



U.S. DEPARTMENT OF
ENERGY

*Presentation to the SRS
CAB Strategic & Legacy Management Committee*

Risk Management Process

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EM Environmental Management
safety ✦ performance ✦ cleanup ✦ closure

Purpose

Provide an overview of the Risk Management Process used at Savannah River Site



Acronyms

ARRA	American Recovery & Reinvestment Act
CAB	Citizens Advisory Board
DOE	Department of Energy
EM	Environmental Management
FPD	Federal Project Director
RHS	Risk Handling Strategy
RMP	Risk Management Plan
ROAR	Risk and Opportunity Assessment Report
SME	Subject Matter Expert
SRS	Savannah River Site



SRS Risk Management

- Risk Management begins in the earliest stages of a program or project and continues through its total life cycle.
- There is risk in every program or project. Ignoring risk does not make it go away.



Risk & Opportunity

- What is a Risk?
 - An uncertainty with a negative outcome

- What is an Opportunity?
 - An uncertainty with a positive outcome

- Why Manage Risk and Opportunities ?
 - Facilitates the development and implementation of strategies to:
 - Minimize the negative impacts from risks
 - Maximize the benefit to be gained from opportunities



SRS Risk Management

- Aligned with the EM Risk Management policy and guidance
- Standardized process applied to develop our “Risk Management Plans” (RMPs) and “Risk and Opportunity Assessment Reports” (ROARs)
 - **Risk Management Guide** (DOE G 413.3-7 (9-16-08))
- Our risk assessment and risk oversight teams are composed of:
 - Federal Project Director (FPD)
 - Contractor(s)
 - Risk Analysts
 - Subject Matter Experts (SMEs)
 - Risk Facilitator



Responsibility for Risk Management

- Federal Project Director is responsible for ensuring that
 - a risk assessment is conducted (FPD leads Risk Team in assessing)
 - risks are assigned to the DOE or contractor to manage
 - risk handling strategies (RHS) are identified
 - DOE risks are managed
 - risk monitoring is being conducted
 - project risk assessment report is developed and updated as required
 - risks are statused and results communicated to the stakeholders
 - new risks, as they are identified, are added to the project's risk list (risk register) for assessment

- Contractor is responsible for
 - managing risks and RHS assigned to the contractor
 - maintaining the risk database and risk register
 - reporting status of risk mitigation efforts



SRS Risk/Opportunity Process

- Planning → RMP (Risk Management Plan)
 - development and approval of the Risk Management Plan
 - review and evaluate the work scope
 - selection of risk team members

- Assessment Process → ROAR (Risk and Opportunity Assessment Report)
 - **Identification** – “Brainstorming Session”
 - **Grading** – Consequence and Likelihood Qualitative Analysis
 - **Handling** – How and whom manages the risk
 - **Impact Determination** – Determine cost and schedule impacts after successful implementation of handling strategies



Benefits

- Benefits of the Risk Management process
 - Ensures adequate funds are identified to manage risks
 - Increase likelihood of:
 - completing objectives on time and within budget,
 - increasing likelihood of meeting compliance and government requirements, and
 - achieving performance consistent with commitments
 - Supports a better decision making process



Questions?

