Risk Management Plan

# Purpose

This document describes how Risk Management will be structured and performed on this project. The risk management plan includes methodology, roles and responsibilities, budgeting, timing, risk categories, definitions of risk probability and impact, probability and impact matrix, stakeholder tolerances, reporting formats, and tracking. The Caltrans’ Project Risk Management Handbook: A Scalable Approach Handbook will be utilized as primary reference and guideline.

|  |  |
| --- | --- |
| Project Name: |  |
| Agency: |  |
| Project ID/EA: |  |
| District: |  |
| County/Route/Post Mile: |  |
| Project Sponsor: |  |
| Project Manager: |  |
| Date: |  |
| Version: |  |

**Risk Management Plan Approval**

The undersigned acknowledge they have reviewed the Risk Management Plan for the above-mentioned project. Changes to this Risk Management Plan will be coordinated with and approved by the undersigned or their designated representatives. [List the individuals whose signatures are desired. Examples of such individuals are typically the Project Manager and the Project Sponsor. Add additional lines for signature as necessary. Although signatures are desired, they are not always required to move forward with the practices outlined within this document.]

|  |  |  |  |
| --- | --- | --- | --- |
| Signature: |  | Date: |  |
| Print Name: |  |  |  |
| Title: |  |  |  |
| Role: |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| Signature: |  | Date: |  |
| Print Name: |  |  |  |
| Title: |  |  |  |
| Role: |  |  |  |

**Version History**

[Provide information on how the development and distribution of the up to the final point of approval was controlled and tracked. Use the table below to provide the version number, the author implementing the version, the date of the version, the name of the person approving the version, the date that particular version was approved, and a brief description of the reason for creating the revised version.]

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Version #** | **Implemented**  **By** | **Revision**  **Date** | **Approved**  **By** | **Approval**  **Date** | **Reason for Revision** |
| 1.0 | *<Author name>* | *<mm/dd/yy>* | *<name>* | *<mm/dd/yy>* | Initial Risk Management Plan draft |
| 1.1 | *<Author name>* | *<mm/dd/yy>* | *<name>* | *<mm/dd/yy>* | *<reason>* |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

**Methodology**

This section defines how risk management will be performed for this particular project. This Risk Management Plan does not contain any identified risks or their related risk response strategies. It simply describes how to approach, plan, and execute all activities related to managing risks for a particular project. Per section 1-4 of the new **Caltrans Project Risk Management Handbook: A Scalable** **Approach**, referred to as the Risk Management Handbook henceforth, the planned scalable level can be referenced here.

**Roles and Responsibilities**

This section describes the roles and responsibilities of the project team regarding risk management planning, risk identification, analysis, response planning, and monitoring and control. Refer to section 1-7, Roles and Responsibilities, of the Risk Management Handbook for details. Any additions or deviations from that section can be documented here.

**Budget**

This section outlines the budget allocated to performing risk management by the entire project team. The following table outlines what roles should be considered for this budget determination.

|  |  |  |  |
| --- | --- | --- | --- |
| PM | @ |  | Hrs |
| PMSU | @ |  | Hrs |
| District Risk Mgmt Coordinator | @ |  | Hrs |
| Project Risk Manager | @ |  | Hrs |
| Environmental | @ |  | Hrs |
| Design | @ |  | Hrs |
| R/W | @ |  | Hrs |
| DES/Structure | @ |  | Hrs |
| Construction | @ |  | Hrs |
| Traffic Operations | @ |  | Hrs |
| Maintenance | @ |  | Hrs |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | @ |  | Hrs |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | @ |  | Hrs |
| Total: |  |  | Hrs |

\_\_\_Hrs. × $ \_\_\_\_ /Hr =

A total of $ \_\_\_\_\_\_\_\_\_ is allocated for Risk Management on this project.

**Risk Management Schedule**

Meetings for the purpose of discussing and making decisions on Project risk will be held:

Weekly \_\_\_\_\_\_\_\_ Bi-Weekly \_\_\_\_\_\_\_\_\_ Monthly \_\_\_\_\_\_\_\_\_\_ Other\_\_\_\_\_\_\_\_\_\_\_\_

The risk management identification, analysis and response planning process shall occur throughout the entire lifecycle of a project; from PID through Construction, including closeout.

**Definitions of Probability and Impact**

Refer to section 1-5 of the Risk Management Handbook for additional details on this subject. The table shown in this section can vary from project to project. Make sure to discuss the proposed changes to the probability and impact ratings definitions with the project sponsor and receive their concurrence. A modified copy of the table shown in section 1-5 can be actually inserted in this section of the Risk Management Plan.

**Stakeholder tolerances for Risk**

This section describes the tolerance level of the project sponsor(s), in terms of risk, to show those stakeholders based on their level of influence on the program in generating and responding to program risk. It also considers the organization’s culture regarding risk management.

**Risk Reporting and Formats**

This section describes the risk related reports, and their format, that will be used to communicate the project risks to the interested project sponsors as well as stakeholders. Typically a copy of the Risk Register template can be attached to this Risk Management Plan. The timing of disseminations of such reports should also be contained in this section.

**Risk Tracking**

This section describes the process to follow to track identified risks and to recognize any new risks that may affect the program. It also describes how the program’s risk management process will be audited and the frequency of the audits, as well as the process to document lessons learned based on the program’s risk management activities.

**Appendix A: References**

The following table summarizes the documents referenced in this document.

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| --- | --- | --- |
| **Document Name and Version** | **Description** | **Location** |
| *<Document Name and Version Number>* | *[Provide description of the document]* | *<URL or Network path where document is located>* |