

Developing a JR Risk Management Plan

Quick Guide

Disclaimer

This guide provides information on collaborating with other organisations. This information is intended as a guide only and is not legal advice. If you or your organisation has a specific legal issue, you should seek legal advice before deciding what to do.

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Introduction

What is a risk?

A risk is anything that could potentially impact your project's timeline, performance or budget. In other words, they are the things that could go wrong or cause issues.

What is Risk Management?

All projects have risks, so it is important to identify and respond to these risks to avoid and/or reduce their potential to negatively affect your project. This process is called Risk Management. The Risk Management process usually begins during the planning phase of a project with a Risk Management Plan often included as part of an application for project funding. The Risk Management Plan is then reviewed and updated regularly (ideally every three or six months) and will often be included in regular reports to the project funder and/or project governance team.

Developing a basic Risk Management Plan

Template

The JR Grant Application Work Plan includes a simple Risk Management table, copied below. You do not need to use this template, you can choose to create one that best suits your needs.

Figure One: Risk Management Template

Risk	How the risk will be managed
<p>List any risks you have identified that could affect the successful delivery of activities, outputs and/or outcomes.</p> <p>Types of risks might include, but are not limited to: activity, operational, health and safety or reputational.</p>	<p>Outline the action(s) your organisation will take to manage each risk.</p>

Example

In preparing your Risk Management Plan, it is useful for those involved in the work to think about the types of things that often disrupt existing services and projects you or others you know have been involved in. Your team can then consider whether these risks are likely to affect your project, and what you can do to reduce or manage the risk. You can also conduct research online to learn from the risks identified by others who have worked on similar work to yours.

In thinking about how the risk will be managed, it is important to identify *who* will do *what* to reduce the likelihood of the risk occurring, or to reduce the impact that it might have on the project.

Many of the management strategies might be the same or similar, and that is fine. The table below provides some examples as a starting point.

Figure Two: Examples of common risks included in a risk management plan

Risk type	Risk	How the risk will be managed
Context	The project team / area is affected by a natural disaster (floods, fires, cyclones, etc).	<ul style="list-style-type: none"> The Project Manager will ensure that our project workplan has enough time in it to deal with disruptions from natural disaster. The Organisation Operations Manager has a Disaster Preparedness Plan to reduce the likelihood of project assets / records being destroyed.
	The project is slowed down due to the wet season.	<ul style="list-style-type: none"> The Project Manager will ensure that the project workplan has enough time to account for delays in the wet season.
	The project is slowed down due to cultural obligations (sorry business, caring for country, etc).	<ul style="list-style-type: none"> The Project Manager will ensure that the project workplan has enough time to account for delays due to cultural, family, and other obligations.
Activity	The project progress is slowed down / stopped because the original beneficiaries move away.	<ul style="list-style-type: none"> The Project is designed to graduate existing beneficiaries at several points in the project cycle so progress can occur if some beneficiaries move away. The Project Coordinator will recruit a wide range of beneficiaries to ensure there is enough continuity in beneficiaries over the lifetime of the project.
	The project progress is slowed down because key stakeholders (such as police, school leaders, etc) change and the team must	<ul style="list-style-type: none"> The project team will develop and regularly update briefing material for new stakeholders. The Project has a good engagement strategy that the project team will use throughout the project.

re-develop a relationship and trust with them.

The project has limited strategic guidance or oversight because members of the governance committee are too busy.

- Members of the governance committee have been selected because they have demonstrated long term commitment to justice issues in our community.
- Members of the governance committee have committed to meeting four times a year and can meet online if needed.

Operations

The project is delayed because the project team are unable to recruit suitably qualified team members.

The project is delayed because the project team are unable to recruit enough men / women / young people to the team.

- The Project Manager / HR lead has role descriptions ready and will start advertising positions as soon as a grant agreement is signed.
- The Project Manager / HR lead has identified effective ways of recruiting based on recent experience.
- The Project Manager / HR lead has identified potential groups / associations to approach with job ads.

The project cannot be completed because the project team runs out of JR Grant budget before fully implemented.

- The Project Manager / finance lead has developed a detailed budget and will track and report on spending monthly.
- The Project Governance Committee has arranged co-funding from X, Y, and Z organisation.

The project is slowed down because of a disruption to internet / lack of phone signal / breakdown of project management IT system.

- The Organisation has established internet / phone signal / project management IT systems and plans in place that are fully operational.
- The Project Manager / IT lead has systems that can work offline when the internet / phone signal is weak or disrupted.

The project is delayed because the project team has no office.

- The Organisation has an established office with space allocated for the JR project team.
- The Project Manager / operations manager has identified office space and has included costs in the budget.

Safeguards

The project team are affected by work Health and Safety issues.

- The Organisation has established Work Health and Safety plans and systems in place.

		<ul style="list-style-type: none"> The Project Manager / operations manager will develop simple Work Health and Safety plans and systems for the project team.
	The project beneficiaries are harmed by the project.	<ul style="list-style-type: none"> The Organisation has Working With Vulnerable People plans and systems in place. All project team members will require Working With Vulnerable People checks.
	Project funds are misused or stolen	<ul style="list-style-type: none"> The Organisation has established financial management systems in place including monthly budget reporting and annual audits. The Project Manager / Finance Officer will develop simple financial management systems in place including monthly budget reporting and annual audits.
	The project team is impacted by security incidence.	<ul style="list-style-type: none"> The project team will be recruited locally and will require community leadership endorsement to ensure that they are known and respected in the community. The Organisation has established Work Health and Safety plans and systems in place. The Project Manager / Operations Manager will develop simple Work Health and Safety plans and systems for the project team / used to keeping safe.
Reputation	The reputation of our Organisation and JR Project is damaged by an increase / spike in criminal behaviour.	<ul style="list-style-type: none"> The project team will develop and regularly update communications material to demonstrate successes. The project team will develop communications material to manage expectations that one project cannot fix everything.

Improving your Risk Management Plan

It can be useful for project teams to have a more detailed Risk Management Plan than is needed for the JR Grant Application. For example, it can be useful to add another column called Risk Owner where you list the team or person responsible for tracking and managing each risk.

It can also be useful to include an assessment of the Likelihood of the risk occurring, and the potential Impact if it does occur. This allows the project team to clearly identify the possible Severity of the risk and prioritise the highest risks.

An example of a more detailed Project Risk Management Plan is included in the next page. It uses the following key to assess the potential impact of each risk.

Likelihood	Impact	Severity
1 - rare	1 - insignificant	1 = negligible
2 - unlikely	2 - minor	2 - 4 = low
3 - possible	3 - moderate	5 - 6 = medium
4 - likely	4 - major	7 - 16 = high
5 - almost certain	5 - severe	17 - 25 = extreme

Your project team may want to submit either the simple Risk Management Table required for the JR Grant Application, or a more detailed example of a Risk Management Plan.

Figure Three: Example of a more detailed Risk Management Plan

Risk type	Risk	Likelihood (1 – 5)	Impact (1 – 5)	Severity (Likelihood x Impact)	Management Plan (How to avoid, reduce, manage and/or respond)	Risk Owner
Context	The project team / area is affected by a natural disaster (floods, fires, cyclones, etc).	2	3	6	<ul style="list-style-type: none"> The Project Manager will ensure that our project workplan has enough time in it to deal with disruptions from natural disaster. The Organisation Operations Manager has a Disaster Preparedness Plan to reduce the likelihood of project assets / records being destroyed. 	<p>Project Manager (Abby Smith)</p> <p>Operations Manager (Glen Scott)</p>
	The project is slowed down due to the wet season.	3	2	6	<ul style="list-style-type: none"> The Project Manager will ensure that the project workplan has enough time to account for delays in the wet season. 	Project Manager (Abby Smith)
	The project is slowed down due to the cultural obligations (sorry business, caring for country, etc).	1	2	2	<ul style="list-style-type: none"> The Project Manager will ensure that the project workplan has enough time to account for delays due to cultural, family, and other obligations. 	Project Manager (Abby Smith)
Activity	The project progress is slowed down / stopped because the original beneficiaries move away.	1	3	3	<ul style="list-style-type: none"> The Project is designed to graduate existing beneficiaries at several points in the project cycle so progress can occur if some beneficiaries move away. The Project Coordinator will recruit a wide range of beneficiaries to ensure there is enough continuity in beneficiaries over the lifetime of the project. 	Project Coordinator (Rita Hayworth)
	The project progress is slowed down because key stakeholders (such as police, school leaders, etc) change and the team must re-develop a relationship and trust with them.	4	3	12	<ul style="list-style-type: none"> The project team will develop and regularly update Briefing material for new stakeholders. The Project has a good engagement strategy that the project team will use throughout the project. 	Project Communications (Ben Jones)