
Overview

This standard is about monitoring and reviewing project risks. Risks may be opportunities, as well as threats to the project.

You will need to use accepted procedures to monitor project risks and amend plans for managing project risks where necessary. You will also need to review the effectiveness of measures for controlling risks.

Project Management National Occupational Standards (PMNOS) are based on the following project management lifecycle:

- A Establish and lead the project team, and work with stakeholders
- B Define and initiate the project
- C Develop the project management plan
- D Deliver the project
- E Close and review the project

This standard is part of area D 'Deliver the project'.

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Monitor and review project risks

Performance criteria

- You must be able to:*
- P1 monitor and review project **risks** in line with agreed procedures
 - P2 review and update risk status at the appropriate times
 - P3 communicate any updates to risk status to relevant **stakeholders**
 - P4 maintain accurate records of risks
 - P5 review the effectiveness of measures for controlling project risks

Knowledge and understanding

You need to know and understand:

- K1 the context of the project
- K2 relevant legislative, regulatory and organisational requirements
- K3 general principles of risk management
- K4 the importance of risk ownership
- K5 the potential effects of project risks
- K6 how project risks may be regarded as threats and opportunities
- K7 the techniques for monitoring and reviewing risks
- K8 the ways in which risks can change and be rated during a project
- K9 how to review and update plans for managing project risks
- K10 how to keep project records of risks
- K11 relevant information sources to support decision making
- K12 organisational systems and procedures for managing and recording project risks

Additional Information

Scope/Range

Stakeholders:

- 1 Sponsors
- 2 Clients or customers
- 3 Relevant groups/individuals interested in the project
- 4 Relevant groups/individuals affected by the project
- 5 Relevant groups/individuals who might affect the project

Risks:

- 1 Threats
- 2 Opportunities

Glossary

Context of the project

This phrase appears in the knowledge and understanding of the National Occupational Standards (NOS) and relates to the wider context of the project that the individual will need to know about, such as the project environment, the relationship to a wider programme of work and how the project fits with organisational strategies.

The sector in which the project manager works (e.g. software development, construction, manufacturing or process industries) will have its own specific context and this phrase is intended to convey this meaning.

Life cycle

A life cycle defines the inter-related phases of a project and provides a structure for governing the progression of work.

Opportunities

A positive risk event that, if it occurs, will have a beneficial effect on achievement of objectives.

Project

A unique, transient endeavour undertaken to achieve planned objectives.

Risk

The potential of an action or event to impact on the achievement of objectives.

Risk analysis

An assessment and synthesis of risk events to gain an understanding of their individual significance and their combined impact on objectives.

Stakeholders

Project stakeholders may be internal or external to the organisation and include sponsors, clients, customers and all relevant groups/individuals with a relation to the project.

Threat

A negative risk event; a risk event that if it occurs will have a detrimental effect on the objectives.

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