Project Volatility Assessment

“He is a true fugitive who flies from reason.” - Marcus Aurelius.

VOLATILITY ASSESSMENT – A STRUCTURED APPROACH TO THE RISKS IN PROJECT DELIVERY

A key aspect of successful project delivery is the proactive management of volatility. The risks associated with volatility can result in late delivery, additional costs and reduced quality in projects. Assessing and managing volatility within projects is particularly useful for portfolio managers and goverance groups.

WHEN TO USE A VOLATILITY ASSESSMENT

- When project end-dates or budgets keep slipping or there is a lack of confidence in the projected delivery date
- When the delivery date or budget of a project is critical to organisational objectives
- Where the project is high risk, high investment or high profile

HOW IT WORKS

Tregaskis Brown works with the project manager and delivery team to make sure the project’s critical path is identified, and assesses the key risks that could impact the end dates and budget. Sophisticated statistical tools are then used to generate confidence intervals for the delivery date and final costs, providing portfolio managers and governance groups with a realistic view of the likely project outcome.

OUR ANALYSTS

Our team has many years of complex programme and project delivery experience, as well as the analytical skills to apply sophisticated statistical approaches to real-world problems.

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Managing volatility is key to getting a successful project outcome

Complex and demanding projects can suffer from high levels of volatility, which can erode the confidence of key stakeholders as end-dates change and budgets are challenged.

Traditional approaches to project management tend to focus on trying to create certainty by downplaying the effect risks will have on delivery. This mostly leads to poor outcomes as the certainty is nearly always illusory.

Get a grip on the level of volatility you are dealing with and the impacts this is likely to have on end-dates and costs so that governance decisions are better informed and unrealistic expectations are avoided.

EMBRACE THE UNCERTAINTY

A project volatility assessment starts with the existing project plan and risk register, then uses detailed analysis and sophisticated statistical techniques to assess the real-world impact of volatility on the key project deliverables. The process will:

- Tell the project volatility story in a way that all stakeholders can understand
- Provide an accurate date range and budget for the likely completion, based on the current risk profile of the project
- Validate the critical path of the project and produce a Risk Breakdown Structure (RBS) based on best practice principles
- Focus the project team on managing the activities and risks that will most influence the outcomes and help them to get “out of the weeds” of day-to-day delivery demands

COST

A volatility assessment costs $9,300 (excluding GST) for projects up to $5 million in value. This includes two workshops with project team members, the detailed statistical analysis of the project schedule and risks, a detailed report and a findings presentation to the steering committee or governance group. Further assessments on the same project – at a subsequent governance gate, for instance – costs $4,750 (excluding GST).

TO FIND OUT MORE

Call us on 04 499 9363 for more information or see the Tregaskis Brown website at www.tregaskisbrown.com

Tregaskis Brown
strategy to action