



- 1.1 **Risk Analysis.** For each element plotted adjacent to a red or unacceptable grid location on the decision criteria tool will have a risk analysis on the potential of it slipping into a red position. Using the similar basic 3 by 3 grid, the risk analysis tool uses probability on one axis and impact on the other. It is the responsibility of the Project Lead to populate the risk analysis grid with support of the client and SME network.
 - 1.1.1 **Brainstorm** potential problems with each element plotted in a box adjacent to the red grid positions that would push it into an unacceptable location on the grid.
 - 1.1.2 **Rate Probability** of occurrence into High, Medium or Low probability
 - 1.1.3 **Rate Impact** of occurrence into High, Medium and Low Impact
 - 1.1.4 **Plot the Grid** based on the locations of the probability and impact.
 - 1.1.5 **Rank the Option**
 - 1.1.5.1 High Risk, being an option where any critical or required decision element plots a risk in a red grid location.
 - 1.1.5.2 Medium Risk, being an option where several critical or required decision elements plot in yellow grid locations.
 - 1.1.5.3 Low Risk, being an option where there are no or only a few items plotted in the yellow or red grid locations.

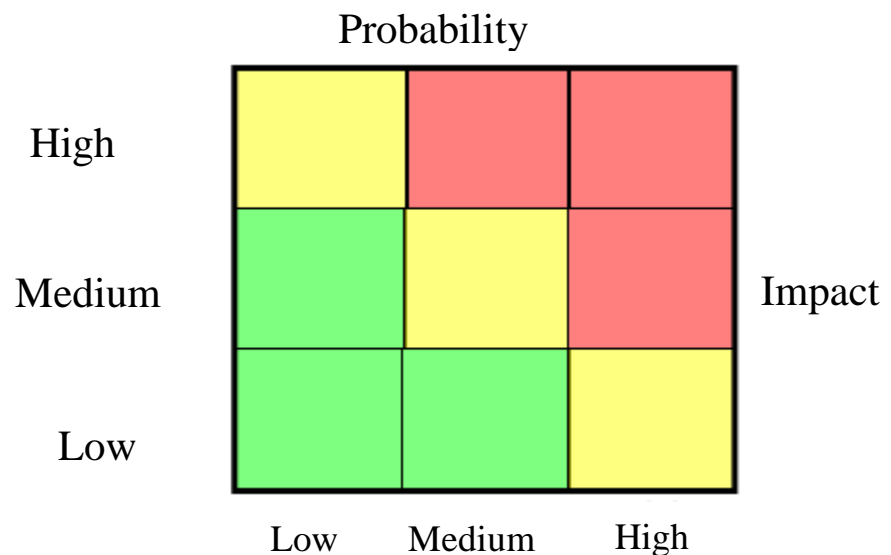


Figure 1.4 Risk Analysis Grids



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- 1.2 Measure Options.** A matrix will be created to measure all options side by side against each of the criteria elements. The color used in each box will be based on plot location on that element on that option's decision grid. (Section 1.3) and the risk analysis rating. (Section 1.4)

	Options					
	1	2	3	4	5	
Decision Criteria Element 1	Green	Red	Green	Yellow	Red	Risk
Decision Criteria Element 2	Yellow	Green	Yellow	Green	Yellow	
Decision Criteria Element 3	Yellow	Yellow	Green	Green	Yellow	
Decision Criteria Element 4	Yellow	Green	Green	Green	Red	
Decision Criteria Element 5	Green	Red	Green	Yellow	Green	
Decision Criteria Element 6	Green	Red	Yellow	Yellow	Green	
Decision Criteria Element 7	Yellow	Green	Green	Green	Green	
Decision Criteria Element 8	Green	Yellow	Yellow	Green	Yellow	
Decision Criteria Element 9	Yellow	Green	Green	Green	Yellow	
Decision Criteria Element 9	Green	Green	Red	Green	Red	

Figure 1.5 Option Comparison Matrix

Those options that did not meet the acceptability criteria will be shown but crossed out to eliminate them from consideration. However, you can choose to accept a high risk alternative by developing a mitigation and management plan for the high risk elements.



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- 1.3 **Choose a Solution.** The PMNW Project Lead will evaluate the options and down select to one or two recommended solutions. The Project Lead will write a statement for recommendation for each remaining option. A presentation will be created for the client review that includes:

- 1.3.1 **Presentation**

- 1.3.1.1 Requirements Statement
 - 1.3.1.2 Statement of Existing Conditions
 - 1.3.1.3 Summary of Interviews
 - 1.3.1.4 Decision Criteria Elements
 - 1.3.1.5 Option Descriptions
 - 1.3.1.5.1 Decision Criteria Grid
 - 1.3.1.5.2 Risk Analysis Grid
 - 1.3.1.5.3 Cost Estimate
 - 1.3.1.5.4 Schedule
 - 1.3.1.6 Decision Matrix
 - 1.3.1.7 Recommendations

- 1.3.2 **Project Lead Reviews** the option comparison presentation with the Stakeholders and Decision Makers to select the best solution for the project.

The closure of the define process has agreement on the approach avenue to a solution, a general statement of scope, a decision criteria for making decisions throughout the life the project, an initial schedule and a target budget.