

Risk Management Planning In First Nations eHealth

A workshop for the
PMP International and cross-cultural
projects Seminar
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Presented / facilitated by

Stan Shaw, Ph.D., PMP
Michelle Peñas, BSc, PMP
Judith Law, MA, MADL

} Stan Shaw, Ph.D., PMP

} Michelle Peñas, BSc, PMP

} Judith Law, MA, MADL

- } Introduction to Risk Management in First Nations eHealth: tools, techniques
- } Case Study: Interactive workshop in risk identification & risk matrix
- } What can you do with this information?

No project is guaranteed success when faced with
triple constraints:

Scope

Cost

Schedule

- } 41% of the 236 respondents considered their projects were a complete success (White and Fortune 2002).
- } 18% of the projects studied have failed and 53% are challenged (Standish Group International 2004)
- } The above studies: most IT projects are likely to fail

Fortunately, these studies also suggest:

it is possible to identify and analyze project risk in the development phase to prevent the situation from getting **worse**

- } Poor planning
- } Unclear goals and objectives
- } Objectives change during project
- } Unrealistic time or resource estimates
- } Lack of executive support and user involvement
- } Failure to communicate and act as a team
- } Inappropriate skills

- } Decision making improves with certainty
- } The goal is to identify project risks and develop strategies to reduce impact or avoid them
- } Stress increases in the face of duress

Therefore,

- ? Know in advance what will signal a risk manifesting itself (known as a “**control**”)
- ? Plan what can/should be done...to help ensure project success...

} PMI Risk Management guide:

? Project risk is the cumulative effect of the chances of uncertain occurrences adversely affecting project objectives.

} Types:

? Known **knowns** – complete information

? Known **unknowns** – partial information

? **Unknown unknowns** – no information

- } Human resources
- } Environmental
- } Scope
- } Cost
- } Schedule
- } Communications
- } Contract/procurement
- } Quality
- } Project Integration

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- } **Culture**

corporate, community, political

} Identification

} Assessment

} Response

} Documentation

- } How likely is this one event to happen?
- } What is the impact of this event?
- } How likely are events to happen in combination?
- } What is the impact of these combinations?

} **Measured in percentages**

? Probability of Event A is $50/50 = 50\% = \mathbf{0.5}$

? Probability of Event A **NOT** happening is
 $1.0 - 0.5 = \mathbf{0.5}$

} **Combined probabilities are multiplied:**

? Probability of Event A is 50% (0.5)

? Probability of Event B is 25% (0.25)

? Combined probability of Event A and B happening is $0.5 \times 0.25 = \mathbf{0.125 (12.5\%)}$

- } Usually stated as a cost.
 - ? Example: Cost of escalation in construction costs by 10% is \$1 million
- } Schedule impacts are translated into project costs in quantifying the impact to the project
 - ? Example: Cost of implementation delay per day plus the opportunity cost of not being able to use the output.
\$10K per day in costs and \$5K in lost revenues or cost savings per day is \$15K per day
- } **Describing impact qualitatively is acceptable, depending on the project**

- } Impact times probability = severity
- } It is important to identify and plan for risks with high probability and impact

} Identification

} Assessment

} Response

} Documentation

- } **Ignore** (or don't recognize) – no action
- } **Accept** – recognize but take no action
- } **Transfer** – through contract or insurance
- } **Mitigate** – reduce impact through alternatives
- } **Avoid** – by taking action
- } **Share** – with others
- } **Retain** – often a cost allowance is set aside
- } ***Or use a combination***

} Identification

} Assessment

} Response

} Documentation

- } Project Plans
- } Risk management plans, including a risk matrix
- } Databases
(historical and current)
- } Lessons learned
- } Policies

- } Four community health clinics located **1400 kilometers north of Vancouver**
- } Electronic Medical Records (EMR) installation, servers to be located in Vancouver
 - ? Convert data from an existing EMR
 - ? Staff must assist in testing conversion
 - ? Staff must be trained to use a completely new EMR
 - ? Staff must be using the EMR fully from day one, “GO LIVE”
- } Privacy, security must meet legislated requirements to enable trusted access to patient files
- } Must meet functional requirements for primary health care, and unique requirements in First Nations remote communities
- } Integration into the Northern Health Authority systems
- } **Must be done by March 2010**

What are the risks?

How do we effectively implement Risk Management for this undertaking?

} **Identify**

} **Assess**

} **Respond**

} **Document**

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Presentations by participants

- } The greatest risk of risk management is failing to monitor and take action. Review your risk registry frequently.

- } Look for **controls** that will help you to determine whether there is an increasing probability that a risk is becoming reality.

- } Assessing the impact of a risk event helps to determine your action plan. It is important to consider both quantitative and qualitative impacts.

} Engaging both direct and indirect decision makers in risk identification and assessment is critical

? Builds understanding and trust

? Identifies risks and controls that may be needed

} Understanding the **culture of key decision makers** is essential in risk management

? Social hierarchy

? Organizational structure

? Political stratification

? Community values and beliefs

(PMBOK chapter 11.1 – pg. 277)

(PMBOK chapter 11.1.3.1 – pg.281)

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