



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

Everyone's Smart University

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Risks of Managing the Project's Communications Plan

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1. Introduction

Risk is defined as an uncertain occurrence or a condition that, when it occurs, has positive or negative consequences for project goals (Hillson & Simon, 2020)¹. Risk Management is the process of identifying, analyzing and responding to risk factors throughout the life of a project and in the best interests of its objectives. Proper risk management implies control of possible future events and is proactive rather than reactive, in another way is the process of minimizing any potential problems that may negatively impact a project's timetable.

Project risk management is the process that project managers use to manage potential risks that may affect a project in any way, both positively and negatively. The goal is to minimize the impact of these risks.

In generally, Risk management is not a reactive activity. To find out which risks may arise, risk management must be included in every planning process. From this point, since risks are associated with every planning process I will discuss what I dealt with in the Advanced Project Management research as a Project Manager leading the implementation of a mega construction project for a major local entity, in the planning stage. Our plan is to manage Project Communication between team members and the parties involved in the Project with suitable methods and to provide guidance in all phases of the project process. This plan ensures that issues with potential impact on the Project performance are appropriately managed.

A risk management plan should be part of every important communication plan so you can minimize the impact of potential problems and are not caught completely by surprise if something goes badly wrong.

Risks are present in all communication plan or activities, especially in major undertakings. Communication activities may not appear to involve many risks, but a closer examination shows the risk is integral to communication.

2. Lecture Review

In a company like Saipem, whose core business is project management, the know-how is not sufficient, but knowing how to share and manage risks, is equally important. The methodology has studied how to break the vicious circle that interferes with the channels of communication: we think that improving risk perception and knowledge in our people, at the project level but also at the corporate level, will improve the company's results.

Initially, the risk identification workshop is the “communication tool” used to share risks within the project team; then, during the project life cycle the risk review meetings, performed regularly on a monthly basis and managed by the risk engineer, are the events

that allow project team members to update risk information and be informed on the status of risks.

To maintain a good communication flow between the different stakeholders, different reports at different levels are prepared and shared through the intranet tool:

- at the project level (internal) such as, risk register, risk response planning, and risks sheets
- at the corporate level (outside the project: corporate and business units), such as monthly highlights report, prepared by the corporate function

Furthermore, corporate function contributes to spreading awareness of a company's risk management culture through regular visits on projects and supporting them in the application of the methodology.² (Fossati, L., Lasagni, A., & Saini, A., 2011)

Risk management is an integral aspect of project planning. By identifying and analyzing potential shortfalls, project managers can mitigate risks while continuing their project processes full steam ahead. 92% of CEOs agree that communicating information about risk is critical to the long-term success of a project, so taking steps to accurately identify, assess, and tackle potential risks before they occur can positively affect your outcomes, especially at each individual stage of your project. For example, when you're planning strategies, selecting and prioritizing resources, or executing your project, it's best to understand and identify what could go wrong before you make costly or time-consuming mistakes.³ (Conrad, W.J. and Neuwirt, A.M, 2019)

Communication is a major problem in project management. Several surveys reveal that projects have struggled or failed due to a lack of ability to communicate all aspects of the project clearly to stakeholders. Let us review some of the statistics (IT Cortex, 2002) Bull Survey: A total of 203 telephone interviews were conducted with IT and project managers from the finance, utilities, manufacturing, business services, telecommunications, and IT services sectors in United Kingdom. The main IT project failure criteria identified by the IT and project managers included poor communications (40%) and ranked third in a list of other criteria. A respected survey on project risks, does not mention project communications directly as a keyword, but the top two reasons for project failure are directly concerned with communications failure and they are: lack of user input 12.8%, and incomplete requirements and specifications 12.3% (Group, 1995). A quick analysis of similar surveys indicates the risks and issues that relate to communication complexity and communication breakdown taking place within many projects.⁴ (Leybourne, S. A., Kanabar, V., & Warburton, R. D. H., 2010).

3. Methodology

Approach: As I a project manager leading the implementation of a mega construction project for a major local entity, in the planning stage. I met with team members and parties involved in the project to identify risks that should be taken into account and finding the risk's probabilities, its impacts, and the probability of failure of the project communications through the wrong entry of information, delaying some tasks, or any change in the project's resources. After the brainstorming phase was completed, we identified a list of the most prominent probability risks that could affect the progress of the project.

3.1 Identifying Risks

Table 3.1

S.N	List of Risk	Description
1	Safety hazards that lead to worker accidents and injuries	Safety risks arise for workers on the job site when there is difficulty in communicating with and directing them, in addition to poor training in the use of the necessary equipment.
2	Poor communication between stakeholders	Failure to communicate with project stakeholders, or not to properly understand stakeholder expectations, can tremendously affect project success.
3	Poorly documenting information	Poor documentation can easily be defined as a failure to track project progress where it is difficult for a project manager to make accurate decisions
4	Material delivery delays at work site	Delaying materials causes delay in the project, as it has many implications, including increasing costs and increasing the project period

3.2 Risk Matrix

After we identified the risks, we will make a risks matrix (determined the Probability and Impact), where the results of the risk assessment will be as follows (Low Risk = 1 to 6, Medium Risk = 8 to 12, High Risk = 15 to 25).

Table 3.2

Impact \ Likelihood	Minor	Slight	Moderate	High	Very High
Very Unlikely	1	2	3	4	5
Unlikely	2	4	6	8	10

Possible	3	6	9	12	15
Likely	4	8	12	16	20
Very Likely	5	10	15	20	25
Low Risk		Medium Risk		High Risk	

3.3 Risk Classification

Table 3.3

Abbreviation: (Low Risk = 1 to 6, Medium Risk = 8 to 12, High Risk = 15 to 25).

S.N	List of Risk	Probability	Impact	Probability* Impact
1	Safety hazards that lead to worker accidents and injuries	5	5	25
2	Poor communication between stakeholders	3	5	15
3	Poorly documenting information	3	2	6
4	Material delivery delays at work site	2	4	8

3.4 Response and Mitigation Plans

After collecting and evaluating the risks, it time to evaluate the severity to start thinking about the response plans for each risk and try to mitigate the impact.

Table 3.4

S.N	List of Risk	Probability	Impact	Severity	Response plan	Mitigate Action
1	Safety hazards that lead to worker accidents and injuries	5	5	25	Developing a plan for the safety of workers, the most important of which is to	Providing a first aid kit at the work site and train workers to use it

					inform the site manager, call 999, and report the type and severity of the accident and the number of injured.	
2	Poor communication between stakeholders	3	5	15	Develop a plan to identify stakeholders and assess their importance and influence on the project	Continuous communication through appropriate means, updating aspirations and keeping stakeholders informed
3	Poorly documenting information	3	2	6	Select how to write, save, sort and organize documents	Reviewing and updating documents periodically, discovering mistakes and fixing them
4	Material delivery delays at work site	2	4	8	Preparing the procurement manual that includes the correct mechanism for requesting materials, the ordering method and the appropriate time for ordering	Update the works of project periodically, so we can forecasting the Right time to create a requests order

4. Result & Discussion

4.1 EVM Calculation

As result, here we will calculate the EMV cost. All the numbers are not exact cost but have been evaluated based on experience.

Table 3.5

Risk	Probability	Cost Impact	EMV
Safety hazards that lead to worker accidents and injuries	50%	170,000 SAR	85,000 SAR
Poor communication between stakeholders	30%	140,000 SAR	42,000 SAR
Poorly documenting information	30%	35,000 SAR	10,500 SAR
Material delivery delays at work site	20%	75,000 SAR	15,000 SAR
Total		420,000 SAR	152,500 SAR

4.2 Discussion

It is important to note that we must be aware of all the risks but not the time to waste time on green risks, it is better to focus on orange and red risks because the likelihood of their occurrence is great and their impact is enormous.

Regarding red risks, it has become clear that the most important risk that can be avoided in the project's communication management plan, especially in construction projects, is the lack of communication between stakeholders, as it is difficult to estimate the actual EVM value because it depends on each stakeholder individually and the extent of its impact on the project.

However, a plan for training and qualifying workers must be included in the communication plan in the project that ensures easy communication and following instructions that lead to reduce accidents and injuries to workers.

5. Conclusion

Risk management is an integral aspect of project planning. By identifying and analyzing potential shortfalls, project managers can mitigate risks while continuing their project processes full steam ahead.

Take time upfront before the project officially starts, to identify risks that should be considered and found the risk's probabilities, its impacts, and the probability of failure of the project communications through the wrong entry of information, delaying some tasks, or any change in the project's resources and outline the ways, tools, channels and processes to be used for communications. Check from this information with project stakeholders to be sure it will meet their needs and requirements. The more effectively you communicate with stakeholders in your project, the more participation and commitment they will be to the project, enabling increased project success.

6. References

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- 1 Hillson, D., & Simon, P. (2020). Practical project risk management: The ATOM methodology. Berrett-Koehler Publishers.
 - 2 Fossati, L., Lasagni, A., & Saini, A. (2011). Communicating risk inside Saipem: a leading contractor in the oil and gas industry. Paper presented at PMI® Global Congress 2011—EMEA, Dublin, Leinster, Ireland. Newtown Square, PA: Project Management Institute.
 - 3 Conrad, W.J. and Neuwirt, A.M., 2019, April. Using an integrated monitoring platform to communicate geotechnical risk to project stakeholders. In Proceedings of the First International Conference on Mining Geomechanical Risk (pp. 171-180). Australian Centre for Geomechanics.
 - 4 Leybourne, S. A., Kanabar, V., & Warburton, R. D. H. (2010). Understanding and overcoming communications complexity in projects. Paper presented at PMI® Global Congress 2010—North America, Washington, DC. Newtown Square, PA: Project Management Institute