



**Australian Government**

# **BSBPMG415A Apply project risk-management techniques**

**Release 1**

## BSBPMG415A Apply project risk-management techniques

### Modification History

Release	Comments
Release 1	<p>This version first released with <i>BSB07 Business Services Training Package Version 8.0</i>.</p> <p>Replaces BSBPMG407A Apply risk management techniques.</p>

### Unit Descriptor

This unit describes the performance outcomes, skills and knowledge required to assist with aspects of risk management in a project. It specifically involves planning for, controlling and reviewing risks associated with the project, and assisting in this process where required.

## Application of the Unit

This unit applies to a project practitioner working in a project support role.

The individual may be operating in a large or small organisation and applying skills in the context of enterprise projects.

The project practitioner may be part of a project team under the direction of a project manager, or may work as part of a smaller scale self-directed team.

This unit has generic application to a range of industries and organisations and a range of projects, from simple to complex.

In the context of this unit a project is defined as involving:

- a practical and comprehensive project plan
- a documented communications strategy
- a detailed project budget
- strategic engagement with stakeholders
- a risk, issues and change-management methodology
- a quality plan with assurance and control processes
- a supportive team-based environment.

The functions performed in project work, where formal project management methodology is not the main focus, are covered by BSBPMG522A Undertake project work.

## Licensing/Regulatory Information

No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.

## Pre-Requisites

Not applicable.

## Employability Skills Information

This unit contains employability skills.

## Elements and Performance Criteria Pre-Content

<b>Element</b>	<b>Performance Criteria</b>
<i>Elements describe the essential outcomes of a unit of competency.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.</i>

## Elements and Performance Criteria

<p>1. Assist with risk analysis and planning</p>	<p>1.1 Contribute to identifying and prioritising potential risks throughout the project life cycle, using established <i>risk-analysis methods</i>, techniques and tools</p> <p>1.2 Contribute to developing <i>risk-management strategies</i> and <i>risk-management plans</i> according to established guidelines</p> <p>1.3 Contribute to developing and implementing risk-reporting mechanisms</p>
<p>2. Perform risk-control activities</p>	<p>2.1 <i>Monitor risks</i> according to agreed project and risk-management plans and advise project manager of changing circumstances</p> <p>2.2 Regularly review progress and future activity for the purpose of identifying potential and actual risks and opportunities</p> <p>2.3 Contribute to implementing agreed <i>risk-management approaches</i> and amending plans to reflect the changing environment</p> <p>2.4 Contribute to corrective action on risks according to the risk-management plan and <i>delegated authority</i></p> <p>2.5 Contribute to the review of contingency plans on an ongoing basis and, where required, ensure tasks allocated to individuals and/or team are clarified with the project manager before implementation</p> <p>2.6 Apply and monitor <i>risk-contingency measures</i> according to the risk-management plan</p> <p>2.7 Identify and report <i>opportunities</i> in the same way as risks</p>
<p>3. Contribute to assessing risk-management outcomes</p>	<p>3.1 Contribute to the ongoing review of project outcomes to determine the effectiveness of risk-management activities by accessing project <i>risk records</i> and other available information</p> <p>3.2 Report risk-management issues and responses to others for lessons learned or application to future projects</p>

## Required Skills and Knowledge

*This section describes the skills and knowledge required for this unit.*

### Required skills

- communication and teamwork skills to contribute to collective processes for risk management
- initiative and enterprise skills to think laterally about risks and how they may occur
- planning, organising and analytical skills to assist with risk analysis, risk-management planning and review of risk-management outcomes.

### Required knowledge

- risk-management methods and standards
- risk-management processes.

## Evidence Guide

*The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.*

<b>Overview of assessment</b>	
<b>Critical aspects for assessment and evidence required to demonstrate competency in this unit</b>	<p>Evidence of the following is essential:</p> <ul style="list-style-type: none"> <li>• applying risk-management techniques in relation to workplace projects</li> <li>• knowledge of risk-management methods, techniques and tools.</li> </ul>
<b>Context of and specific resources for assessment</b>	<p>Assessment must ensure access to:</p> <ul style="list-style-type: none"> <li>• examples of project-management documentation for risk management.</li> </ul>
<b>Method of assessment</b>	<p>A range of assessment methods should be used to assess practical skill and knowledge. The following assessment methods are appropriate for this unit:</p> <ul style="list-style-type: none"> <li>• direct questioning combined with review of portfolios of evidence and third-party workplace reports of on-the-job performance by the candidate</li> <li>• analysis of responses addressing case studies and scenarios that present issues and problems in project risk management</li> <li>• oral or written questioning to assess knowledge of strategies for managing project risk and their application to different situations</li> <li>• review of risk-analysis methods, techniques and tools</li> <li>• review of risk-management plans</li> <li>• evaluation of reporting of risk-management issues and responses.</li> </ul>
<b>Guidance information for assessment</b>	<p>Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.</p>

## Range Statement

*The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.*

<b><i>Risk-analysis methods</i></b> may include:	<ul style="list-style-type: none"> <li>• risk categorisation</li> <li>• risk data quality assessment</li> <li>• risk likelihood and consequence ranking</li> <li>• risk urgency assessment.</li> </ul>
<b><i>Risk-management strategies</i></b> may include:	<ul style="list-style-type: none"> <li>• accepting some or all of the consequences of a particular risk</li> <li>• avoiding the risk</li> <li>• mitigating the likelihood of the risk</li> <li>• sharing risk with another party</li> <li>• transferring risk to another party.</li> </ul>
<b><i>Risk-management plans</i></b> may include:	<ul style="list-style-type: none"> <li>• definitions of risk likelihood and consequence</li> <li>• identified risks</li> <li>• methodologies</li> <li>• risk categories and priorities</li> <li>• risk context for project</li> <li>• roles and responsibilities in regard to risk management</li> <li>• stakeholder tolerances</li> <li>• tools for determining risk rank and priority</li> <li>• tracking risks.</li> </ul>
<b><i>Monitoring risks</i></b> may include:	<ul style="list-style-type: none"> <li>• recommended corrective actions</li> <li>• recommended preventative actions</li> <li>• requested changes</li> <li>• reserve analysis</li> <li>• risk audits</li> <li>• risk reassessment</li> <li>• risk register and updates</li> <li>• status meetings</li> <li>• technical performance information</li> <li>• variance and trend analysis.</li> </ul>
<b><i>Risk-management approaches</i></b> may include:	<ul style="list-style-type: none"> <li>• risk identification</li> <li>• risk quantification</li> <li>• risk response control</li> <li>• risk response development.</li> </ul>
<b><i>Delegated authority</i></b> may	<ul style="list-style-type: none"> <li>• subject to frequent change in different project contexts</li> </ul>



be:	<ul style="list-style-type: none"> <li>• under limited guidance and supervision</li> <li>• within agreed authorisation and limits</li> <li>• within established organisational framework, procedures and routines.</li> </ul>
<b><i>Risk-contingency measures</i></b> may include:	<ul style="list-style-type: none"> <li>• alternative project plans and approaches</li> <li>• degree of acceptable variation</li> <li>• planning for risk</li> <li>• project planning tolerances.</li> </ul>
<b><i>Opportunities</i></b> may include:	<ul style="list-style-type: none"> <li>• better means of achieving a result</li> <li>• changes in the project or broader environment that offer scope for rescheduling activities to better effect</li> <li>• efficiencies or methods to work more effectively, such as ways of shortening an activity</li> <li>• initial project activities that reveal entirely different sets of priorities, for example product development, research and policy development</li> <li>• responses to changing commercial or competitive conditions.</li> </ul>
<b><i>Risk records</i></b> may include:	<ul style="list-style-type: none"> <li>• lists of potential risk events</li> <li>• project and/or organisation files and records</li> <li>• risk analysis and reappraisal</li> <li>• risk diaries, risk registers, incident logs, occurrence reports and other such documentation</li> <li>• risk-management lessons learned</li> <li>• risk-management plan.</li> </ul>

## Unit Sector(s)

Management and Leadership – Project Management