

What Are the Sources of Uncertainty in Design and Construction Programs

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Sources of Project Risk

Sources of Risk

- Take 5 minutes and identify sources of risk to project success.
- Note!
 - This is sources of risk to design project success, not the construction project



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Sources of Project Risk

PWGSC's Project Complexity and Risk Analysis Tool

Risk Categories
Clarifications
Documentation

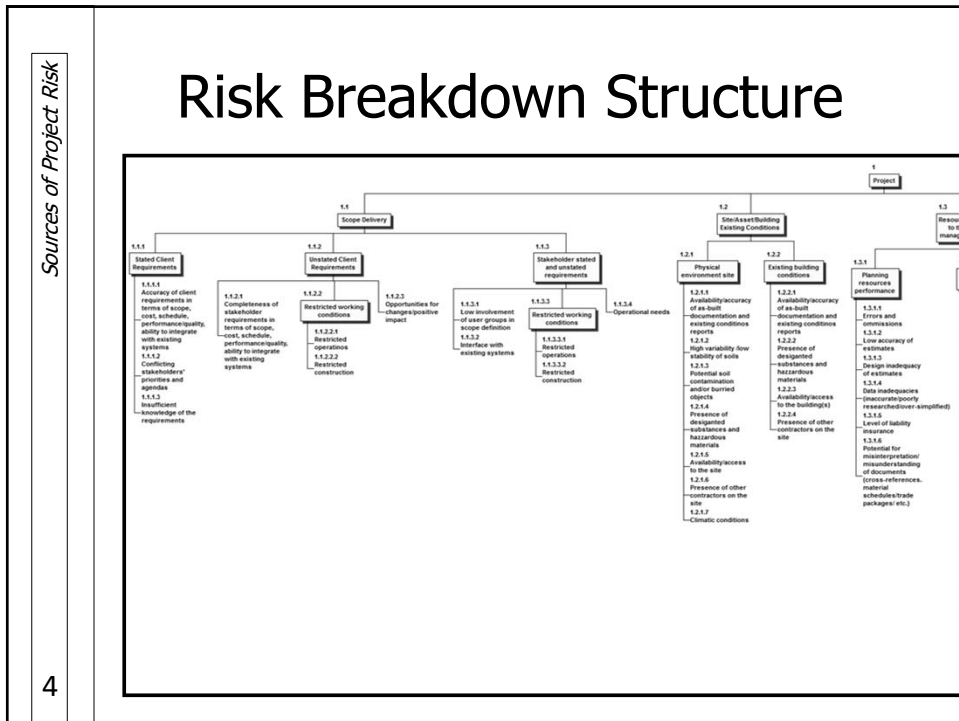
Questions
Options

| Knowledge Area | Question | Clarifications | Department of Budget Plans Notes | Options | Score | Documentation/Notes |
|---------------------------------|---|---|----------------------------------|---|-------|---------------------|
| Cost | 1. What is the total project cost estimate? | The inherent complexity and risk of the project may increase with the size of the project. → Complexity normally increases when more money is being managed and the impact of realized risks increases. → The total project cost estimate is to be either an indicative cost estimate or a definitive cost estimate . | | 1 - \$10 million 2 - \$5-10 million 3 - \$10-25 million 4 - \$25-100 million 5 - >\$100 million * Reset Answer #1 | | |
| | 2. What percentage of the total project cost estimate is for procurement? | The inherent complexity and risk of the project may increase with more procurement. → When more of the project is being procured rather than supplied internally, the initiative is considered more complex. | | 1 - No procurement is required <i>(Note: answer "1" for all questions in section 2.3 - Procurement Risk)</i> 2 - <25 per cent 3 - 26-50 per cent 4 - 51-75 per cent 5 - >75 per cent * Reset Answer #2 | | |
| Investment portfolio management | 3. Relative to the average project in your organization, which of the following adjectives describes the total project cost estimate? | The inherent complexity and risk of the project may increase if the size of the total project cost estimate relative to the average cost of the organization's projects is large. This comparison can be done by referring to the investment plan and reviewing the overall portfolio of projects. Based on this portfolio of planned projects, the organization may group its projects according to the categories of small, medium and large. Each project can then | | 1 - Small 2 - Medium 3 - Large * Reset Answer #3 | | |

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Source: <http://www.tbs-sct.gc.ca/hgw-cgf/oversight-surveillance/itpm-itgp/pm-gp/doc/pkra-ecrp-eng.asp>

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Sources of Project Risk

RBS Categories for Design/ Construction Projects

| | |
|--|---|
| <p>1.0 Scope Delivery</p> <ul style="list-style-type: none"> - Stated Client Requirements - Unstated Client Requirements - Stated and unstated Stakeholder Requirements <p>2.0 Site/Asset/Building Existing Conditions</p> <ul style="list-style-type: none"> - Site Conditions - Building Conditions | <p>3.0 Resources External Performance</p> <ul style="list-style-type: none"> - Planning Resources - Design Resources - Construction Resources |
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Sources of Project Risk

RBS Categories for Design/ Construction Projects

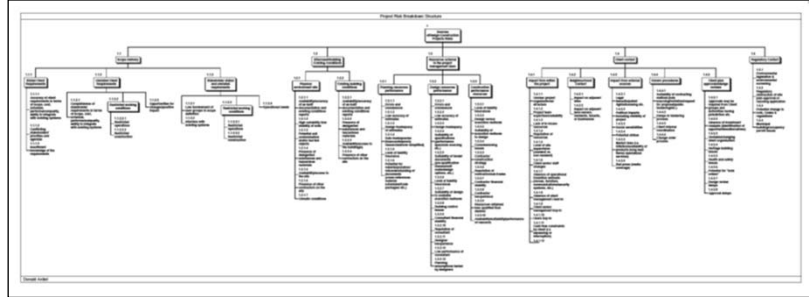
| | |
|---|---|
| <p>4.0 Client Context</p> <ul style="list-style-type: none"> - Project Organization(s) - Impact on adjacent sites/people - Impact from external sources/ legal/ political/ social - Known procedures | <p>5.0 Regulatory Context</p> <ul style="list-style-type: none"> - Unanticipated regulatory change - Plan approvals/design reviews |
|---|---|

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Sources of Project Risk

The RBS



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Chart created with "WBS Schedule pro, available from <https://criticaltools.com>.

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