

Managing Risk, the Evans Way

By Ryan Burke, PMP, RMP

Evans Risk Management (Evans RM) provides proactive risk management services that ensure our clients stay one step ahead of potential issues by instituting real-time, necessary process changes needed for success. Evans works closely with clients to understand the objectives and scope of their work, and uses this information to effectively assist the client in identifying any and all:

- Risks** – A future event with a measurable probability of occurring that will have a negative impact to the successful accomplishment of one or more organizational objectives.
- Certainties** - An event or situation that has occurred or is certain to occur and has a negative impact to the successful accomplishment of one or more organizational objectives (also known as issues).
- Opportunities** - A future event with a measurable probability of occurring that will have a positive impact to the successful accomplishment of one or more organizational objectives.

Tailored Approach

One of the first steps of the Evans Risk Management process is to provide the client with tailored risk management services by first assessing the organization's priorities, objectives and strategic goals. In this analysis, Evans captures the strategic vision, organization risk appetite, and organizational "fears" – i.e., the internal and external factors that create hesitation in leadership and staff to achieve their vision due to a perceived risk. Once identified, Evans works with the leadership team to prioritize those fears and align them to risk categories – ex: financial, operational, or strategic and align those fears to portfolios within the organization where they may have a potential impact.

Proactive Approach

The Evans risk manager must consistently emphasize the criticality of proactivity in risk management versus risk management that is driven by events (Proactive RM vs. Reactive RM). Little value is derived from reactionary risk management that is incapable of mitigating future risks and leaves clients playing "catch-up." By assuming a proactive approach, an Evans risk manager can minimize the exposure of its clients by widening the areas of assessment beyond the narrower focus of traditional risk management and identifying vulnerabilities that were previously unseen.

The Evans risk manager also establishes and manages set processes and practices that include transparent risk registry, precise assignments of responsibility for mitigation plans and action items, open communication channels to share updates, and continuous risk metric reports to management to help ensure accountability. As the Evans risk manager works to mitigate the program level risk, internal controls will be identified and implemented that will help prevent future issues, detect problems before they occur, and optimize organizational efficiency.

Positive Risk Culture

Creating a positive risk culture with an organization is vital to achieving success. The Evans Risk Management services are also further tailored to meet the clients' unique risk culture. When conducting the risk culture analysis, Evans Risk Managers will work with the organization and its key stakeholders to identify the individual and overall risk culture within. The goal is to place organizational leaders, key contributors and key stakeholders within one of the following risk attitudes:

Risk Averse – Not comfortable in dealing with risk. Will take steps to avoid risk rather than deal with developing unique mitigations. This can lead to cost and schedule delays as project plans are changed to avoid risk.

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Risk Taking – Very comfortable in dealing with risk. Will often seek out risks based on the opportunity that they present. Excessive optimism about risks can often lead to negative impacts as the project takes on too much risk or does not properly managed the mitigations.

Risk Neutral – Neither risk averse nor risk taking. Instead, this person will deal with risks in a methodical, objective, and unique way. Often using tools such as Earned Value Management, Schedule Analysis, and Decision Trees as a way of making an informed decision. This is the preferred risk attitude.

Risk Tolerant – Will often ignore risks until they become a larger issue. Very comfortable in dealing with risks but tend to downplay the importance of risk management throughout the lifecycle of a project, which leads to headaches when dealing with larger issues that were previously ignored.

Evans risk managers will also consider clients' needs, their strengths, and limitations to customize risk management strategies and approaches to give them the power to transform and reach their full potential. This value is embraced beyond the initial planning stages and performed iteratively throughout the length of any engagement or product development. Being human-centered enables Evans risk managers to provide a unique lens to view risk management. Through this lens, areas of vulnerability beyond those typically captured (i.e. cost, schedule, scope) through standard risk management are identified and incorporated into a more customizable risk management approach for clients.

Portfolio View

When examining ways to increase the successfulness of an organization, one approach is to incorporate a top-down risk management process throughout a group of portfolios. A portfolio should include similar programs or projects, and each should be working towards a combined goal or set of objectives that is managed at the portfolio level. At this level, Evans works with managers to plan, design, analyze, and mitigate risks, certainties and opportunities that the organization faces in line with their identified strategic objectives. By identifying unique client-centric risk categories, Evans develops specific mitigation plans with appropriate ownership and accountability.

Uniquely, Evans not only manages the risks within various levels of an organization, it also proactively identifies and manages opportunities to improve an organization. Evans Risk Managers develop relationships with different stakeholders on all levels through open communication channels and regular dedicated meetings. Risk Managers leverage these relationships by asking the right questions and facilitating open discussions allowing them to proactively identify potential risks and opportunities. Risk Managers then work directly with stakeholders to draft and document risk and opportunities, assess and prioritize their impact, and develop adequate plans to address them. Through this collaboration process a risk register is developed that accurately reflects the organization's concerns and opportunities and captures detailed plans that ensure mitigating risks and realizing opportunities. Evans strives to take a proactive approach to risk management, rather than reacting to problems once they're identified. By utilizing this method, Evans Risk Managers strive to increase the likelihood that a client will achieve organizational objectives and realize success.

To learn more about the Evans human-centered approach to risk management, visit us at [EvansIncorporated.com](https://www.evansincorporated.com) and be sure to fill out our [contact form](#) to learn more about our services.