



# Risk Management in Agile Delivery

## Overview

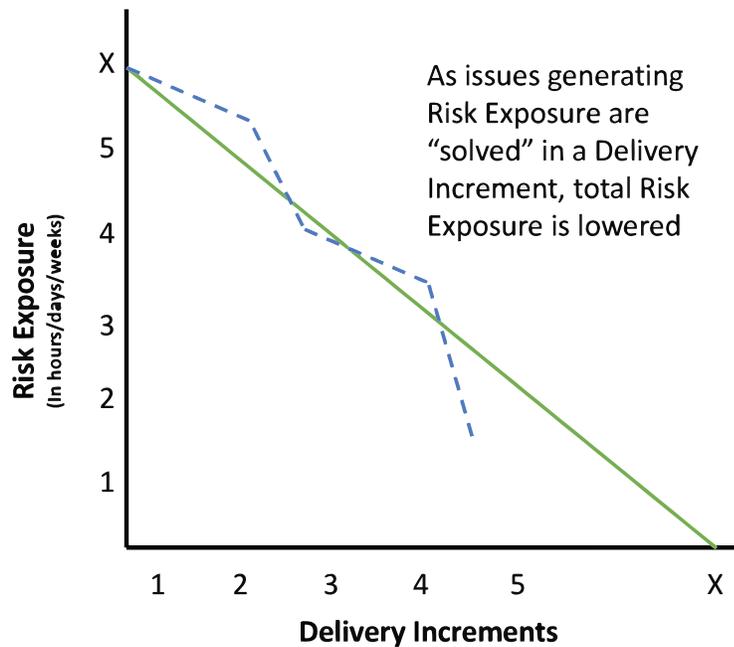
Most organizations with mature program or project management processes actively execute risk management. Program or project centric risk management is typically about identifying, assessing, reporting and managing the risks the organization faces during program or project development. Common terms and activities include having a risk register, risk management plan and often risk mitigation reviews. This work helps the organization manage risk to achieve a planned outcome.

A somewhat emerging body of work is how best to adapt or adopt current risk management as an organization migrates from a typical Waterfall Methodology for project delivery to an Agile Methodology. While an established Risk Manager might be forgiven for feeling Agile Methodology is generating greater risk, the solution for the transformation may be easier than one might imagine.

The core tenets of an Agile Methodology—meaning an iterative, incremental approach to design and build activities—lend themselves to risk management. The planned cadence of the work; the interaction between requirements givers and increment deliverers; the focus on adaptability to change—all potentially help execute active risk management in an agile project. The question is, does the team “see” and have a shared “focus” on obviating those risks?

Oasys International Corporation (Oasys) has a long history of helping organizations advance processes as they transform to meet new operating models. Our approach to helping establish a shared risk awareness in Agile delivery is through incorporating a Risk Burndown Chart for the team. While typical risk management tools such as a risk register, risk map, risk action plan are all terrific risk artifacts, the use of a simple Risk Burndown Chart, prominently displayed in the team work area, can drive a powerful awareness and focus on risk mitigation.

## Typical Risk Burndown Chart



Risk Burndown, like a Backlog Burndown, displays the remaining "work" over the number of remaining sprints or iterations. For Risk Burndown, the "work" is the elimination of Risk Exposure. Risk Exposure is the amount of additional time a realized risk could add to the overall delivery schedule. For example, the failure of a client to review and return a communications plan within three days—as part of an agile communications project—might add two days to the delivery schedule. Thus, the Risk Exposure for the team is two days. The sum of all potentially additional time of all project risks is the total Risk Exposure of the project.

To properly mitigate risk, and lower Risk Exposure, the team considers and addresses the risks within an increment and solves them during that increment. Using our example above, the team lead might coordinate the client's availability to review the communications plan the week prior, provide hard copies the day prior to the review period, offer to review the work with the client, and/or follow up with the client the day the plan review is due. All or each of these actions address the risk. When the reviewed plan is returned on time, the two-day Risk Exposure is burned down.

Our experience using Risk Burndown has helped us generate easy to use guidelines for fully identifying and properly calculating risk and risk exposure. To learn more about how to incorporate Risk Burndown and improve the quality of your Agile delivery, please contact us [info@oasysic.com](mailto:info@oasysic.com) or at 757.272.2604.