelled
 - Budget and time exceeded way beyond expectations
 - Client dissatisfied



- Challenged Project
 - Completed and operational but could exceed budget and time
 - Reduced scope or quality



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Why Do Projects Fall Short of Success and/or Fail?

- Unclear objectives
- Unrealistic expectations
- Lack of Support from Leadership
- Lack of user involvement
- Lack of skilled resources
- Poor Risk Management
- Incomplete requirements and specifications
- Inadequate design
- "Gold plating"
- Changing requirement and specifications
- Quality compromised for cost reduction

Actions We Take That Promote Failure

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Actions We Take That Promote Failure

Failure

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Introduc	
Architects:	
Management for	
Project Risk I	

Actions We Take That Promote Failure

■ Don't question users

- "Give users what they want; it's their business"



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Actions We Take That Promote Failure Don't plan Planning doesn't improve the probability of success.

Actions We Take That Promote Failure

- Don't bother the Project Sponsor (Client)
 - "They are very busy"
 - "They won't understand"
 - "The best client is one who goes away after they give you the commission!"



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Project Risk Management for Architects: Introduction

Actions We Take That Promote Failure (cont'd.)

Don't question consulting staff assignments
 "Their professionals; they should know what's expected."



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Project Risk Management for Architects: Introduction

Actions We Take That Promote Failure (cont'd.)

- Don't gather all of the requirements prior to design
 - "We have sketch design presentations this Thursday. We don't have the luxury of planning."
 - "We can always pick that up during working drawings."



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Actions We Take That Promote Failure (cont'd.)

- Don't ask the user's anything
 - "We will never meet deadlines if we keep going back to users for confirmation."
 - "Users don't know what they want"
 - "The users don't agree on anything."
 - "Users just want



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Actions We Take That Promote Failure (cont'd.)

- Don't question changes
 - "It's the clients request; their business not mine."
 - "Change control slows down the design process."



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Actions We Take That Promote Failure (cont'd.) Don't compare estimates to actuals "The fee we're getting is the fee were getting; there's no point to comparing fees and hours. We have to accept every job we can get." Planned Schedule Planned Schedule Planned Schedule Donald Ardiel (c) 2016

Actions We Take That Promote Failure (cont'd.) Donn't give accurate progress reports "Trust me." Takes too much time to prepare reports

Actions We Take That Promote Failure (cont'd.) Don't ask "What if?" - Clients don't want to hear about uncertainty - "They're hiring me to be the professional and prevent what-ifs." - Things will always go wrong; • It's a hard business • Suck it up.

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