

# Managing Project Risk

Developing structured principles, practices and techniques for effective risk management

7<sup>th</sup> & 8<sup>th</sup> December, 2007

Ballroom III,  
ITC Grand Maratha Sheraton & Towers  
Sahar, Mumbai, India 400099

11<sup>th</sup> & 12<sup>th</sup> December, 2007

Surya Mahal, Radisson Hotel Delhi  
Near Mahipalpur Extension NH 8  
New Delhi, India 110037

## Trainer & Facilitator

**Dr. Dale F Cooper** Director  
**Broadleaf Capital International**

The author of  
*"Risk Analysis for Large Projects"* (with Chris Chapman;  
Wiley, 1987)  
*"Project Risk Management Guidelines"* (by John Wiley &  
Sons 2004)

## Dr Cooper's recent work include project and organizational risk management assignments with:

- **Large mining and resource projects**, including nickel developments in New Caledonia and Indonesia, coal mines in Australia and New Zealand, and copper and gold in Papua New Guinea
- **Upstream oil and gas production**, including strategic opportunity and risk assessments, project risk management for major strategic capital investments and post-investment reviews
- **Downstream hydrocarbon processing in Australia and Africa**, including refinery upgrades to produce clean fuels and Gas To Liquids processes
- Acquisitions of **high-technology military equipment** for the Australian Department of Defence and the New Zealand Ministry of Defence, including aircraft, ships, radars and weapons systems
- **Novel project financing arrangements**, including Public Private Partnerships (PPPs)
- **Large asset-based organisations**, including electricity generators, water utilities and road operators (both public and private sector)
- **Property Managers, developers and investment funds** including quantitative risk analysis of retail property investments
- Peer review activities of risk management activities in large organisations and projects

***"A structured & effective approach to project risks in this increasingly uncertain project environment"***

**Gain value from this unequalled interactive event by securing expert advice on these vital issues**

- **Providing** a thorough understanding of the principles of project risk management (PRM)
- **Highlighting** the key benefits and difficulties in implementing PRM across an organisation
- **Identifying** how risk management adds value
- **Understanding** how to assess and manage project risk to maximise efficiency
- **Establishing** which risks should be eliminated completely, which should have regular management attention and which are sufficiently minor to avoid detailed management attention
- **Planning** a successful risk management strategy
- **Assessing** the resource requirements and the benefits of different risk assessment techniques
- **Identifying** common project risk issues and learning how to tackle them successfully
- **Tracking** the effects of the risks identified and managing them to a successful conclusion
- **Organising** to maximise the value of project risk management throughout your business

## Testimonials:

*"An extremely informative seminar - very relevant to project managers in their day-to-day project development"*  
Contract Manager, **Major Utility Company**

*"Professional approach, friendly advice and effective delivery - well done!"*  
AVP, **Financial Holding Company**

*"Overall the course is very good and gives the ideas people tend to neglect to analyse during the initial stage"*  
**International Petrochemical Company**

**A Practical Two Day Workshop**  
**Sama Audit Systems & Softwares Pvt Ltd**

# DAY 1

## Session One

### Introduction to the workshop

- An overview of the programme and the outcomes we can expect

### Objective of this session:

Gain a brief overview of the workshop which is in store for you aligned with the expected outcome

## Session Two

### Introduction to project risk management

- Where risk and risk management fit in the project life cycle: applications at different stages of a project's life
- Benefits of risk management for project participants: owners, contractors and users
- International trends in project risk management: qualitative and quantitative approaches

### Objective of this session:

Discover the basic concepts of project risk management and how they can be applicable to your organisation

## Session Three

### The basic project risk management process

- This session provides a simple framework for all risk management. Following sessions will show how each step works in practice

### Objective of this session:

Understand the basic principles of project risk management

## Session Four

### Establishing the context

- Focussing and structuring the risk management process, and aligning it with organisational objectives and corporate strategy
- Identifying all the project stakeholders and their priorities
- Developing criteria and assessment scales, to be used for analysing the consequences of risks in the analysis phase that follows
- Key elements for structuring the next steps of the process and aligning the risk assessment with project management documentation and processes

### Objective of this session:

Understand how to effectively deal with project risk management issues, having identified them.

## Session Five

### Risk identification

- The value of brainstorming workshops for risk identification
- The structure of brainstorming workshops, who should participate and how they are conducted
- Strengths and weaknesses of checklists and other approaches to risk identification

### Objective of this session:

Learn how to identify the risks ascertained in the project

## Session Six

### Risk analysis

- A review of existing controls, what they are and why they are important
- Analysing the consequences and likelihoods of the risks that have been identified, given the controls
- Deriving initial priorities from the consequence and likelihood ratings developed in the analysis

### Objective of this session:

Analyse the risk and determine the consequences and likelihoods linked to this risk

## Session Seven

### Risk evaluation

- Why priorities should be reviewed
- The use of rankings for risks based on priorities, and thresholds for action based on the agreed priorities
- Inherent risk levels if the controls were to fail in a credible way

### Objective of this session:

Evaluate the level of risk and learn to manage them accordingly

## Session Eight

### Risk treatment

- Developing options for treating risks by avoiding them altogether, reducing their consequences or likelihoods, sharing them with other parties, or accepting them
- Linking risk analysis and risk treatment: using consequences, likelihoods and inherent risk levels as a guide to the most appropriate treatment and monitoring options, and for resource allocation
- Developing action plans: what an action plan needs to cover
- Insurance as a risk treatment: when is it appropriate
- Using risk priorities to determine risk allocation, and how this links to the structure of contracts

### Objective of this session:

Understand how to successfully treat risk, aligning it with the organisation's key objectives

## Session Nine

### Integrating risk management and project management

- Monitoring and review processes to ensure risks 'stay managed'
- Communication and consultation: who should be involved in the risk management process, and what is the role of stakeholders
- Fitting risk management into the project office, for organisations who conduct projects as a major part of their business activities

### Objective of this session:

Discover how to align risk and project management initiatives

### Why you cannot miss this event

The principles of project risk management can be stated very simply: all project organisations face risks, but one which finds itself in a state of perpetual crisis is failing to manage its risks properly. Risk management is a facet of good project management, using basic techniques of analysis and measurement to ensure that risks are properly identified, classified and managed, and resources are allocated effectively. Targeted at decision makers and senior managers, this two-day training addresses some of the processes that allow project managers to identify and manage their risks in an appropriate and timely way.

This two-day interactive training workshop will address what it takes to successfully tackle project risk management in an organisation. The dynamics of project risk management will be analysed and delegates will be empowered with skills to lead the process and to effectively direct and manage project risk management initiatives.

The workshop will contain a blend of presentations, case studies, hands-on participant exercises and discussion. There will be ample opportunity to interact with a world-class practitioner of project risk management, Dr Dale Cooper, who will lead the workshop, and with your professional colleagues.

### Program schedule - Day one & two

08:30	Registration and Coffee	09:00	Morning Session Begins	10:30 - 10:50	Refreshments & Networking Break
13:00	Networking Luncheon	14:15	Afternoon Session Begins	15:30 - 15:50	Refreshments & Networking Break
17:00	Course Ends				

## Session One

### Extensions of qualitative risk management processes

- Environmental risk management: links to ISO 14000 requirements
- Technical risks and hazards: links to HAZOPs, FMEA and related analyses

#### Objective of this session:

Explore how to tackle external project risk management issues

## Session Two

### Introduction to quantitative project risk analysis

- When qualitative approaches are not sufficient and quantitative methods are necessary
- Using simulation models of project risk and uncertainty to include distributions in project cost and schedule structures
- Tools for simulating risk and uncertainty, to derive results from the quantitative models
- Introducing the concepts through a simple analysis of risk and cost estimation

#### Objective of this session:

Discover simulation tools and models for project risk

## Session Three

### Risk and uncertainty in project capital evaluation

- How are capital investment decisions made: tollgate processes and project approvals
- Net present values and discount rates: why adjusting the discount rate is not a good idea
- Modelling capital, operating and revenue uncertainty
- Linking cost and schedule uncertainty in cash flow structures
- Interpreting the outcomes from project risk models: NPV, ROR and payback period
- Related measures of physical project outcomes: cost per unit of product

#### Objective of this session:

Understanding efficient project risk management tools that can streamline the organisation's project evaluation methods

## Session Four

### Extensions of quantitative project risk analysis

- Implications for project financing structures: considerations of variability in the amount and timing of a project's capital requirements
- Using risk models to examine incentive contracts and their value for each party
- Undertaking a project in phases as a way of reducing risk: real options and the value of flexibility
- Eliciting probabilities for risk analysis: where do the numbers come from
- Special problems for large projects: what makes large projects different, and what should be considered

#### Objective of this session:

Look at how to take quantitative project risk analysis a step further

## Session Five

### Organising for effective project risk management at a corporate level

- Making risk management work in an organisation, and how the process depends on the organisational structure and culture
- What is needed to obtain the benefits: basic requirements in most organizations
- Managing the change to a project risk culture: change management steps as they apply to risk management
- Integration with strategic risk management: linking risk management into core business processes as a driver for implementation
- Implementation steps: a summary of the main tasks

#### Objective of this session:

Establish which project risk management methods and practices are beneficial to your organisation

## Session Six

### Summary and review of course activities and outcomes

- General lessons from the course
- General discussion about applying risk management in practice
- Key lessons to assist participants to apply risk management in their projects and organisations

#### Objective of this session:

Wrapping everything up. In this session, course participants can share what they have learnt, what they have covered in their project risk management programmes, and what they will need to include/amend in their own project risk management strategies as a result of attending the course.

#### About your course trainer

After gaining a PhD in Operational Research from the University of Adelaide in South Australia, Dale Cooper held posts in the UK as a Research Fellow at the University of London and on the staff of Southampton University. He also undertook risk analysis on major hydroelectric and offshore oil and gas projects in Canada and the USA. After a sabbatical at the Australian Graduate School of Management, he wrote a book on 'Risk Analysis for Large Projects' (with Chris Chapman: Wiley, 1987).

In 1984 Dale joined the management consultancy Spicer and Oppenheim Consultants in London, working with finance sector clients in London, New York, Hong Kong and Australia. He returned to Sydney in 1988 as Joint Managing Director of the stockbroker Pring Dean McNall, part of the Standard Chartered Bank Group. After the successful sale of the stockbroker in 1990, he joined Standard Chartered Bank Australia as National Manager International Services, with responsibilities for the Bank's trade finance and priority banking businesses. He was also a member of the Bank's Executive Committee.

In late 1991, Dale Cooper founded Broadleaf Capital International, a specialist management consultancy offering high-level assistance and advice on all aspects of strategic and project risk management, including qualitative and quantitative risk assessments and the development and implementation of corporate risk management processes. Broadleaf is actively involved in risk assessments for many large projects around the world, for both private-sector and Government clients.

Dale Cooper is a Fellow of the Australian Institute of Company Directors, an Affiliate of the Securities Institute of Australia and an accredited provider of risk management consulting services to Government agencies in Australia and New Zealand. He is a member of the Standards Australia committee that developed the Australian and New Zealand Standard for Risk Management AS/NZS 4360 and he continues to be actively involved in the development of standards, methods and techniques for risk management. His new book, 'Project Risk Management Guidelines', was published by John Wiley & Sons 2004.

#### Who should attend

##### Delegate Titles

- Project Directors
- Risk Managers
- Program Managers
- Risk Managers
- Contractors
- Entrepreneurs
- Chief Internal Auditors
- Project leaders and managers
- Team Leaders
- Project Engineers
- Builders
- Contract Manager
- Construction Managers
- Chief Executive Officers

#### Programme Design & Delivery

Sama reserves the right to change any Topic/Speaker in the event of any contingency

#### Registration Fees

- Rs. 28,090/- for one delegate (Inclusive of Service Tax)  
**For Foreign Delegates** : USD 725 per delegate
- Rs. 22,472/- per delegate for more than 3 delegates from the same organization (Inclusive of Service Tax)  
**For Foreign Delegates** : USD 595 per delegate
- **Early bird discount** : Rs. 25,281/- for one delegate for nomination received before 30th September, 2007 (Inclusive of Service Tax)  
**For Foreign Delegates** : USD 645 per delegate

# REGISTRATION

## About Sama :

Enabling Business Excellence - that's our *focus*. Raise performance levels of internal auditors- that's our *objective*. Sama Audit Systems & Softwares Pvt. Ltd.- that's *us*. Our "Excellence" model enables us to deliver:

- ❖ Enhanced Performance
- ❖ Efficiency Maximization
- ❖ Effective Delivery

We offer software solutions, training and services that enable business excellence through our pool of experienced professionals. We seek to work closely with Internal Audit departments. Our customised solutions help an organisation to meet its specific needs. Driven by a passion for this field, it is our objective to elevate the function of Internal Audit within the organisation by enlightening Auditors and the Management.

Sama are the pioneers in promotion of audit and risk management software tools - Audit Process Tools from Methodware Ltd. New Zealand and Data Analysis Software - IDEA from Caseware Idea Inc., Canada in India.

## **Methodware Softwares**

Methodware is a world leading producer of Risk Management and Internal Audit software. Regardless of your organization's size and needs, these powerful and user-friendly tools will simplify your assessment process. These solutions incorporate/are consistent with internationally recognised GRC standards, methodologies, recommendations and legislation, including the Sarbanes-Oxley Act and Basel II. Methodware is extensively represented across the globe, with offices in the United Kingdom, North America and New Zealand and a network of partners selling and supporting our products in over 80 countries worldwide.

## **IDEA Data Analysis Software**

IDEA is used in over 90 countries in 13 languages, by major accounting firms, federal, state, provincial and local government, corporations in all industry sectors and by universities as a teaching tool. The power and functionality of IDEA have attracted users who are financial and internal auditors, forensic accountants and fraud investigators, financial managers, general and systems consultants, educators, statisticians and information systems professionals. With IDEA, you can read, display, analyze, manipulate, sample or extract from data files from almost any sources – mainframe to PC, including reports printed to a file. IDEA has functions and features not found in any other product, to help you work more efficiently and effectively and with more value to your organizations.

*Sama is an authorised distributor and trainer of these tools in South Asia and Middle East.*

## **Training**

More than 50 cutting edge practical workshops over last eight years on Internal Audit, Risk Management, Internal Controls, Audit Process, Sharing of Audit Experiences. Participation of senior audit and finance professionals from over 100 leading organizations in Mumbai, Bangalore, Chennai and Pune - list from earlier workshops given below. Promoting adoption of best practices in Internal Audit in India through these workshops.

## **Payment :**

Please enclose Cheque / DD payable at Mumbai in favour of 'Sama Audit Systems & Softwares Pvt. Ltd.' For overseas delegates the payment may be made by wire transfer – net of all Bank Charges

Registration fee is non-refundable. A replacement is always welcome.

## **Illustrative Participant Organisations in Past Programmes**

ONGC Ltd	Glaxo India Ltd	Larsen & Toubro Ltd	ITC Hotels Ltd
BSES Ltd	Asian Paints (I) Ltd	LIC India	Bayer (India) Ltd
Mahindra & Mahindra Ltd	GIC India	Rallis India Ltd	IDBI Bank Ltd
Thomas Cook (I) Ltd	ICICI Prudential Ltd	Godrej Soaps Ltd	BPL Ltd
Bennett Coleman & Co. Ltd	HDFC Ltd	Volta Ltd	Wockhardt Ltd
ANZ Grindlays Bank	Reliance Industries Ltd	Godrej – GE Appliances Ltd	ACC Ltd
Thermax Ltd	Siemens Ltd	Wipro Ltd	RPG Enterprises Ltd

## **FOUR EASY WAYS TO REGISTER**



### **MAIL**

**Mumbai Office :** Mr. Hitesh Dattani  
601, Janki Centre, 29, Shah Industrial Estate, Off Veera Desai Road, Andheri (W), Mumbai – 400053

**Pune Office :** 11, Chaitraban, Block 'A', V Floor, Mumbai Pune Road, Pune – 411 003.

### **PHONE/ FAX**

+912226743675  
+919870414071  
+912025511172

### **EMAIL**

info@samaaudit.com

**WWW.SAMAAUDIT.COM**