Methodology:

The goal of a risk assessment is to determine which risks that might affect the project and provide teams to use this as a tool to document the risks associated with the project. This template would focus on the effect this risk would have on the project or any of its goals and the causes that adhere for this risk to occur. Another important aspect is this tool gives the teams to inquire ways to minimize the associated risks and weigh the risk with relative to the project. The weight of the risk would give quantification to the risk which would help to assess the risk in a more meaningful manner. Since there is a person following up on the risk it provides credibility to certain extend that the solution for the risk would be inquired in a proper manner.

Instructions:

1. Fill in the required fields as explained below within the template.

2. Risk item section would contain the risk and effect and cause would be followed by that.

3. The weighting scale; which measures likelihood of the risk happening and the severity level of the risk. This weighing would be from 1 to 3, please refer the table on page 2 which describes the values of each number associated in the scale.

4. Importance would be a multiplication of the values for likelihood and the severity.

MSD Project Risk Assessment Template

<table>
<thead>
<tr>
<th>ID</th>
<th>Risk Item</th>
<th>Effect</th>
<th>Cause</th>
<th>Likelihood</th>
<th>Severity</th>
<th>Action to Minimize Risk</th>
<th>Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Describe the risk briefly</td>
<td>What is the effect on any or all of the project deliverables if the cause actually happens?</td>
<td>What are the possible cause(s)</td>
<td></td>
<td></td>
<td>What action(s) will you take (and by when) to prevent, reduce the impact of, or transfer the risk of this occurring?</td>
<td></td>
</tr>
</tbody>
</table>
Likelihood scale
1 - This cause is unlikely to happen
2 - This cause could conceivably happen
3 - This cause is very likely to happen

Severity scale
1 - The impact on the project is very minor. We will still meet deliverables on time and within budget, but it will cause extra work
2 - The impact on the project is noticeable. We will deliver reduced functionality, go over budget, or fail to meet some of our Engineering Specifications.
3 - The impact on the project is severe. We will not be able to deliver, or what we deliver will not meet the customer's needs.

“Importance Score” (Likelihood x Severity) – use this to guide your preference for a risk management strategy
Prevent Action will be taken to prevent the cause(s) from occurring in the first place.
Reduce Action will be taken to reduce the likelihood of the cause and/or the severity of the effect on the project, should the cause occur
Transfer Action will be taken to transfer the risk to something else. Insurance is an example of this. You purchase an insurance policy that contractually binds an insurance company to pay for your loss in the event of accident. This transfers the financial consequences of the accident to someone else. Your car is still a wreck, of course.
Accept Low importance risks may not justify any action at all. If they happen, you simply accept the consequences.

Reflections:
This template is found to be one of the most important tools which help a lot of teams with senior design projects when it comes to analyzing the risks associated with the projects. It is advised strongly to use this template for the use of the senior design teams.