

EXPLORING RISK MANAGEMENT PRACTICES OF PROJECT STAFF

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Risk always exists in construction projects and is perceived as events that influence the project's objectives of cost, time and quality. Risk is the occurrence of an event that has consequences for, or impacts on, projects (Flanagan and Norman, 1993). Risk can be categorised as known risk, known unknowns and unknown unknowns (Smith, 2003). The management of these categories of risks rely on procedures and processes that are aimed at facilitating the identification, and/or optimisation of the contribution from different risk factors towards a mitigation decision.

According to Chapman (2002), there are a number of variations to the standard project risk management process that different organisations have adopted for managing risk to suit their corporate context. Equally there are numerous tools and techniques available to support the various phases of the risk management process. The use of these tools as well as the standard process for managing risk is influenced by the knowledge and attitudes of project staff who, are required to deploy these techniques and tools.

An investigation that formed the basis of this paper was conducted to evaluate the risk management practices of project staffs in risk identification, risk analysis and risk response with respect to the tools and techniques applied for the different categories of risks. Risk management usage in the execution and planning stages of the project life cycle is higher than in the conceptual and termination phases. Experience, personal judgment and brainstorming are the tools mainly used in risk management. Risk management packages, and formal risk management techniques are rarely used due to lack of familiarity with tools, resource constraints and management culture of organizations.

REFERENCES

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