RiskyProject Professional 7

Project Risk Management Software

User’s Guide

Intaver Institute Inc.

www.intaver.com
email: info@intaver.com
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Chapter 1: Introduction to RiskyProject
What is RiskyProject?

RiskyProject is advanced project risk management software with integrated risk analysis. Most projects contain many uncertain parameters: task duration, start and finish times, uncertainties in costs and resources, uncertainties in quality, safety, technology, and others. RiskyProject analyzes project schedules with risks and uncertainties, calculates the chance that projects will be completed within a given period of time and budget, ranks risks, and presents the results in formats that are easy to read and understand.

RiskyProject also helps you to perform project risk management:

- identify project risks
- rank risks
- identify mitigation and response plans
- manage risk properties, including descriptions, probabilities and impacts, costs associated with risks, mitigation strategies, and all other information about risks
- facilitate risk reviews, opening and closing risks, conversion of risks to issues and lessons learned
- save risk history

RiskyProject performs both qualitative and quantitative risk analysis. If both the risk register and project schedule are populated, RiskyProject performs quantitative risk analysis. If there is no project data (cost or schedule), RiskyProject performs qualitative risks analysis.

RiskyProject seamlessly integrates with Microsoft Project or can run as a standalone application. RiskyProject integrates with other project management software such as Oracle Primavera.

RiskyProject employs Event Chain Methodology to analyze project uncertainties defined by multiple risks (events). An example of an event would be a task delay due to the changes in requirements. In many cases, one event can cause another event or multiple events, which can
significantly affect the project schedule. RiskyProject recalculates the project schedule multiple times to compute the distribution of possible outcomes and probabilities of meeting specific objectives.
Who should use RiskyProject?

RiskyProject performs two major functions:

- Risk Management: identification, recording, ranking, and reviewing risks, mitigation and response plans, and all associated risk information.
- Risk Analysis: determining how risks might affect your project.

RiskyProject is beneficial for managers who want to perform risk analysis on their projects without specialist expertise or training in risk analysis. RiskyProject allows managers to quickly analyze a complex project schedule and associated costs, with multiple tasks and dependencies. It is a user-friendly system with an intuitive interface, which hides its advanced mathematical calculations and helps managers make informed decisions.

RiskyProject is useful for managers of research and development projects, including software projects, who run projects with multiple uncertainties using an iterative development process. It is a widely accepted fact that project management best practices and processes emphasize the importance of iterative development and risk tracking, which represents the cornerstone of the RiskyProject workflow.

RiskyProject is used in many industries, including: aerospace and defense, IT, engineering and construction, manufacturing, agriculture, pharmaceutical, energy, and mining.
New Features of RiskyProject 7

RiskyProject 7 marks the introduction of RiskyProject Risk Register – a lightweight tool that works in conjunction with RiskyProject Enterprise. RiskyProject Risk Register allows the user to view and update project and portfolio risks without performing quantitative risk analysis.

1. **RiskyProject Risk Register**: a lightweight tool to view and modify the risk register in RiskyProject Enterprise. It includes the following views and reports:
   - Risk Register
   - Risk Matrix
   - Risk Reports
   - Risk Mitigation and Response Plans
   - Project Portfolio

RiskyProject Risk Register is designed for projects that do not require quantitative project risk analysis, but do require the risk assessment and control for qualitative risk analysis and risk management. For more information about RiskyProject Enterprise, please see the RiskyProject Risk Register User Guide.

2. **New Risk Reports integrated with the Risk Matrix**:
   - Risk monitor: displays the number of risks for each cell in the risk matrix
   - Risk history: tracks changes to probability and impacts over time
   - Risk trend: time-scaled bar chart which shows the number of risks of different risk scores calculated over time

3. **Improved Risk Register**:
   - All risk properties can be edited using Risk Register’s grid
   - A simple tool to enter risk probabilities and impacts for different categories; risk probabilities and impacts can be expressed in terms of percentage, label (e.g. “low”), or number (1,2,3…)
   - Customizable headers for a group of columns
   - Adjustable heights of the rows in the risk register
   - The ability to save customized layouts of risk registers for use on future projects

4. **Import Risk Registers from Microsoft Excel**: you can now import existing risk registers from Microsoft Excel to RiskyProject. RiskyProject allows you to map fields in Microsoft Excel to RiskyProject and then to import the data. You can save your mappings so they can be used for future imports.

5. **Improved Integration with Microsoft Project Server**: you can import project schedules from Microsoft Project Server, assign risks and uncertainties and perform Monte Carlo risk analysis. Your schedule in RiskyProject will be linked to your schedule in Microsoft Project Server.

6. **Weather Calendar**: in addition to the probabilistic calendar, you can now define uncertainties for the number of non-working days per month, which can be used as part of schedule risk analysis. For example, you can define that there will be 5-7 non-working days in January.

7. **Improved Histograms and Charts**: Joint Confidence Level charts, frequency and cumulative probability plots, and scatter plots. The frequency and cumulative probability...
plots allow users to add markers for either predefined or custom percentiles, as well as the original deterministic value.

8. **Actual Risk Scores on Waterfall Charts**: the mitigation waterfall chart can now include planned and actual scores for risk mitigation activities. This allows you to monitor the effectiveness of mitigation activities in relation to risk plans.

9. **Project Schedule Diagnostics for Microsoft Project**: the RiskyProject add-in for Microsoft Project and Microsoft Project Server checks the integrity of the project schedule to ensure that your schedule risk analysis is valid. It can be run as part of the import to RiskyProject, but also as an additional quality check for your schedule in Microsoft Project and Microsoft Project Server.

10. **Importing Resource-leveled Schedules**: easily import your risk-leveled schedules from Microsoft Project into RiskyProject to perform Monte Carlo schedule risk analysis.

11. **Improved Reporting for Microsoft PowerPoint**: you can now present statistical data and percentiles together with frequency histograms, cumulative probability plots and tornado plots in PowerPoint.

12. **Improved Customization of the Risk Matrix**: risk matrix customization has been extended to include custom colors and the ability to save a specific configuration for all projects.

13. **Improved User Interface**: RiskyProject usability has undergone multiple improvements, including new project risk score meters, new project dashboard views, revised grid controls, and new calendar controls.

14. **Elapsed Duration**: task duration can now be expressed as elapsed duration; risk schedules with elapsed task duration can be imported from Microsoft Project.

15. **Support of Organizational Breakdown Structure**: a hierarchy users based on departments and groups helps to assign permissions and access levels to all users in the group.

16. **Notification System**: in RiskyProject, you can configure emails to be sent to users to notify them about the status of risks or changes in their properties, as well as incoming risk reviews. The who, when and what messages are fully configurable by administrators.
Qualitative vs. Quantitative Risk Analysis

RiskyProject performs both qualitative and quantitative risk analysis.

A typical **qualitative risk analysis** workflow is used to:
1. Identify risks and add risks to the risk register.
2. Define risk properties, probabilities, and outcomes.
3. Analyze risks and prioritize risks.
4. Assign mitigation and/or response plans.
5. Update risk properties, probabilities, outcomes as necessary.
6. Review status and properties of the risk and report information about risks.

A typical **quantitative risk analysis** workflow is used to:
1. Create a project schedule.
2. Add risks, uncertainties, and other risk-related information.
3. Run a simulation, perform an analysis and generate a report of the results.
4. Update risks and uncertainties as necessary.
5. During project execution, perform project tracking with risks and uncertainties at key phases or milestones to update forecasts.
6. Report results

If you do not have a schedule for your project, RiskyProject will only perform qualitative risk analysis. However, if you add a schedule by either adding activities or importing a schedule, RiskyProject automatically switches to quantitative analysis. You may switch between qualitative and quantitative analysis by adding or removing a project schedule.

Due to the nature of qualitative and quantitative analysis the results can be different even with the same risks, particularly for schedule-related risks affecting project duration and cost.
RiskyProject Interface

RiskyProject supports a multi-document interface. You can open and close multiple project schedules during one session in RiskyProject.

The Risk Register is a set of all your project risks. You can view the project Risk Register in the Risk Register and Risk Properties views.

Modifying the Workflow Bar

You may modify RiskyProject workflow by inserting and hiding views. Any changes you make to the Workflow bar becomes the default for all projects.

1. Right-click on any button on the workflow bar
2. Click on **Hide Icon** to hide the selected icon
3. Click on **Insert Icon...** to insert an unused icon to the workflow bar. If the icon is already inserted on any of the tabs, it cannot be inserted again
4. Click on **Set Default Icons** if you wish to restore the default set of icons. By default, all icons are visible except of some reporting views.
Application Look

You may change the color and style of title bars, toolbars, and status bars, as well as change the theme for the datasheets. The theme is used for any grid including grids inside dialog boxes.

Changing the application look

1. Click the Tools tab.
2. In the Resources and Settings group, click Application Look.

RiskyProject Data Sheets

All RiskyProject views, except for the Project Summary view and Project Dashboard, contain data sheets. Data sheets are used to enter and present data in a grid format. Grids are also used in some dialog boxes. All data sheets have similar features.

Data sheets are used to display task information, resources, risks, and results of sensitivity analysis. Data sheets are composed of columns and rows. Each column has specific properties, which represent a specific data type. For example, resource name, resource type, etc. You can customize data sheets to display the columns in any order and any with a title in the column header. See the appendix for a full description of each field.

Modifying data sheets

You can modify all the RiskyProject views by inserting, modifying, or hiding columns depending on the type of information you want to view.

1. Open a view and right-click on a column header.
2. From the shortcut menu, choose how you want to modify the column:
   - Hide
   - Insert Column Before or After
   - Modify (Change field type, Title, Title and Data alignment, Width)

- This modification is saved in the RiskyProject data file associated with the particular project. Therefore, the next time you open the project, you will see your column modifications. This way you can create a customized data sheet for each view.
- Modifications to data sheets are specific to each view. For example, if you insert a column into the Project View, it will not be reflected in Result Gantt View.
- You cannot hide or modify IDs.
- In Risk Register and Risk Properties views, you can extend the height of the row, add headers for multiple columns above regular columns and adjust the width of columns based on maximum width of information in the columns.
**Copying, cutting and pasting selected rows**

You can copy, cut, and paste selected items in each data sheet except for the results of sensitivity analysis.

1. Select one or multiple rows in a data sheet.
2. Click the **Schedule** tab. In the **Clipboard** group, click **Cut** or **Copy**.
3. Open the data sheet in which you want to paste the data.
4. Select the row in which you want to paste the data.
5. Right-click and click **Paste**.

- The maximum number of rows in RiskyProject is 20,000. You cannot paste items beyond this limit. However, if you import a project from other project management software, the maximum number of tasks will be increased so it can accommodate all tasks in the original project schedule.
- You can paste data only to compatible data sheets (e.g. tasks can be pasted to the data sheets containing tasks, and risks can be pasted to data sheets containing risks).
- You cannot paste data copied or cut from another document with the exception of risks.

**Inserting and deleting items**

You can delete and insert items from, or to, any data sheet except for the results of sensitivity analysis. The quickest way to insert or delete items is to use the Insert and Delete buttons located on the Format toolbar.

**To insert items:**

1. Select an item or multiple items. New items will be inserted above the uppermost selected item. The number of items to be inserted equals the number items you have selected.
2. Click the **Schedule** tab. In the **Format** group, click the **Insert Item** button.

You can also use right-click on the left column in each data sheet which displays IDs, and use the dropdown menu to insert and delete selected items.

**Saving column layout**

After you modify a column layout you can save it in the system registry for all new projects created on your computer. You save a column layout by following these steps:

1. Go to **Schedule** and Click on **Project Options** in Settings and Options Group
2. Go to **View** tab
3. Click on **Set Default Column Layout**
4. You can restore the predefined layout of columns for all views by clicking on **Restore Default Column Layout**
Chapter 2: Qualitative Risk Analysis and Management
Risks in RiskyProject

Risk Register

The Risk Register is a set of all the project risks. You can enter risks in either the **Risk Register** or **Risk Properties** views:

- **View risks with their attributes such as probabilities, impacts, scores, and properties.**
- **Create a risk register hierarchy based on:**
  - Risk categories
  - Open/Closed risks
  - Risk/Issues/Lessons Learned
  - Risks assigned to managers
  - Risks assigned to owners
  - Threat mitigation or opportunity mitigation strategies
  - Assigned/Unassigned Risks (active or inactive)

**Use the Risk Register to:**

1. View risks with their attributes such as probabilities, impacts, scores, and properties.
2. Create a risk register hierarchy based on:
   - Risk categories
   - Open/Closed risks
   - Risk/Issues/Lessons Learned
   - Risks assigned to managers
   - Risks assigned to owners
   - Threat mitigation or opportunity mitigation strategies
   - Assigned/Unassigned Risks (active or inactive)
- Hidden and Visible risks (available in RiskyProject Enterprise only, see *RiskyProject Enterprise User Guide*)

3. Rank risks based on risk score.
4. Sort risks alphabetically or using risk IDs.
5. Filter risks based on risk properties: Open, Closed, Risk, Issue, or Lessons Learned.

Data for the Risk Register can be subdivided into three categories: risk registry, risk mitigation/response plans, and settings:

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### Risk Register

<table>
<thead>
<tr>
<th>Risk 1 with attributes:</th>
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<tbody>
<tr>
<td>General Information</td>
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<tr>
<td>Risk history</td>
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<th>Risk 2 with attributes</th>
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<th>Risk 3 with attributes</th>
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### Mitigation or response plans

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### Risk Register Settings

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<th>Risk Categories and Outcomes</th>
<th>Default Risk Properties</th>
<th>Risk Matrix settings</th>
<th>Risk ID generation rules</th>
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</thead>
</table>
Defining columns for Risk Register
You can modify the Risk Register by inserting, modifying or hiding columns depending on the type of information you would like to view. The Risk Register view allows you to define the upper header for the group of columns. The upper header can have two rows of text and a tooltip. It can have different background colors, outline colors and text colors. There are two pre-defined upper headers: Pre-mitigation and Post-mitigation.

1. Open the Risk Register and right-click on a column header.
2. From the shortcut menu, choose how you want to modify the column:
   - Hide
   - Insert Column Before or After
   - Modify (change field type, field title, title and data alignment, width, upper header text and color, and number of columns of the upper height)

Adding risks to the Risk Register
1. Click the **Risks** tab. On the **Risk Views** group, click the **Risk Register**.
2. On the Risk Register, click an empty row.
3. Enter a unique name for the risk. The risk is now added to the register.

Deleting risks from the Risk Register
1. Click the **Risks** tab. On the **Schedule Views** group, click the **Risk Register**.
2. Select the risk you want to delete. You can select a single risk or multiple risks.
3. Right-click on the Risk ID and choose **Delete Risk** from the shortcut menu.

Updating risk properties for individual risks
To modify the risk properties using the Risk Register:
1. Open the Risk Register.
2. Click on the risk properties and make desired changes.

**Updating risk properties for a group of risks**

You can define the same risk properties for a group of risks at the same time.

1. Open the Risk Register.
2. Select the risks to which you would like to add properties.
3. Right-click on the risk ID and select **Risk Properties**.
4. For each property, add a value as required. If properties are different for the selected risks, you will be shown with *******.

**Filtering and sorting risks using the Risk Register**

The Risk Register offers powerful tools for filtering and sorting risks:

- Show opened and closed risks and issues - use the checkboxes at the bottom of the Risk Register to make a selection.
- Find a risk based on the actual value of a risk property using the Find Risk dialog (Filter button) at the bottom of the Risk Register. You may combine different risk properties using AND or OR.
- Sort the risk register alphabetically using  and  buttons or based on pre-mitigation risk score using the  button. You may also sort the Risk Register based on Risk ID.

You can filter risks that affect different risk categories. Risks can affect:

- duration
- finish time
- cost
- success rate
- non-schedule risk categories.

RiskyProject calculates the combined impact of risk on all risk categories. Pre-mitigation and post-mitigation risk impact, probability and score are displayed for selected risk categories.

With the Risk Register or Risk Properties views, you can rename risks and copy risk information to the clipboard. You may also copy and paste risks inside the Risk Register.

**View Risk Register Dashboard**

The Risk Register Dashboard provides a quick summary of the overall status of the Risk Register. It includes the following measurements:

- Total number of risks
- % of Open
- % of Risk, Issue, and Lessons Learned
- % of Threat, Opportunities or Both
- Number of Mitigation and Response plans
- Number of Assigned Mitigation and Response plans
• Dates and names of Latest Risk, Latest Update, and Latest Review.
• Cost of all risks before and after mitigation and/or response. For more information on how the cost of risk is calculated, please read “About Cost of Risk Calculations”.

To view a Dashboard of the Risk Register:
1. Click the Risks tab. On the Risk Views group, click Risk Register.
2. Click the Dashboard button. The Dashboard dialog box opens.
3. Click OK to close the report.

About Risk Categories, Probabilities and Impacts

Risk Categories
Risk Categories are a group of risk outcomes. RiskyProject calculates risk probabilities, impacts and scores for each category. The default risk categories are:
• Duration
• Cost
• Safety
• Environment
• Legal
• Performance
• Technology
RiskyProject calculates the score and rank for all risks in each risk category. You can view risk scores and rankings for each risk category or for all categories.

You can customize the risk categories in the Risk Categories dialog box. For more information about customizing risk categories, read “Managing Risk Categories and Outcomes”.

Risk Outcome Types
A Risk Outcome Type is the result if a risk occurs. While every risk category must have a least one outcome, they can have several. For example, one of the default risk categories is Legal. You may want to further define the outcome types as Litigation Risk, International Legal Risk, etc.
You can customize the set of outcome types using the Risk Categories dialog box.
The set of risk outcome types are different for qualitative and quantitative risk analysis. For quantitative risk analysis, RiskyProject automatically adds a number of schedule-specific risk outcomes, such as restart task, fixed cost increase, etc.

**Risk Probability and Chance**

Risk Probability is the calculated chance that an event will occur. You can view risk probability in the **Risk Matrix**, **Risk Register**, and other views and dialog boxes. Risk Chance is the input parameter for risk probability. Risk chance (input parameter) and risk probability (calculated attribute) can be different; particularly when a risk has multiple mutually exclusive alternatives as risk chance is an input parameter for each alternative. In these cases, Risk probability is calculated based on the risk chance for each mutually exclusive alternative.

**Risk Outcome**

Risk Outcomes indicate the severity of a risk event for the specific risk category. You need to enter risk outcomes when you define risk chance and outcome type. For example, here are the default risk outcomes for the risk category **Schedule**:

![Default list of risk outcomes can be customized in **Format Risk Matrix** dialog.]

Outcome types can be a label (e.g. Critical > 1 year delay) or a percentage (e.g. 5%), or a combination of both. You can set how you want to enter and view risk outcomes in the **Format Risk Matrix** dialog box. Each label is associated with percentage, which is the midpoint of the interval for each label:

<table>
<thead>
<tr>
<th>Label</th>
<th>Interval</th>
<th>Midpoint</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negligible: &lt; 1 month delay</td>
<td>From 0% to 20%</td>
<td>10%</td>
</tr>
<tr>
<td>Minor: 1-3 month delay</td>
<td>From 20% to 40%</td>
<td>30%</td>
</tr>
<tr>
<td>Moderate: 3-6 months delay</td>
<td>From 40% to 60%</td>
<td>50%</td>
</tr>
<tr>
<td>Serious: 6-12 months delay</td>
<td>From 60% to 80%</td>
<td>70%</td>
</tr>
<tr>
<td>Critical: &gt; 1 year delay</td>
<td>From 80% to 100%</td>
<td>90%</td>
</tr>
</tbody>
</table>

When you define outcome types as a percentage, you can enter it as any number from 0% to 100%. In this scenario, it will be associated with a label based on the interval to which this percentage belongs. For example, 76%, corresponds with the “Serious: 6-12 months delay” outcome type.

In RiskyProject, risk outcome types can be probabilistic. You can define a statistical distribution for outcome types and perform Monte Carlo simulation even it is part of qualitative risk analysis. For more information about probabilistic risk outcome types, read “Uncertainties in Risk Outcomes”.
The diagram below shows the relationship between risk categories, risk outcome types, and risk outcomes.

**Mutually exclusive alternatives**

Mutually exclusive alternatives are used to calculate alternate outcome types for the same risk event that cannot occur at the same time. An alternative risk is similar to using a Boolean “OR” statement. Only one risk alternative can occur at the same time. For example, if you have a fire risk, the fire could be minor or major each with different outcomes. They are the same risk, but unlike other risk events, these alternatives cannot occur at the same time.

In this example, the risk Fire has two alternatives:

<table>
<thead>
<tr>
<th>Chance</th>
<th>Outcome Type</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%</td>
<td>Relative delay</td>
<td>Negligible: &lt; 1 month</td>
</tr>
<tr>
<td>2%</td>
<td>Relative delay</td>
<td>Low: &lt; 1-3 months</td>
</tr>
</tbody>
</table>

When the simulations are run, there is a 12% chance that the risk Fire will occur. 10% of the time the outcome of the minor fire will be calculated, while 2% of the time the outcome of a major fire is calculated, but they are never calculated during the same simulation.

Mutually exclusive alternatives must:

- have the same name,
- not be separated by empty rows, and
- belong to the same category. For example, if you have the same risk “Change in requirements” with outcomes Reduce Quality and Fixed Delay, these outcomes will not be mutually exclusive alternatives as they are different risk categories that have different impacts.

The diagram below shows mutually exclusive alternatives. You can view this diagram by clicking the About Risk Alternatives button in the Probabilities and Outcomes tab of the Risk Information Dialog box.
Risks can be threats, opportunities or both. Threats and opportunities are defined for risk assignment depending on results of the risk outcome. Negative risk outcomes mean opportunities.

Example 1:
- risk: Change Requirements
- Outcome: Fixed Delay
- Result: 2 days
- This is a threat

Example 2:
- risk: Change of technology
- Outcome: Delay in technology introduction
- Result: -10% Low
- This is an opportunity: a negative number indicates that this is an acceleration rather than a delay of the technology introduction

Example 3:
- risk: Chance of supplier
- Outcome: fixed cost increase
- Result for mutually exclusive alternative 1: $30,000
- Result for mutually exclusive alternative 2: -$20,000
- This is both a threat and an opportunity depending upon the supplier.

You can have different sets of labels for threats and opportunities for a risk category. For example, for the risk category Schedule, a threat outcome type can be “Critical > 1 year delay”,

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for an opportunity it can be “Critical > 1 year acceleration”. If you want to enter opportunities, you need to enter a negative percentage (e.g. -25%) as the outcome type.

**Risk Impact**

Risk impact is the calculated result of the risk event. Risk outcome (input parameter) and risk impact (calculated attribute) can be different, particularly when a risk has multiple mutually exclusive alternatives, in which case the risk outcome is a parameter of each alternative. Risk impact is calculated based on the risk chance for each alternative.

The diagram below shows the difference between risk chances and outcomes (input parameters) and risk probabilities and impacts (output parameters):

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Chance</th>
<th>Calculation</th>
<th>Integrated probability and impact for all parameters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety – 70%</td>
<td>Safety – 30%</td>
<td>Impact - 70%</td>
<td>Probability – 30%</td>
</tr>
<tr>
<td>Schedule – 50%</td>
<td>Schedule – 30%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost – 50%</td>
<td>Cost – 30%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Risk Score**

Risk score is a calculated parameter that equals probability multiplied by impact. Risk score is calculated for each risk category as well as all risk categories.

**Original, Pre-, and Post-Mitigation Probabilities, Impacts and Scores**

RiskyProject calculates three sets of probabilities, impacts and scores for each risk category as well as for all categories:

1. **Original**: when risk chance and outcome are defined. This information is saved in Risk History. If you want to change original probabilities, impacts and scores you would need to make modifications in Risk History using the History tab on the Risk Information dialog.

2. **Pre-mitigation or Current**: reflects most recent changes to chance and outcomes. If you simply enter chance and outcome, your original probability, impact and score will be represented as Pre-mitigation or Current value.

3. **Post-Mitigation**: Pre-mitigation probability, impact and score, with changes to do mitigation plans.

You can view all sets of probabilities, impacts, and scores in the Risk Register.

**Risk Properties**

Risk Properties are other risk attributes, which include:

- Risk Name, ID, description, statement, objectives, assumption, cause and trigger
- Open/close risk
- Risk life cycle status: Risks, issues, lesson learned
- Risk ownership
- Risk mitigation strategy
- Risk costs
- Risk start and end date
Other information about risk

Some risk properties are predefined as General Information about risk and Risk Costs. However, you may define any other risk properties.
Risk Mitigation and Response Plans

You can model risk mitigation or response efforts in RiskyProject using the Mitigation or Response View. Response plans are activities that are executed when a risk occurs and are used for quantitative risk analysis. Mitigation plans are actions that are performed to minimize risk probability and/or impact and can be visualized using the Risk Mitigation Waterfall diagram.

A mitigation or/and response plan must be assigned to a particular risk. Please read “Assigning Risk Response Plans” and “Assigning Mitigation Plans” for more information.

Creating a mitigation or risk response plan

1. Click the Risks tab. In the Risk Views group, click Mitigation/Response Plans.
2. Enter the mitigation or response plan name. Summary entries will help you to organize information, but they are not considered a mitigation plan.
3. Select either Mitigation or Response plan
4. For Response plans, enter an Outcome Type and Outcome of the response. The outcome types are automatically populated based on the list of outcome types.
5. Enter the Cost of the mitigation or response plan
6. For Mitigation plans, enter the default reduction of probability and impact if the mitigation plan is assigned to the risk.
   For example, a mitigation plan reduces probability on 5% and impact on 10%. If a mitigation plan is assigned to the risk that has 45% probability and 30% impact before mitigation, the risk will have 40% probability and 20% impact after mitigation.
7. Enter the mitigation or response plan description. If you double-click on a mitigation/response plan ID, the Mitigation or Response Plan Description dialog box will open.

A mitigation or response plan can be assigned to multiple risks. The cost of mitigation or response plans will be included with each risk.

Creating Summary and Sub-plans

Mitigation plans can be composed of Summary plans with associated sub-plans. This can be very useful if your mitigation plans have several activities or steps that have distinct costs and outcomes that you want to monitor items separately.

Summary plans have names only and do not have Plan Type, Outcome Type etc. Summary and sub-plans are defined using the Indent and Outdent commands similar to Summary and Subtasks on the Gantt Chart.

To create a sub-plan:
1. Enter a name for the Summary plan.
2. Click the row below the plan
3. Enter a name for the plan.
4. Right-click on the plan and on the shortcut menu click **Indent**. The plan now becomes a sub-plan of the mitigation plan.

5. Enter information for the sub-plan.
RiskyProject Professional User Guide

Risk Attributes

About Risks

Each risk in RiskyProject can have a number of attributes. Some of the most common attributes are predefined and are found in the Properties tab of the Risk Information dialog box; however, you are not required to complete all of them. The information required should be defined as part of your risk management plan.

General Information includes:

- **Risk Name**: the risk name for each risk must be unique. Names are case-sensitive.
- **Open/closed risk**: open risks are active risks that may occur. Closed risks are those risks that are no longer active because of risk response or other factors or measures taken. Closed risks may contain important information and should not be deleted from the risk register.
- **Risks, issues, lessons learned**: risks are events that may or may not occur and have a probability between 0 – 100%. Issues are events that have already occurred and require a response. Lessons learned are events that occurred in the past and have a history associated with them. When you add a new record to the risk register, by default it is a risk.
- **Risk statement, objectives, assumption, cause and trigger**: contain textual information about risks.
- **Risk ownership**: includes risk manager and risk owner. You may define other custom fields for risk reviewer, recorder, and other participants in the risk management process.
- **Risk mitigation strategy**: you can enter mitigation strategies for threats and/or opportunities. Status of threats and/or opportunities are automatically calculated when you enter risk probabilities and impacts. If the risk is only a threat, you will only be able to enter strategies for threats and vice versa. For more information about threats and opportunities, read “Risk Probabilities and Impacts”.
- **Risk start and end date (risk sunrise and sunset)**: dates between which a particular risk is active.
- **Risk ID**: Risk ID can be automatically generated when you create a new risk. You may sort the Risk Register based on Risk IDs. You can overwrite the automatically generated risk ID. Rules for risk ID generation are defined in Risk Options. To view Risk Options, click the Schedule tab. In the Settings group, click Options.

- General Information about risks is a set of attributes that does not affect the calculation of probabilities, impacts, risk cost or mitigation efforts for qualitative risk analysis.
- In the case of quantitative risk analysis, changing a risk from **Open** to **Closed**, from **Risk to Issue or Lesson Learned** will affect risk probability and impact. For more information about this please read "Assigning Risks to Task and Resources".
- You define the default risk mitigation strategy and default time between risk sunrise and sunset in the Default Risk Properties dialog box (Risk tab of the ribbon, Settings pane).
Defining General Information about risks
1. Click the Risk tab. In the Risk Views group, click Risk Register.
2. Double-click on risk ID to open the Risk information dialog box.
3. Enter general information about the risks in the Properties tab.

Risk Probabilities and Impacts
There are two ways probabilities and impacts can be defined in RiskyProject:

- You can define chance and outcome for each risk in the Probabilities and Outcomes tab of the Risk Information dialog box.
- You can also define risk chance and outcome directly in the Risk Register grid. However, in this case, risk cannot be assigned to any tasks or resources. If risk is already assigned to at least one task or resource, you will not be able to modify chance and outcome using the grid and the Risk Information dialog box will appear. This method is preferable for qualitative risk analysis and risk management.
Defining risk chances and outcomes in the Risk Information dialog box

You must enter the risk chance, outcome type, and outcome for each risk. You may only define one alternative. Please remember that risk chance and outcome may not be equal to calculated risk probabilities and impacts in the following cases:

- For risks with multiple mutually exclusive alternatives
- If you define uncertainties in risk outcome
- In case of quantitative risk analysis (with project schedule)

To define risk chances and outcomes in the Risk Information dialog:

1. Click the Risk tab. In the Risk Views group, click Risk Register.
2. Double-click on a risk ID to open the Risk information dialog box.
3. Click the Probabilities and Outcome tab.
4. Enter Chance which will be used to calculate probability.
5. Select Outcome Type from dropdown list.
6. Select Outcome label from dropdown list or enter percent.
7. Threat/Opportunity will be calculated automatically if you enter a negative outcome.
8. If required, repeat steps 5-7 for each mutually exclusive alternative.

Use the Format Risk Matrix dialog box to toggle between entering risk outcomes as labels, percentages, or both.

Defining risk chances and outcomes in the Risk Register grid

By default, the Risk Register’s columns don’t allow you to enter risk chance and outcome directly. You need to define appropriate columns first:

1. Within Risk Register or Risk Properties views, right click on the header of the column next to which you want to define that column in order to enter chances and outcomes.
2. Click on Insert Column Before or Insert Column After.
3. Select field from the Field Type dropdown list. Here is the list of columns which can be presented in the Risk Register:

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
<th>Calculated (Read Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact Original</td>
<td>Calculated impact of risk when it is first entered in the Risk Register</td>
<td>Calculated</td>
</tr>
<tr>
<td>Impact Pre-mitigation</td>
<td>Current calculated risk impact</td>
<td>Calculated</td>
</tr>
<tr>
<td>Impact Pre-mitigation</td>
<td>Current calculated risk impact with minus changes due to mitigation efforts factored in</td>
<td>Calculated</td>
</tr>
<tr>
<td>Impact: Cost</td>
<td>Risk Outcome: Cost Category, current or pre-mitigation</td>
<td></td>
</tr>
<tr>
<td>Impact: Cost, Post-mitigation</td>
<td>Risk Outcome: Cost Category, post-mitigation</td>
<td></td>
</tr>
<tr>
<td>Impact: Environment</td>
<td>Risk Environment: Cost Category, current or pre-mitigation</td>
<td></td>
</tr>
</tbody>
</table>
Columns for Chance (Probability) and Score are defined the same way. After you define appropriate columns, they can then be used to enter the risk chance and outcome for each category.

**Uncertainties in Risk Outcomes**

You can define risk outcome as a range defined by a statistical distribution:

![Select statistical distribution for risk outcomes.](image)

After you enter probabilistic risk outcomes and click **OK**, RiskyProject will perform Monte Carlo simulations and calculate the risk impact based on the mean of the statistical results.

**To enable probabilistic risk outcome:**

1. Click the **Schedule** tab. In the **Settings** group, click **Options**.
2. Click the **Risk** tab.
3. Select the **Enable statistical distribution for risk outcome** checkbox.

Once enabled, this setting is the default for all RiskyProject files on your computer.

**To define statistical distribution for risk outcomes:**

1. Click the **Risks** tab. In the **Risk Views** group, click **Risk Register**.
2. Open the **Risk Information** dialog box.
3. Click the **Probabilities and Outcomes** tab for qualitative risk analysis (if you don’t have project schedule) or Assign to tasks or resources for quantitative analysis.
4. Right-click on risk alternative ID and select **Distribution of risk outcomes**.
5. Select the distribution from the **Distribution** list. If you select **Undefined**, the base value will be used for all iterations.
6. Define the distribution parameters. The Probability Density chart is automatically updated. You can adjust distribution parameters using the sliders.
7. If you use a custom or discrete distribution, a grid opens. The grid will allow you to define points (or intervals for discrete distributions) and associated with each point (interval).
8. If you select **Normal** or **Lognormal**, you must select the **Low** and **High** probability range (P1 and P99, P5 and P95 or P10 and P90). These are “cut-off” parameters; meaning that duration, cost, or start time cannot go beyond these values.
For quantitative analysis you may also define statistical distribution using Global risk assignment view and dialog boxes. For example in Global Risk Assignment you may click on Risk Assignment ID for the particular risk alternative and go to risk tab.

To define statistical distribution for risk outcome you must have uncertainties in risk outcomes enabled. It can be done by clicking on Schedule tab > Options > Risk tab and then selecting Enable Statistical distribution for risk outcome.

About Cost of Risk Calculations

Risk cost calculates the total cost of a risk that takes into account the risk mitigation plans linked to the risk. The Risk cost calculation is performed in the Properties tab of the Risk Information dialog box.

Risk cost calculation

1. Enter Potential Loss: the loss in monetary terms if the risk occurs.
   For example, for the risk “low quality component”, the potential loss is $50,000. It is the cost that you would incur if a low quality component was supplied.

2. Probability Before Mitigation comes from the Probabilities and Outcome tab of Risk Information dialog box. See Risk Probabilities and Impacts for more information.

3. Expected Loss takes into account that the risk may not occur. It is an indicator that helps you to compare the costs of different risks.
   Expected loss = Potential Loss * Probability (pre-mitigation)
   For example, probability of risk “low quality component” equals 50%. Potential loss equals $50,000. Expected loss will be $25,000 = $50,000 * 50%

4. Cost of Mitigation is taken from Waterfall tab of Risk Information dialog box. It is the cost associated with efforts to reduce the probability and impact of the risk.
   For example, mitigation plans will include “Additional QA procedure” and “QA audit of supplier’s operation”, which would cost $10,000 in total.

5. Even if a mitigation plan is executed as planned, there will still be a cost associated with a risk as it is possible to reduce risk, but not to eliminate it (an exception is when you are able to avoid the risk). The response plan may be executed if the risk occurs and will be calculated using the cost entered for the response plan associated with this risk. This cost is entered Mitigation and Response view.
   For example, if the risk “low quality component” occurs, this component needs to be replaced with a new one, which would cost $20,000.

6. Residual risk may still occur after the risk response and is cost is calculated as the Cost of Residual Risk.
   For example, the new component installed as a risk response can still be defective. The residual cost of the risk will be $10,000.

7. Probability after Mitigation comes from Waterfall tab of Risk Information dialog box. See “Risk Mitigation and Response Plans” for more information.
For example: Risk Probability after mitigation equals 25% as a result of the execution of the mitigation plan “additional QA procedure”, probability of risk “Low quality component” is reduced two times.

8. Expected loss after mitigation takes in to account the fact that risk may not occur.

\[ \text{Expected loss after mitigation} = (\text{Cost of Response Plan} + \text{Cost of Residual Risk}) \times \text{Probability after information} \]

For example, probability of risk “low quality component” after mitigation equals 25%. Expected loss after mitigation will be $7,500 = ($20,000 + $10,000) \times 25%$

9. Total Risk Cost after Mitigation = Expected loss after mitigation + Cost of Mitigation

For example: Total cost after mitigation of risk “low quality component” will be $17,500 = $7,500 + $10,000$

10. Saving from Mitigation is the difference between costs with and without mitigation. If this number is negative mitigation efforts will not lead to cost saving.

\[ \text{Saving from Mitigation} = \text{Expected Loss} - \text{Total Risk Cost after Mitigation} \]

For example, total cost after mitigation of risk “low quality component” will be $17,500. Expected loss $25,000. Saving from Mitigation is $7,500. Because this number is positive, it makes sense to perform mitigation efforts.

**Custom Risk Properties**

All risks properties including pre-defined risk properties and custom properties can be viewed and edited using the Custom Properties tab of Risk Information dialog box.

1. Click the **Risks** tab. In the **Risk View** group, click **Risk Register**.

2. Double-click on risk ID to open the **Risk information** dialog box.

3. Use **Custom Properties** tab to enter general information about risk. Enter or update values of properties. You can assign a set of custom risk properties using the **Default Risk Properties** dialog.
Risk Reviews

RiskyProject helps you to facilitate regular risk reviews. You can define the risk review periodicity (weekly, monthly, quarterly). RiskyProject will notify you before review is scheduled. During the risk review, you may analyze all risk attributes, make necessary changes, and write notes. Risk reviews are important components of the risk management monitoring and control process as the status of risks and their attributes, such as probabilities and impacts, are in constant flux during the course of a project.

Risk review due date

Each risk review has a due date. The risk must be reviewed on or before a due date. A few days before due date RiskyProject will notify you regarding the scheduled review. The notification will come in the form of a changing color of the Next Review property. Next Review is shown by default in Risk Properties view:

You may also view the Next Review date on Properties and Risk Review tab of Risk Information dialog box. You may also insert a Next Review column to the Risk Register view.

Warning: due date is approaching

Risk review is overdue

The default risk review frequency and number of days before incoming risk review is defined in Default Risk Properties dialog (Risk tab of the ribbon, Settings pane).
Entering and viewing risk reviews
You may enter information regarding risk review using Risk Review tab of the Risk Information dialog box. The Risk Review tab offers greater flexibility to view all risk reviews for the project, as well as allowing you to modify or delete risk reviews.

To enter a risk reviewing:
1. Click the Risks tab. In the Risks View group, click Risk Register.
2. In the ribbon, click the Risk and then the Risk Register or Risk Properties view.
3. Double-click on risk ID to open the Risk information dialog box.
4. Use Properties tab to enter general information about risk.
5. Click Submit Review button
6. In Risk Review dialog box enter who submitted review, review notes, and click OK.
7. If necessary update due date for the next review using Next Review field or update frequency of review for this risk using Review Frequency dropdown list.

Assigning Risk Response Plans
Response plans defined in the Mitigation and Response view can be assigned to risks. Only one response plan can be assigned to a particular risk.

Assigning Response Plan:
1. Click the Risks tab. In the Risks View group, click Risk Register.
2. Double-click on risk ID to open the Risk information dialog box.
3. Click the Properties tab
4. Select Response Plan from defined in Mitigation and Response View from dropdown list.
5. You may define a new response plan by clicking on New Response button.
6. You may update a response plan description by clicking on the Response Description button.
Assigning Mitigation Plans

You can assign mitigation plans defined in the Mitigation and Response view to your risks. One risk may have multiple sequential mitigation plans. They can be shown as a Waterfall diagram.

Waterfall diagrams can be used to visualize the timing of mitigation efforts over the course of the project.

- Pre-mitigation probability and impact are the results of calculation. Therefore, they cannot be updated in the waterfall tab.
- Probability, impact, and score for the last mitigation effort are converted into the post-mitigation probability, impact, and score and will be shown in the Risk Register.
- You can view Planned and Actual risk mitigation efforts. Actual mitigation efforts are taken from the History tab on the Risk Information dialog.

Viewing waterfall diagrams:
1. Open the Risk Register view.
2. Double click on Risk ID. The Risk Information Dialog box opens.
3. Click the **Mitigation (Waterfall diagrams)** tab.

4. Enable or disable Actual and Planned mitigation lines using check boxes on the left bottom corner.

**Risk History**

The Risk History records any changes made to the risk over time. Risk history is automatically updated when you save the project.

**View a risk history:**

1. Click the **Risks** tab. In the **Risk Views** group, click **Risk Register**.
2. Double-click on a risk ID to open the **Risk information** dialog box.
3. Click the **History** tab to view risk history.
4. To copy a risk history record to the clipboard, Right-click on a record ID and select **Copy Data**.
5. To delete record, Right-click on record ID and select **Delete Item**.

- You can modify the date of the history record. Other fields are read-only, so you cannot modify them, but you can delete the risk history record.
- Risk history is used to present the history on the Risk Matrix, as well as to determine the Original risk probability and impact.
Risk Matrix and Risk Trend Chart

Risk Matrix and Risk Trend views allow you to determine the severity of a risk and analyze how risks are changing over time:

- The **Risk Matrix** is a tool that allows you to determine the severity of a risk. The Risk Matrix view shows this using the risk probability (y-axis) vs. calculated risk impact (x-axis) of the project risks. The Risk Matrix view is divided into two sections: a table with a list of risks with their actual calculated values for probability, impact, and score. When you select these risks, they are shown visually on a matrix, which provides a visual comparison of this data put as well as putting each risk into the context of your organization’s risk tolerance.

- The **Risk Trend** shows how project risk change over time. The Risk Trend can be presented as bar chart, stack area chart, or in table format (**Total Risks**).

- The **Risk History** shows how the probability and impact of an individual risk has changed over time.

- The **Risk Monitor** shows the number of risks per cell in the risk matrix.

**Viewing the Risk Matrix and Risk Trend Chart**

1. Click the **Risks** tab. In the **Risk Views** group, click **Risk Matrix**.

2. Select type of chart you want to view at the bottom of risk matrix.

3. Select the **Threats** or **Opportunities** option at the top of the matrix. You cannot view Threats and Opportunities at the same time.

4. Select a risk category from the **Risks affected** dropdown list, if you do not select. Lists of all risks associated with the selected risk category are shown in the table. Select **All Parameters** to view the overall risk score (sum of all risk categories) for selected risks.

5. Select the check boxes beside the risk names to view the risks on the Risk Matrix. To hide a risk, simply clear the check box. By default, risks with zero impact cannot be selected. Use the “Hide a risk if Score is < “box to show/hide risks below the entered threshold.

To format the Risk Matrix, right-click on the **matrix** and choose **Options**. For more information about formatting the Risk Matrix, read “Formatting the Risk Matrix”.

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Copy the risk matrix and risk trend chart to the clipboard or save as a JPEG file

1. Right-click on the Risk Matrix.

2. Choose Copy to Clipboard as Metafile, Copy to Clipboard as Bitmap, or Copy Chart to File (JPEG, PNG, GIF…).

3. If you chose to create a file, you will be prompted to select file format and save it to a directory.

Viewing mitigation plans on the Risk Matrix

Changes in probability and impact due to mitigation plans added to a risk’s mitigation waterfall chart will automatically be displayed in the Risk Matrix.
Viewing the Risk Trend Chart

Risk Trend shows how many risks belonging to different probability and impact ranges (colors) existed in a certain time period. To adjust periodicity and order of probability and impact ranges, right-click on the matrix and choose **Options**. For more information about formatting risk matrix, read “Formatting the Risk Matrix”.

---

**In this time interval it was:**
- 8 low risks
- 4 medium risks
- 2 critical risks

Arrows show changes in the probability and impact of risks due to mitigation plans.
Risk Report

Risk Report is a view, which presents attributes of selected risks. The report for one risk may contain one or many pages. The total number of pages per report equals the number of selected risks multiplied by the number of pages per risk. The Risk Report includes six sections:

1. General Properties
2. Pre- and post- mitigation probabilities, impact and score
3. Cost of Risk
4. Custom Properties
5. Waterfall Chart
6. Mitigation Plans

Each page of the risk report contains a header and footer. The header and footer may include up to three lines of text and a logo located on the left or right side.

Customize the Risk Report

You can customize the Risk Report in the following ways:

- Select the order and turn on and off any section of the report
- Customize any particular section by enabling or disabling any attribute and customizing labels of the attribute. For example, by default the label for risk detailed description is called “Description”. Instead you may use “Information about risk”.
- Customize headers and footers. Specifically, you can select a logo (company) that can be placed in the header and/or footer.
- Modify attribute values or labels.

To customize the risk report

2. At the bottom of the view, click Customize Risk Report.
3. Enable/disable attributes, customize attribute’s label, make label or value of the attribute bold
4. In the Order of Data Tables, select the data tables you want to include in the report and use the Move Up and Move Down buttons to change the order of the sections
5. For “Pre- and post- mitigation probabilities, impact and score” of the report enable or disable pre and post mitigation matrixes.
6. Click OK. The report will be regenerated to reflect the changes.
Customize Header
Enable/disable attribute, customize attribute's label, make label or value of the attribute bold
Select section of the risk report and change the order of the sections
Select logo as a bitmap
Customize Pre- and post-mitigation section
Customize Footer

Setting up Defaults for Qualitative Risk Analysis

Risk ID Settings

You can generate Risk IDs automatically. Alternatively, you can enter the Risk IDs manually, in the same manner as you enter any other risk property. If a Risk ID is generated automatically, you can overwrite it manually. Risk IDs will be incremented each time you enter new risk.

Risk IDs may include four components

1. **Prefix** – any symbols (optional)
2. **Number** – from 4 to 16 digits (optional)
3. **Suffix** – any symbols (optional)
4. **Date** – date format can be defined (optional)

Risk ID can be unique for all projects on your computer or unique only for a particular schedule. For example, if Risk ID is unique for all projects on your computer:

- Project A will have risks R0001, R0002, R0003, R0004
- Project B will have risks R0005, R0006, R0007

If Risk ID unique only for the particular schedule:

- Project A will have risks R0001, R0002, R0003, R0004
- Project B will have risks R0001, R0002, R0003

You can always reset the starting number. The starting number only affects new risks and does not affect risks, which had been previously entered. However, if you update the starting number the Risk ID may not be unique. In addition, the Risk ID may be not unique if you manually overwrite automatically generated risk ID.

To enable automatic generation of Risk ID and define format of Risk ID:

1. Click the **Schedule** tab. In the Settings group, click **Options**.
2. Click the **Risk** tab.
3. Select the **Generate Risk ID automatically** check box.
4. Click on **Risk ID Format** to define rule of Risk ID automatic generation; **Risk ID Format** dialog box opens.
5. In the **Risk ID Format** dialog select how Risk ID will be generated: for particular project or for all projects on your computer.
6. Define the Risk ID prefix and suffix.
7. Define the number of digits for Risk ID generation.
8. Enable / disable date as part of the Risk ID format.
9. If date is enabled, define the date format and position.
10. Define the starting number for generating Risk IDs.
Risk ID may be the same for risks for different project files

Risk ID can be unique for all risks on this computer

You may reset starting number of the risks.

Prefix  Number  Suffix  Date
Managing Risk Categories and Outcome Types

RiskyProject has a default list of risk categories and outcome types. You may customize risk categories and outcome types: add new outcomes or delete existing categories or outcome types.

For example, you add the category Security, which is not in the list of predefined categories:

- **Category:** Security
  - **Outcome Type 1:** Trespassing
  - **Outcome Type 2:** Information Security Failure

Categories are shown at the top of Risk Register, Risk Properties, Risk Matrix, and Risk Report views. You are able to filter risks based on category. Outcome types are filtered based on the risk probabilities and outcomes. For example, you enter the risk “Failure of security procedure”. It will have probability 60%, outcome type “Information Security Failure” and outcome “Low”.

Risk categories related to project duration are referred to as “Schedule and Scope”. This category is shown Risk Register as the “Duration” category. Risk categories related to project cost are referred to as “Cost and income” and are shown in the risk register as the “Cost” category. Under both these categories you will find a number of outcome types. Most of these outcome types are reserved for quantitative risk analysis (read “Quantitative Risk Analysis” for more information). For qualitative risk analysis only two outcome types are available: “Relative Delay” for “Schedule and Scope” and “Relative Cost Increase” for “Cost and income category”.

- One risk may have different outcomes type and categories. For example, "Low quality supplies" can affect quality and safety. RiskyProject will calculate the impact of this risk on safety and quality separately, and the combined impact on all risk categories.
- You can enable/disable risk outcomes. Once disabled, risk outcomes will no longer be available on the Probabilities and Outcome tab of Risk Information dialog box.

- You may save a customized set of risk categories and outcome types to the system registry for all future projects on your computer by clicking the Set as Default button. This new default set of risk categories and outcome types will not affect existing projects. You may also restore a pre-defined set of categories and outcome types by clicking the Restore Defaults button.

- You may copy the risk category and outcome type data to the clipboard. To do this, select a row under which you want to add a copy risk outcome, right-click on the row number and choose Copy Data.

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### Adding risk categories

1. Click the **Risks** tab. In the **Settings** group, click **Categories and Outcomes**.
2. Click the **Outcomes** tab.
3. Select a row above where you want to add a new risk category.
4. Right-click on the row number and choose **New Item**.
5. Provide a name.
6. Click the **Outdent** arrow. By default, all new rows are considered risk outcomes, by moving the outcome to the left the outcome is converted into a risk category. This is indicated when the name is bolded and the Task and Resource check boxes disappear.

### Adding risk outcome types

1. Click the **Risks** tab. In the **Settings** group, click **Categories and Outcomes**.
2. Select a row under which you want to add a new risk outcome.
3. Right-click on the row number and choose **New Item**.
4. Type in the name.
5. Select whether you want to apply the outcomes to tasks and/or resources using the check boxes provided.

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### Risk Weighting

Risk Weighting is a method of assigning the relative importance of a particular risk category to an organization and is important when dealing with multi-criteria decision-making. RiskyProject uses a form of the Analytical Hierarchy Process (AHP) to weigh the relative importance of one risk category over another. By default, weights for all risk categories are equal.

AHP is a two-step process:

1. Develop a list of your risk categories and criteria.
2. Perform a pair-wise comparison to establish consistent ranking or priorities for each risk category.

For example, after determining your organization’s risk preferences, you determine that Safety risk is twice as important as Environment; you would enter a 2 into the cell where the Environment category row intersects the Safety column.
Notice that the relative importance of the Safety Category has increased to 13.8 while the rest of the categories have decreased.

These weights will be used in the calculation of the risk impact on all categories.

### Weighting risk categories

Before you can add risk weights, you should perform a risk weighting analysis to determine the relative importance of each risk category to your organization.

1. Click **Risks** tab. In the **Settings** group, click **Categories and Outcomes**.
2. Click the **Weights** tab.
3. Select the risk category to which you want to add the weighting factors.
4. Enter the risk-weighting factor for each risk category (column).
5. Repeat Steps 3 and 4 for each risk category.

### Managing Default Risk Properties

#### Risk Properties

Each risk may have risk properties. These properties are useful for storing any information about the risk. You can use risk properties to search and filter the Risk Register. Risk properties can be different types:

- String – text information
- Integer number
- Real number
- Resource – can be taken from list of resources
- Date
- Picklist: dropdown list with values
- Mitigation Action: used to import data from Excel, see “Importing Risk Register Microsoft Excel”
- Threats or Opportunities: used to import data from Excel, see “Importing Risk Register Microsoft Excel”

Integer numbers and real numbers have maximum and minimum values.

The list of risk properties is hierarchical; the risk properties are subdivided into separate groups.

#### Editing the default risk properties

1. Click the **Risks** tab. In the **Settings** group, click **Default Properties**.
2. Select a row under which you want to add a new risk outcome.
3. Right-click on the row number and choose **New Property** Item
4. Type in the name.
5. Select type, maximum and minimum values for the new property.

6. Use the **Indent** and **Outdent** arrows to create groups of risk properties.
7. If you have Picklist type risk property double click on risk property ID; Picklist dialog box will come up where you can enter the list of values.

Default risk properties are automatically saved in the system registry and can be used for all projects. You may use the **Restore Default** button to overwrite changes in default risk properties you made with standard set of risk properties.

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If you created custom risk properties in RiskyProject 3.2 and earlier, they will not automatically transfer over to a newer version of RiskyProject. You will have to re-enter these default risk properties into the newer version of RiskyProject. However, values associated with these risk properties are saved in the file.

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**Formatting the Risk Matrix**

You can modify the Risk Matrix to define the risk matrix’s number of row and columns, define labels and the risk tolerance display. These settings will be used in Risk Matrix view.

**Risk Tolerance**

The level of risk tolerance is displayed using color-coding (for threats: green: low risk, yellow: medium risk, red: high risk). A high number of green cells on the chart indicates a high risk tolerance. A high number of red cells on the chart indicates a low risk tolerance. Color-coding for opportunities is the opposite.

**Number of Rows and Columns, Labels for Probabilities and Impacts**

In the Format Risk Matrix dialog box, the number of rows in the Probability table corresponds with number of rows of the risk matrix, and the number of rows in the Impact table corresponds with the number of columns in the risk matrix. Therefore, to add or remove a row or column in the risk matrix, simply add or remove the label in the probability or impact table.

You may define probability and impact for different labels for each risk category. In addition, you may define different labels for threats and opportunities.

For example, if, in the Duration category, the impact label for “Threats” is “Low: 1 month delay”, the impact label for the opportunity in the same category is “Low: 1 month acceleration”. If you do not define labels for a risk category, the default set of labels will be used. You may modify the default set of labels by selecting “Default” from the dropdown list and then editing as required.

Probability labels are used only in the Risk Matrix; impact labels used appear in the Risk Matrix as well as to define outcomes of each risk in the **Probabilities and outcomes** tab of the **Risk Information** dialog box.
For example, an impact label “Low: 1 month delay” will be shown on the horizontal axis of the Risk Matrix. In addition, when you define the impact of a risk, which has an outcome type “Relative delay”, you will be able to select the outcome “Low: 1 month delay”.
In Risk Information dialog box:

- Select risk category from the dropdown list.
- Enter probability labels and ranges for threats and opportunities.
- Enter impact labels and ranges for threats and opportunities.
- Probability labels are shown here.
- Impact labels are shown here.
- You may add symbol or number before probability and impact label.
- Risk Outcome can be expressed different ways.
- Number of rows equal number of rows in probability table.
- Number of columns equals number of rows in impact table.
- Use slider to define risk tolerance.

Number of rows equal number of rows in probability table.
Number of columns equals number of rows in impact table.
Use slider to define risk tolerance.
Nonlinear intervals for probability and impact

In standard risk impact and probability matrixes, intervals can be non-linear. For example, in some 5x5 risk matrixes, Very High probability often indicates a probability of 10 - 70%, High 70-50%, Moderate 50-30%, Low 30-20% and Very Low is >10%. The risk matrix can be setup so that the matrix “intervals” can be modified so that each interval can represent a different scale for both probability and impact. The sum of all intervals must be equal to 100%. When you are modifying the ranges, if the sum is not equal to 100%, the background color will be pink. Once the sum equals 100% the color changes to green.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Low</td>
<td>10%</td>
</tr>
<tr>
<td>Low</td>
<td>20%</td>
</tr>
<tr>
<td>Medium</td>
<td>20%</td>
</tr>
<tr>
<td>High</td>
<td>20%</td>
</tr>
<tr>
<td>Very High</td>
<td>30%</td>
</tr>
</tbody>
</table>

The same process can be used to customize your impact matrix

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Negligible</td>
<td>1%</td>
</tr>
<tr>
<td>Minor</td>
<td>4%</td>
</tr>
<tr>
<td>Moderate</td>
<td>5%</td>
</tr>
<tr>
<td>Serious</td>
<td>10%</td>
</tr>
<tr>
<td>Critical</td>
<td>80%</td>
</tr>
</tbody>
</table>
The example below shows how this would appear in the Format Risk Matrix dialog box.

**Probability and impact ranges and other Risk Trend Chart settings**

Each color on risk matrix represents a particular probability and impact range. By default, there are only three ranges: “Low” – green, “Medium” – yellow, and “Critical” – red. Each probability and impact range and impact range can be associated with certain risk mitigation and response actions. For example, risks that appear on green cells are low risk and can be accepted.
You may change color of each cell by double-clicking on the cell. You may also define a name of each range, and order how different ranges are shown in the Risk Trend Chart, as well as the periodicity of the risk trend chart.

**Steps to Format Risk Matrix**

**To format the Risk Matrix:**

1. Click the **Risks** tab. In the **Settings** group, click **Format Risk**.

2. Select a risk category from dropdown list. “Default” category is used if you did not explicitly define labels for specific risk category.

3. Modify the **Intervals** for **Impact** and **Probability** for the selected risk category.

4. Modify the **Impact** and **Probability** labels as required for the selected risk category.

5. Drag the **Risk Tolerance** slider to the left to set a low risk tolerance or to the right to set a high risk tolerance.

6. Toggle between **Threat** and **Opportunity** to view how the risk matrix will look like for threats and opportunities.

7. Define how risk outcomes in Risk Information dialog box or Risk Register will be shown:
   - As label only (e.g. “Low Impact”)
   - As percent together with label (e.g. “Low Impact – 15%”)  
   - As percent only (e.g. 15%)
   - As index of the label (1,2,3,4…) in dropdown list
• As index and the label: e.g. 2: Low Impact in dropdown list

8. Add symbol or number before probability or impact label. For example, instead of “Very Low” label you may use “A: Very Low”.

9. The define properties of the probability and impact range by clicking on “Risk Trend Chart Settings”

10. Advanced Settings allows you define different risk matrixes for individual projects or users (RiskyProject Enterprise only) as well as algorithm for impact calculation.

Your settings will be saved to the system registry for all new projects on your computer. These new defaults will not affect any previous projects. You can also restore the pre-defined set of categories and outcome types by clicking on the Restore Defaults button.

Risk Trend Chart Settings
Using Risk Trend Chart settings dialog you can define:

1. Order of bar on Risk trend chart associated with particular risk ranges. For example, for each time period Low risks (Green color) will first, Medium risk (Yellow color) will be second and High risks (Red color) will be third. You can use Move Up and Move down buttons to to define the order.

2. Name of each range.

3. Risk trend chart periodicity (Monthly, Quarterly, Yearly, etc.)

4. Maximum number periods in in Risk Trend Chart. For example, Risk trend will show 10 month back starting from the current month.

Algorithm for Impact Calculation
You may define algorithm for impact calculation using Advanced Settings dialog. There two algorithm:

• Combined impact = maximum impact of all categories; for example Cost Impact is 30%, Schedule Impact is 40%, and Safety Impact is 10%. Total impact is 40%

• Combined impact = sum of impacts in each category and then normalized; for example Total impact will be 70%. However if total impact for at least one risk in risk register with exceed 100%, all impacts for all risk register will be proportionally reduced to ensure that on impact is greater than 100%.

To define algorithm for impact calculation:

1. Click the Risks tab and then click on Format Risk Matrix

2. Click on Advanced Settings

3. Select Calculation of combined risk impact for all categories: maximum impact or normalized sum of impacts.
Saving and Loading the Risk Register

You can share a risk register between different projects. This feature is useful when you create a set of risks for your organization and want to share risks between different projects on different computers. Risk register can be saved on a corporate server. RiskyProject will lock risk register if you are using it to prevent another user from overwriting it.

To save the risk register

- Click the Risks tab. In the Export/Import group, click Risk Register and then Save Risk Register. The risk register will be saved as a separate file with extension *.alr.

To load the risk register,

- Click the Risks tab. In the Export/Import group, click Risk Register and Load Risk Register.

- When you save a risk register, risk assignments that are used for quantitative risk analysis are not saved. If you wish to share information about global risk assignment between different projects use risk templates.

- When you load a risk register to existing project all risks will be deleted.
Chapter 3: Managing Project Schedules
RiskyProject for Microsoft Project as a Standalone Application

You can launch RiskyProject directly from the Windows Program menu. When you open RiskyProject, the main Project view appears in which you can enter schedule and risk, perform the analysis, track project performance and report the results.

RiskyProject for Microsoft Project

RiskyProject seamlessly integrates with all versions of Microsoft Project from 2003 and later. When you install RiskyProject, it checks if Microsoft Project is installed on the computer. If Microsoft Project 2003/2007 is installed, RiskyProject and adds a toolbar and macro to Microsoft Project. If Microsoft Project 2010/2016 is installed RiskyProject installs ribbon tab and Add-In to Microsoft Project.

Here is how the integration works:

1. The first time you open Microsoft Project after installing RiskyProject for Project, check to see that the RiskyProject toolbar (for Microsoft Project 2003/2007) or ribbon tab (for Microsoft Project 2010/2016) is visible. In Microsoft Project 2003/2007, you can enable or disable the toolbar by clicking on Toolbars in the View menu. In Microsoft Project 2010/2016, you can enable/disable ribbon tab by clicking on Options in the File menu. Project Options dialog will come up where you can select Customize Ribbon. You can also check the installed RiskyProject add-in by selecting Add-Ins.

2. Create a schedule in Microsoft Project.

3. If you use ribbon for Microsoft Project 2010/2016:
   - Define statistical distributions for cost and duration of for selected tasks inside Microsoft Project; all statistical distributions are saved in RiskyProject file.
   - Add risk-related information in the RiskyProject views if necessary: risk events, probabilistic and conditional branching, probabilistic calendars, etc.
   - Perform Monte Carlo simulations
   - View results of analysis and reports in Microsoft Project

   If you use toolbar for Microsoft Project 2003/2007 statistical distributions need to be defined in RiskyProject views

4. At any moment, you can go back to Microsoft Project and make changes to your schedule. All changes will be reflected in RiskyProject. However, if you make changes to the deterministic project schedule in RiskyProject, these changes may be overwritten by the Microsoft Project schedule.
You must save the schedule in Microsoft Project to use the integration between Microsoft Project and RiskyProject.

Always use the RiskyProject toolbar or ribbon tab in Microsoft Project and Go back to Microsoft Project button in RiskyProject to move back and forth between RiskyProject and Microsoft Project.

Once you have added risks and uncertainties to your schedule in RiskyProject, they will be always associated with Microsoft Project schedule.

Once you open a risk view from within Microsoft Project, your Microsoft Project file will be associated with the RiskyProject data file that contains risks and uncertainties for the schedule created in Microsoft Project.

Links between the Microsoft Project schedule and the RiskyProject file (alm extension) are saved in the registry. If you move the the RiskyProject file into a different directory, you will be prompted to browse to find the RiskyProject file associated with the Microsoft Project file.

If you move the Microsoft Project file, the link between Microsoft Project file and RiskyProject will also be broken. In this case, use the command File > Import > Risks from Another Project to find the RiskyProject file.
• If you make any changes in Microsoft Project and open RiskyProject using the toolbar or ribbon tab, RiskyProject will reflect the change; however, the risks and uncertainties will be adjusted proportionately. For example, your schedule in Microsoft Project has a task “Project Inception” with a Base duration of 5 days and in RiskyProject you define Low duration as 2 days and High duration as 6 days. If you go back to Microsoft Project and change the Base duration to 10 days, when you return to RiskyProject, the Base duration will be 10 days (the same as in Microsoft Project); however, your Low and High durations will be adjusted proportionately (4 days and 12 days respectively. The same logic is used if you adjust the original fixed costs, work, income, lag, and start times.

• Low and high duration and costs are stored in Microsoft Project: duration1, duration2, duration3... Statistical distributions are stored in text fields in Microsoft Projects. You must map the duration, cost, and text fields in Microsoft Project to low and high duration or cost in RiskyProject using Field Mapping settings.

• Some features of Microsoft Project are not supported in RiskyProject. For more information, see Frequently Asked Questions.

• You can make changes to the schedule in RiskyProject. However, RiskyProject does not write these changes, such as task duration or task name, back to the Microsoft Project schedule. Therefore, we recommend that you do not to make any changes to original schedule in RiskyProject. Use RiskyProject to add risks, uncertainties and other risk related information.

• If you want to transfer the original schedule updated in RiskyProject or results of probabilistic analysis to Microsoft Project, use File > Launch > Microsoft Project. Please note that RiskyProject is using Microsoft Project XML format. Some scheduling data may not be transferred due to limitations of the XML format.

Using Microsoft Project 2010/2016 Add-In

Using the RiskyProject Add-In you can quickly add Low and High estimates for Cost and Schedule directly to your Microsoft Project file, run the simulation, and view the results of the analysis.

Setting up the Add-In options

You can set up your Monte Carlo calculation, chart, and field mapping options using the Add-In.

• Calculation options include the maximum number of iterations and convergence monitoring and more. To read more about calculation options, read Setting up calculation options.
Field mappings allow you to modify the default fields where the distributions for duration and cost are saved. To read more about the mapping, read Mapping custom fields in Microsoft Project to low/high duration/cost/income/distribution fields in RiskyProject.

Adding Low and High Duration or Cost in Microsoft Project
1. Select one or more activities.
2. Click the RiskyProject 7 tab. On the Input Distributions group, click Duration or Cost.
3. Enter in the Low and High estimates using coefficients or fixed values (single activity).
4. Select a distribution and modify any parameters required by the distribution.
5. Click OK.

To clean edits made to distributions:
1. Select the task or tasks in which you want to remove the distributions.
2. Click the RiskyProject 7 tab.
3. On the Input Distributions group, click Clean.

Run a Monte Carlo simulation using the Microsoft Project Add-In
Once you have added low and high estimates and distributions to your activities, you can run a simulation.

To run a Monte Carlo simulation:
1. Click the RiskyProject 7 tab.
2. On the Input Distributions group, click Calculate. A progress bar will open and indicating the number of iterations that have been completed.

3. When the simulations are completed the Project Information report opens, which contains a project summary of the results of the simulation.

![Project Information Report]

View the results of the simulation for a task
You can quickly view either histograms or tornado charts for a task. Only one task can be selected.

To view a histogram or tornado chart for a single task:
1. Click the RiskyProject 7 tab. On the Task Results group, click Histograms or Tornado. The Task Simulation Results report opens. To read more about these reports, see Viewing Task Simulation Results.
2. Viewing Task Simulation Results.
3. Double-click on any of the reports to open a detailed view of the results.

Create a statistics report
You can automatically generate a report that includes a histogram, cumulative probability, and sensitivity analysis for one or multiple activities using the Statistics Report. To read more about the Statistics Report, see Statistics Report for Quantitative Analysis.

To create report:
1. Run a simulation.
3. Select the activities that you want to include in the report.
4. From the **File** menu, click **Print** to open the **Print Options** dialog box.

**Running Diagnostics of Microsoft Project Schedule**

Diagnostics of Microsoft Project Schedule checks the schedule for logical errors as well as to uncover possible corruptions. Corrupted project schedules often cannot be imported to RiskyProject. To run project schedule diagnostics click on **Check Schedule** button.

**About installing the RiskyProject/Microsoft Project integrated solution**

During installation, RiskyProject checks if you have Microsoft Project 2003 or later installed. RiskyProject is not integrated with earlier versions of Microsoft Project using the toolbar. For early versions of Microsoft Project, you must use one of the formats generated by Microsoft Project (XML, or MPX).

Before you install the toolbar or ribbon, close all instances of Microsoft Project. RiskyProject adds the toolbar/macro or ribbon to the last installed version of Microsoft Project.

Information about RiskyProject’s ribbon for Microsoft Project 2010/2016 is saved in the system registry. RiskyProject will update these registry settings each time it is launched.

You may install the integration when RiskyProject is open. Click the **Tools** tab. In the RiskyProject Configuration group, click **Install Integration with Microsoft Project** to install RiskyProject toolbar/macro or ribbon in Microsoft Project.

- You must be an administrator to perform the installation.
- Your system must have Microsoft .NET framework 2.0 or later installed in order to install RiskyProject for Project. If Microsoft .NET framework 2.0 is not installed, the RiskyProject installer will prompt you to download it from the Microsoft web site and install it on your system.

**Additional Information about RiskyProject/Microsoft Project 2003/2007 integration**

In Microsoft Project 2003/2007 RiskyProject will update the Global.mpt file by adding the toolbar and macro. You may add or remove the RiskyProject toolbar and macro at any time without reinstalling RiskyProject:

<table>
<thead>
<tr>
<th>To add RiskyProject toolbar and macro to Microsoft Project 2003/2007</th>
<th>Open the file <strong>SetupRP2003.mpp</strong>, located in RiskyProject directory, for example: c:\Program Files\Intaver\RiskyProject 7</th>
</tr>
</thead>
<tbody>
<tr>
<td>To remove RiskyProject toolbar and macro to Microsoft Project 2003/2007</td>
<td>Open the file <strong>RemoveRP2003.mpp</strong>, located in RiskyProject directory, for example: c:\Program Files\Intaver\RiskyProject 7</td>
</tr>
</tbody>
</table>

Before adding or removing RiskyProject, make sure that you have the Macro Security Settings set to **Medium** in Microsoft Project. To update the Macro Security Settings in Microsoft Project 2003/2007, open the **Options** dialog box's Security tab and modify Macro Security.
For Microsoft Project 2003/2007 RiskyProject installer will add the toolbar and macro only to current Global.MPT file. If you use multiple Global.MPT files, you should add the macro and toolbar to the specific Global.MPT file manually as described above.

During installation, the following message may appear: Cannot save to 'Global.mpt'. This is a read-only file. You can view and copy information but you cannot save changes to this file under its current name. If you want to save changes to the file, choose Save As and rename the file.

The Global.MPT is a template file that is used for Microsoft Project settings. This file must be readable to install the RiskyProject integration. If the message appears, click Cancel. Then navigate to Global.MPT and the directory where Global.MPT is located and give them read-write permissions. Once you have provided these permissions, you should either repeat the installation or install macro and toolbar manually, as it is described above.

For more information about this issue please visit: http://support.microsoft.com/kb/163093

Mapping custom fields in Microsoft Project to low/high duration/cost/income/distribution fields in RiskyProject

You can use duration or cost fields in Microsoft Project or in any other software that uses Microsoft Project XML schema: duration1, duration2, duration3 … to define low and high duration in RiskyProject. You can also use duration1, duration2, duration3… fields in Microsoft Project to define low and high remaining duration for partially completed tasks.

You can use cost1, cost2, cost3, … fields in Microsoft Project to define low, base, and high cost and income.

Text fields are used to save statistical distribution.

If you previously used Risk+, you may map these fields duration and cost fields the same way as it was done in Risk+. This way you will be able to migrate data related to uncertainties in Microsoft Project from Risk+ to RiskyProject.

To use these fields, you must map them to the corresponding fields in before you import the schedule into RiskyProject. This includes if you are using the RiskyProject toolbar or ribbon in Microsoft Project. The default settings are shown below:
To map Microsoft Project fields:

1. On the RiskyProject Microsoft Project add-in click **Field Mapping** or in RiskyProject, click **File** and then choose **Import > Map Microsoft Project Fields**.

2. Select the Microsoft Project field associated with low/high duration, cost, and income in RiskyProject.

3. Select if you wish to map remaining duration fields as original duration fields. If remaining duration fields are mapped to the same fields as original duration fields and percent complete > 0, low and high duration fields in Microsoft Project are used for low and high remaining duration in RiskyProject. For example, both original duration and remaining duration are mapped to the same fields:

<table>
<thead>
<tr>
<th>Microsoft Project XML</th>
<th>RiskyProject</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mapping:</td>
<td></td>
</tr>
<tr>
<td>Duration1 -&gt; Low Duration = Low Remaining Duration</td>
<td></td>
</tr>
<tr>
<td>Duration3 -&gt; High Duration = High Remaining Duration</td>
<td></td>
</tr>
</tbody>
</table>

**Scenario 1: % complete = 0%**

- Duration1 = 3 days  
  - Duration Low = 3 days, Low Remaining Duration = 0
- Duration2 = 7 days  
  - Duration High = 3 days, High Remaining Duration = 0

**Scenario 2: % complete = 50%**

- Duration1 = 2 days  
  - Duration Low = 5 days, Low Remaining Duration = 2
- Duration2 = 4 days  
  - Duration High = 5 days, High Remaining Duration = 4
4. If you don’t want to import from Microsoft Project cost data, resources, cost fields, deadlines, and notes, select appropriate check boxes. It accelerates calculation.

5. If you have cost resources, you may wish to convert cost associated with these resources to the fixed cost during import. You can apply statistical distributions to the fixed cost, but cannot do it with cost resources. If you select check box **Convert cost from cost resources** to fixed cost, in RiskyProject cost resource will remain the same as in Microsoft Project, but cost defined in resource assignments will be equal zero.

6. Click **OK**.

Once you define mappings, it will stay in the system registry for all projects transferred from Microsoft Project to RiskyProject.

---

- The default mapping in RiskyProject 3.2 or earlier is different from later versions: low duration = duration1, high duration = duration3, base duration = duration2; duration2 must be equal duration field in Microsoft Project
- These mappings can be used for other scheduling applications that use Microsoft Project’s XML format, including Oracle’s Primavera. Please note: base fixed cost in Primavera may be saved as Cost1 in XML file.
- If remaining duration fields are mapped to the same as original duration fields and you changed % complete in Microsoft Project, you must redefine statistical distribution for duration or update values in duration fields for Microsoft Project.

### Advanced Mapping Options

Using advanced mapping options, you may “relax” some constraints in your Microsoft Project schedule while it is imported into RiskyProject. You can also define the location of the temporary file used to import results to RiskyProject.

---

You must define a temporary file location if the original project schedule has been read directly into Microsoft Project from Microsoft Project Server.

---

**To define advanced settings:**

1. Open the **Mapping Fields in Microsoft Project** and click **Advanced Mapping**. The Advance Mapping dialog box opens.
2. Select the constraints in the original project schedule you want to modify during import.
3. If your Microsoft Project schedule has elapsed duration, define the prefix for elapsed duration. In the English version, the prefix is ‘e’ (with space), e.g. ‘5 edays’. However in other languages, this prefix may be different.
4. Select the temporary file location for the RiskyProject Add-in in Microsoft Project.
5. Click **OK**.
Format of distribution definition text field for RiskyProject/Microsoft Project

If you define distribution in Microsoft Project, it will be saved in one of the text fields. Actual text field is defined in the process of mapping (see “Mapping custom fields in Microsoft Project to low/high duration/cost/income/distribution fields in RiskyProject”). Default fields are Text11 for duration and Text12 for cost distributions. The information will look like:

1^240^480^720^1209886208^0^5^2^12.88^3

Symbol ‘^’ is a separator

The table below outlines all parameters for the distribution string

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Description</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Unique Task ID</td>
<td>If Unique Task ID is zero the same distribution is defined for the group of tasks</td>
</tr>
<tr>
<td>2</td>
<td>Low Duration or Cost</td>
<td>Duration is in hours</td>
</tr>
<tr>
<td>3</td>
<td>Base Duration or Cost</td>
<td>Duration is in hours</td>
</tr>
<tr>
<td>4</td>
<td>High Duration or Cost</td>
<td>Duration is in hours</td>
</tr>
<tr>
<td>5</td>
<td>Seed</td>
<td>Seed ranges from 0 to 2,147,483,648</td>
</tr>
</tbody>
</table>
| 6         | Meaning of Low and High duration and cost | Used for normal and lognormal distribution only:  
  0: use standard deviation parameter instead of low and high values  
  1: low and high values are P1/P99  
  2: low and high values are P5/P95 |
3: low and high values are P10/P90
For other distributions this parameter is ignored

<table>
<thead>
<tr>
<th></th>
<th>Distribution Type ID</th>
<th>Uniform, Normal, Lognormal, etc. (See next table)</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>Number of distribution parameters</td>
<td>Must greater or equal zero, for example for uniform distribution number of parameters equals zero. For custom distribution number of parameters equals number of point multiplied by 2.</td>
</tr>
<tr>
<td>9</td>
<td>Distribution Parameters</td>
<td>Set of values which depends on the particular distribution (see next table)</td>
</tr>
</tbody>
</table>

Distribution types and parameters are shown in the next table

<table>
<thead>
<tr>
<th>Distribution Type ID</th>
<th>Distribution</th>
<th>Parameters</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Undefined</td>
<td></td>
<td>No distribution (on uncertainties)</td>
</tr>
<tr>
<td>1</td>
<td>Uniform</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Triangular</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Normal</td>
<td>Standard deviation parameter</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Lognormal</td>
<td>Mean and standard deviation parameter</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Beta</td>
<td>Alpha and beta parameters</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>BetaPert</td>
<td>Mean parameter</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Gamma</td>
<td>Alpha and beta parameters</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Exponential</td>
<td>Mean parameter</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Laplace</td>
<td>One parameter</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Cauchy</td>
<td>Shape parameter</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Gumbel</td>
<td>Two share parameters</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Rayleigh</td>
<td>Standard Deviation parameter</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Discrete</td>
<td>Set of intervals with probabilities</td>
<td>Pair of parameters defining current interval. Number of parameters equals number of intervals multiplied by two.</td>
</tr>
<tr>
<td>14</td>
<td>Custom</td>
<td>Set of points with probabilities</td>
<td>Pair of parameter defining points. Number of parameters equals number of point multiplied by two.</td>
</tr>
</tbody>
</table>
Setting up your projects

Setting up your project defaults

Project defaults are global project settings. There are two types of defaults:

- **Project Options** – These options are applicable to a particular project and are saved in the project file. You define project options on the Schedule tab, Settings group, Options.
- **Global Options** - These project defaults are applied to all new projects and are saved in the system registry. Global options include default risk properties, default risk outcomes, and default values of project options. You save global options clicking on Set as default in the tabs that support defaults in the Options, Risk Outcome, and Risk Properties dialog boxes.

The Options dialog box includes seven tabs. Use the:

- **View** tab to setup general project parameters and the appearance of the RiskyProject desktop
- **Duration** tab to define the calculation of task durations
- **Calendar** tab is responsible for the calculation of the project schedule
- **Units** tab defines how time units are displayed or input
- **Calculation** tab to set up default calculation parameters
- **Cost** tab is responsible for default cost parameters and calculation
- **Risk** tab defines default risks for the Global and Local risks.
- **Tools** tab defines the path for external applications

Setting up viewing defaults

Use the **View** tab to set up general project parameters and modify the appearance of the RiskyProject workspace.

1. Click the **Schedule** tab. In the **Settings** group, click **Options**.
2. Click the **View** tab.
3. Enter the default project information (i.e. **Project Manager**) in the text boxes. You can view them in the Project Results view and Main Project Settings dialog box next time you create new project. The Project Manager box is also used as a default value for risk properties: recorder, owner, and contact.
4. Select the project view that will appear whenever RiskyProject is opened from the Default View list. “***LAST VIEW***” will automatically load the most recently open RiskyProject session.
5. Select or clear the **Show or hide startup view** check boxes to enable or disable the workflow bar, legends, and splash screens.
6. Use **Restore Default Column Layout** and **Set Default Column Layout** to restore and save column sequences and widths for all views.

All viewing defaults are global, so they are applied to all new projects created on this computer.
Setting up duration defaults

Use the Duration tab to define the calculation of task durations.

1. Click the Schedule tab. In the Settings group, click Options.
2. Click the Duration tab.
3. Select the time units that you will use to enter Duration and Work. Duration and Work can be entered in minutes, hours, days, weeks, and months.
4. Define default value for effort driven flag for new tasks.
5. Select how low and high durations will be calculated:
   - Absolute values can be added (subtracted) to the Base Duration.
   - High and low durations are calculated by multiplying the Base duration with a coefficient. You must enter the coefficients.
   - Internally all calculations in RiskyProject are in hours. The units you select are only for data entry and display.
   - By default, Low, Base, and High durations are the same. This is important as RiskyProject recommends that you use Risks to calculate task durations rather than a range of uncertainty.
   - Low and High can represent a different uncertainty range depending upon the distribution that you apply. For uniform and triangular distributions, Low and High represent the minimum and maximum duration. For normal and lognormal distributions, the range can be P1/P99, P5/P95, or P10/P90, which you define in the Distribution tab of the Task Information dialog for each particular task.

Setting up calendar defaults

In the Calendar tab, you set up the default calculations for project schedules. Actual project calendars are set up in the Working Time dialog box. The specific calendars and type (Deterministic or Probabilistic) are set up in the Main Project Settings.

1. Click the Schedule tab. In the Settings group, click Options.
2. Click the Calendar tab.
3. Enter in the daily, weekly, and monthly translation values in the fields provided.
4. Select the date format in the Output Date Format box.
5. Enter a default start date for tasks in the New Task box. New tasks can be started on current date or default start date. Default start date is defined in Schedule tab > Project Settings > Project Start Time. If new task supposes to start on current date and different date is defined in Project Start Time of Main Project Settings dialog, new task will be constrained Start not early than.
6. Use the Show Deadlines and Show Resources on the Gantt chart check boxes to modify what you want to view on the Gantt chart.

Input date format is always MM/DD/YY. For example, if task start time or finish time is December 31, 2010, you should enter it as 12/31/10
Setting up project units
You define how time units are entered and displayed in the Units tab.
1. Click the Schedule tab. In the Settings group, click Options.
2. Click the Units tab.
3. Select the labels that you want to use for each time unit. These labels will be used for entering rates or for results. However, they are not used for entering duration. Duration units are defined in the Duration tab.
4. Select the Add space before label check box to add a space between the data and label. For example: 5 days vs. 5days.
5. Click the Set as Default button to set these as the default project settings.

Setting up calculation options
Setting up calculation defaults
You define default calculation parameters in the Calculation tab.
1. Click the Schedule tab. In the Settings group, click Options.
2. Click the Units tab.
3. Select the default calculation option from the Default Calculation for Projects.
4. Enter the maximum number of simulations that will be run in the Maximum number of simulations box.
5. Enter the convergence parameters in the boxes provided. Simulations can be stopped when the convergence criteria is met.
6. Select the meaning of low and high results. For example, if you check P10 and P90 it will mean that low start time result of the simulations is actually in the 10th percentile of the distribution. You can choose a specific percentile for Low and High results. For example, P30 will be associated with low results and P70 will be associated with High results.
7. Define minimum sensitivity coefficient for sensitivity view. If a sensitivity coefficient is less than the defined value, it will appear as zero in the sensitivity view. For example, minimum sensitivity coefficient is 0.16. A sensitivity coefficient for a particular task’s duration and project duration equals 0.1. Sensitivity coefficient for this task will be set to zero and this task will not be ranked in the sensitivity view.

Defining the maximum number of simulations
Based on our experience with real project schedules, the results converge normally between 400 and 700 simulations. However, in projects where there are risks with a very small change of occurrence, the number of simulations should be increased. For example, if there is risk with chance of occurrence of 0.1%, the number of simulations should be at least 1200. The maximum number of simulations is 30000.

- The number of tasks and number of simulations define small projects. RiskyProject automatically adjusts the definition of a small project based on your computer's performance.
- If Monte Carlo simulations are not performed automatically, you can perform them at any time by clicking the **Calculate** button on the ribbon.

---

### Setting up cost defaults

You define fixed cost defaults in the **Cost** tab. When you create tasks, RiskyProject uses these parameters for tasks (fixed costs) and resources (variable costs).

1. Click the **Schedule** tab. In the **Settings** group, click **Options**.
2. Click the **Cost** tab.
3. Enter in the scalar factors used to calculate default low and high fixed costs
4. Enter in the default rate for variable costs in the **Variable Cost** box. This is used when new work or material resources are created
5. If you want RiskyProject to calculate actual cost and income based on percent for work done (tracking information), click the **Actual costs are always calculated by RiskyProject** check box. Otherwise, you can manually enter actual data in Cost and Income view.
6. Select the **Currency symbol** and **format** for any field with currency.
7. Enter default **type of cost and income accrual**. Cost and income accrual can be at the start of the task, or at the end of the task and prorated.
8. Enter **Default Discount** rate for NPV calculation. This discount rate is used in Cash Flow view.

---

- If you define a distribution for cost using low, base, and high values and assign a risk for cost to the same task, this may cause a double count of the same risk factors.
- You can use any currency symbols, except for numbers, commas, and periods.
- You must define the particular unit for the default rate e.g. "hr" in the **Units** tab of the **Options** dialog box. By default, this unit is hours.

---

### Setting up risk defaults

You define defaults for **Global** and **Local** risks in the Risks tab. When you create a new risk, RiskyProject uses these parameters as the default values.

1. From the ribbon’s **Schedule** tab, choose **Options**.
2. Click the **Risk** tab.
3. Enter the default settings for the chance of:
   - Default chance of risk occurrence
   - Default type of outcome
   - Default outcome
   The result of outcomes is used to calculate outcomes for Relative Delay and Cost or Income Increase, as well as all user defined risk outcomes for non-schedule risks.
4. Select the default distribution for the moment of risk. This distribution is used to define when risk would occur during the course of project. It is defined by distribution type (uniform or triangular), and three parameters defining start, most likely, and finish time of risk occurrence expressed as a percent of total task duration starting from the beginning of the task. For example:
   - Distribution: Triangular
   - Start: 50%
   - Most likely: 80%
   - End: 100%
   In the above case, the default for new task with duration 10 days risk would occur after 5th day, but most likely would occur on 8th day.

5. Select the risk chance option. The chance can be defined per task (by default) or per duration unit. For example, 30% chance that task can be restarted per day. If task duration is 2 days, chance of risk occurrence per task will be 60%. This option works for all projects. You cannot have different risks with chance applied to the duration unit or chance applied to the complete task for the same project at the same time.

5. Enable or disable automatic generation of Risk ID and define rules for automatic generation of risk ID. For more information about risk ID generation, read Risk ID settings.

6. Define correlation of risk assignment. One risk can be assigned to different tasks or resources:
   - Go to each risk assignment view or dialog
   - Double click on risk assignment ID
   - Go to correlation tab
   For more information click on What is it? button

7. Enable or disable statistical distribution for risk outcomes. For more information about statistical distribution of risk outcomes, read Uncertainties in Risk Outcomes or click on What is it? button.

**Setting up project management tool integration**

You define the path for the external applications in the Tools tab. This tab is useful if you have removed an external application or a new release of the external application is installed and RiskyProject cannot find it in the registry. You can also use the Tool tab to correct a path if you selected the wrong file path for the external application.

1. Click the Schedule tab. In the Settings group, click Options.
2. Click the Tools tab.

3. Click the Browse button to browse for the application executable and enter in the URL of the application vendor.

4. Click OK to save the project defaults.
Setting up Calendars

About Calendars in RiskyProject

There are four types of calendars in RiskyProject: base calendars, project calendars, resource calendars, and task calendars. They are used to determine resource availability, resource scheduling, and task scheduling. Project calendars and task calendars are used to schedule tasks, and if resources are assigned to tasks, resource calendars are used as well.

You can modify these calendars to define the working days and hours for the whole project, for groups of resources, for individual resources, and for tasks. These calendars are distinct from the Calendar view, which shows the project schedule in a calendar format.

Base calendars

A base calendar is used as a template that the project calendar, resource calendars, or task calendars are based on. It defines the standard working and nonworking times for the project. It specifies the work hours for each workday, the workdays for each week, and any exceptions, such as holidays. You can select a base calendar to use as the project calendar or as the basis for a resource calendar. You can also apply a base calendar to specific tasks.

RiskyProject has five default base calendars:

- **Standard**: The Standard base calendar reflects a traditional work schedule: Monday through Friday, 8:00 A.M. to 5:00 P.M., with an hour off for break.
- **24 Hours**: The 24 Hours base calendar reflects a schedule with no nonworking time. The 24 Hours calendar can be used to schedule resources and tasks for different shifts around the clock, or to schedule equipment resources continuously.
- **Night Shift**: The Night Shift base calendar reflects a graveyard shift schedule of Monday night through Saturday morning, 11:00 P.M. to 8:00 A.M., with an hour off for break.
- **Morning Off**: The Morning Off base calendar reflects a schedule Monday through Friday, 1:00 P.M. to 5:00 P.M., without breaks.
- **Afternoon Off**: The Afternoon Off base calendar reflects a schedule Monday through Friday, 8:00 A.M. to 12:00 P.M., without breaks.

You can also create your own base calendar, which is useful if you have alternative schedules for multiple resources. For example, you might have resources working part-time, 12-hour shifts, or on weekends.

Creating or modifying a base calendar

Base calendars can be created or modified in the Working Time dialog (ribbon’s Schedule tab, schedule and calendar pane):

1. Click the Schedule tab. In the Schedule and Calendars group, click Working Time.
2. Click the New button to create a new base calendar, the Delete button to remove base calendar, or the Rename button to rename base calendar.
3. Use the Working Time calendar options to modify the selected base calendar. Choose Working Time from Schedule tab.
Project calendars

The project calendar defines the working and nonworking days and times for tasks. This calendar usually represents your organization’s traditional working hours. RiskyProject uses this calendar to schedule tasks that do not have resources assigned. By default, the Standard base calendar is used as the project calendar, but you can reflect alternative schedules by using other base calendars.

The working days and hours in the project calendar reflect the working days and hours for your whole project. You can specify special days off, such as company holidays.

Project calendar can be deterministic and probabilistic. Probabilistic calendars are useful for modeling uncertain scheduling conditions such as weather. Both deterministic and probabilistic project calendars can be selected from the list of available calendars in the Project Settings dialog (Schedule tab).

Resource calendars

Resource calendars make sure that work resources (people and equipment) are scheduled only when they are available for work. They affect a specific resource or category of resources. By default, the working time settings in the resource calendar match the project calendar. However, you can customize the resource calendar to show individual schedule information, such as vacations, leaves of absence, or equipment maintenance time.

When you create a resource, the default resource calendar will be created. You can view this resource calendar in the Working Time dialog box. By choosing Working Time from the Schedule tab, you can edit resource calendars to indicate nonworking time. You can also create or assign different base calendars for individual resources to indicate specific working hours. For example, you can assign a resource to a calendar that you created for carpenters who may be working during a time that is different from other workers. You can edit Base calendars for each resource in the Working Time dialog box.

When RiskyProject schedules the project, it uses the resource calendar to schedule the tasks that have resources assigned. For example, if a resource has a week of vacation specified on his or her resource calendar, RiskyProject will not schedule the task for that week.

If you have resources that work alternative schedules, such as part-time or the night shift, we recommend that you set up and apply a separate base calendar for each shift. You should use resource calendars to accommodate exceptions to an individual resource’s working times.

Task calendars

Task calendars make it possible to schedule tasks during nonworking time, as defined by the project calendar or resource calendar. For example, you can set up a task calendar if you have a task that needs to be worked on overnight or through the weekend.

You create a task calendar in the Working Time dialog box as a new base calendar. You can then apply the base calendar to a task by using the Advanced tab in the Task Information dialog box.

If you have applied a task calendar to a task that already has assigned resources, by default, the task is scheduled for the working times of resource calendars. If you want to schedule the task by using only the task calendar, select the Ignore Resource Calendars check box on the Advanced tab in the Task Information dialog box.
Defining working time

RiskyProject allows you to define multiple calendars. All calculations are done internally in hours and minutes.

1. Click the Schedule tab. In the Schedule and Calendars group, click Working Time.
2. Select a calendar from the Calendar list. There are five calendars provided:
   - Standard
   - Morning Off
   - Afternoon Off
   - 24 hours
   - Night Shift
3. If you need to modify the selected calendar, click on a day in the calendar. The working and nonworking time is displayed in the schedule on the right. You can define working for specific weekday. To do it just click on weekday and modify working times for the weekday. You may also specify working time for the specific day. To do it just click on specific day and modify working times.
4. Click on an hourly period to set it as working or nonworking time. White is working, pink is nonworking.
5. Once you have completed the calendar, click OK to save the changes.

Creating a new calendar

You can create a new calendar and save it under a new name.

1. Click the Schedule tab. In the Schedule and Calendars group, click Working Time.
2. Click the New button. The New Calendar dialog box opens.
3. Provide a name for the calendar and description.
4. Select the base calendar from the Based on drop-down list.
5. Click OK.
6. Modify the new calendar as needed.
7. Click OK to save the new calendar.

Renaming a calendar

You can rename calendars that you have created.

1. Click the Schedule tab. In the Schedule and Calendars group, click Working Time.
2. Select the calendar that you want to rename from the Calendar drop-down list.
3. Click the Rename button. The Rename Calendar dialog box opens.
4. Type in a new calendar name in the Rename Calendar box.
5. Click OK.

- You cannot rename the Standard, Morning Off, Afternoon Off, 24 hours, and Night Shift calendars.
• When you use any calendar other than the Standard, ensure that you properly translate the duration through the project. To define hours per day, hours per week, and days per month go to Tools > Options and select Calendar tab.

Deleting a calendar
You can delete calendars that you have created.
1. Click the Schedule tab. In the Schedule and Calendars group, click Working Time.
2. Select the calendar that you want to delete from the Calendar drop-down list.
3. Click the Delete button.

• You cannot delete the Standard, Morning Off, Afternoon Off, and 24 hours, Night Shift calendars. All other base calendars can be deleted as long as they are not used for resource, task, and project calendars.
• Resource calendar will be deleted automatically, when you delete the resource and this calendar is not used for other resources.

Probabilistic Calendars
You can create a probabilistic calendar. Probabilistic calendars will be used only for Monte Carlo simulations. The current project schedule will use the project calendar.

Probabilistic calendars are a set of base calendars with their respective probabilities.

Defining probabilistic calendars
1. Click the Schedule tab. In the Schedule and Calendars group, click Working Time.
2. Define base calendars that will be used for your probabilistic calendar. For example, if you would like to model that March will be 50% non-working, you need to create a base calendar entitled “March non-working”.
3. Click the Schedule tab. In the Settings group, click Project Settings.
4. Enter probabilities for each base calendar. For the example above, enter 50% probability for the standard calendar and 50% probability for “March non-working”. The sum of all probabilities must be exactly 100%.

Calculations with probabilistic calendars are performed according to the following rules:
• If a resource calendar is used, base calendar for resources would probabilistic calendar. For example, you have a resource Crew that has a non-working exception for February 18 on the standard calendar. This exception will be applied to the standard calendar 50% of the time and to the “March non-working” another 50% of the time.
• If the task calendar is defined, the probabilistic calendar will be ignored and the task calendar will be used.
• If there is no task calendar or resource calendar defined, the probabilistic calendar will be used.
Weather Calendars

Weather calendar is a type of probabilistic calendar, which defines the number of non-working days per month. In each day you can define low, base, and high estimates for non-working dates. The particular number of non-working dates is calculated for each simulation. For example, let’s say you define that in March there will be between 5 to 10 non-working days. On the first iteration on Monte Carlo simulations it will be 7 non-working days, and on the second iteration it will be 6 non-working days, etc.

Defining weather calendar

1. Click the Schedule tab. In the Schedule and Calendars group, click Working Time.
2. Select Calendar from the dropdown list, which will become the weather calendar.
3. Click on the check box This is a weather calendar.
4. Click on Settings. The Weather Calendar Settings dialog comes up.
5. In the Settings dialog, define the number of non-working days each month.
6. Select statistical distribution for the number of working days per month. It can be either uniform or triangular.
7. Select the year during which non-working days will occur. It can be either a specific year, for example, year 2018, or a general number of non-working days which will occur every year.
8. Update the seed, if required. Using the seed, you can correlate different weather calendars, for example, if they are to be assigned to different tasks or resources.
9. Click OK on the Weather Calendar Settings dialog.
10. Use the slider in the Working Time dialog to see how many non-working days are generated on the first 25 iterations of Monte Carlo simulations. This will help you confirm that you have correctly entered information about non-working days.

The number of non-working days defined in the Weather Calendar Settings dialog can overlap with regular non-working days, such as Saturdays and Sundays, in the Standard calendar.
Creating Projects

Creating a new project

The original view for a new document is defined in the Options, View tab. The default view can be the last view in the previous RiskyProject session.

1. Click File and then New. The new project file opens.
2. To save the project click the Save button and type in a project name.

- In addition to project files created in RiskyProject, you can also open files that have been saved as a Microsoft Project XML or MPX format. Microsoft Project XML is the industry standard for project management software and is supported by Microsoft Project, Oracle Primavera, and many other project management software applications.
- MPX format is a legacy Microsoft Project format supported by some applications. MPX format may not contain certain scheduling information fields.

Importing existing project schedules

You can import existing project schedules from Microsoft Project, Primavera and other project management tools using a variety of file formats.

Importing Microsoft Project files

You can import MS Project files using MPX, or XML formats.

1. Click File and then Open. The Open File dialog box opens.
2. Select the format that the project file is in from the Files of type drop-down list.
3. Select the MS Project file format that you just saved.
4. Click OK.

You can use the RiskyProject toolbar or ribbon in Microsoft Project to transfer your schedule from Microsoft Project to RiskyProject. When you use the RiskyProject toolbar or ribbon, your schedule in Microsoft Project will be associated with risks and uncertainties defined in RiskyProject. Please read “RiskyProject for Microsoft Project” for more information.

Importing data from other project management software

RiskyProject can import data from other project management software in MPX or Microsoft Project XML file formats.

1. Click File and then Open
2. Select the XML or MPX project schedule.
Due to the specific features of each application and the probabilistic nature of RiskyProject data, in very rare cases there may be discrepancies between the original project schedule and the imported schedule in RiskyProject.

**Importing data from other project management software and retaining risk assignments**

Sometimes you may want to import a project schedule from Microsoft Project or other software and retain existing risk assignments. It can be useful when you have imported a project schedule from Microsoft Project or other software, assigned risks in RiskyProject, and then updated the project schedule in Microsoft Project.

1. Click **File** and then **Import**.
2. Select the format type of your project data (XML or MPX).
3. Select whether or not you want to import the risks already assigned to the project.

RiskyProject will associate assigned risks with new tasks based on unique task IDs. Unique IDs do not change when you insert or delete tasks. You can rename the task in Microsoft Project, but risks will be assigned to the proper task and resource based on this unique ID.

**Importing risks and uncertainties from different RiskyProject file**

You can import risks and uncertainties from a different RiskyProject file and assign them to tasks and resources in the current schedule.

1. Click **File** and then **Risks from Another Project**.
2. Select the RiskyProject file (alm extension) with risks and uncertainties.

If the schedule originated in Microsoft Project, the risks will be assigned to the correct task and resource using the unique ID. Unique IDs do not change when you insert or delete tasks. If you created the schedule in the RiskyProject the risk will be assigned based to the tasks or resources based on ID shown in the task or resource data sheets. Such ID changes when you insert or delete tasks.
Project Settings

The Project Settings are where you enter general project information, project deadlines, and set the project calendars. Project settings can be defined by clicking on Main Project Settings (Schedule tab, Settings and Options group).

General Project Information

General project information includes:

- Project Name
- Project Manager
- Project Description
- Company
- Group/Division

This information will be shown on the Project Summary view as well as on reports. The Project Manager name will be used as a default value for risk properties: recorder, contact, and owner. Default values for these parameters are defined in Tools >Options view tab.

Project Start Time

Project start time is entered or edited in the Main Project Settings dialog box. Project start time is always deterministic. You change project start date and all project schedules will shift.

Project Calendar

Project calendar is used for scheduling tasks if task or resource calendars are not defined. Default project calendar is Standard.

Project Deadlines

Project Deadlines are entered or edited in the Main Project Settings dialog box. Deadlines affect the results of the probabilistic calculations, but do not affect the results of deterministic current schedule calculation.

- **Earliest Project Deadline**: if any task is started or finished before this date, the task and the complete project will be marked as canceled for the particular iteration. Start and finish time of the project will be adjusted. If the finish time of the task date is before the earliest project deadline, the task will have zero duration and begin on the earliest project deadline.

- **Latest Project Deadline**: if any task is started or finished after this date, the task and the complete project will be marked as canceled for the particular iteration. The start and finish time of the project will be adjusted. If the start date of the task is after latest project deadline, the task will have zero duration and begin on the latest project deadline.

- **Maximum project duration**: actual project start time plus maximum project duration is the maximum project finish time. It affects the project schedule the same way as Latest Project Deadline.
When any task within a project reaches the project deadline, the project will be marked as canceled for the particular iteration. However, task duration, start and finish times can vary between the different iterations due to the risks and uncertainties; therefore, tasks can reach the deadline in a single iteration, but not in another. RiskyProject calculates the project success rate based on the number of iterations where the project is successfully completed.

Example:

- Maximum Project Duration is 5 years
- Actual start time is Oct 1, 2003
- Projected Finish time is Oct 1, 2009
- Project will be canceled because Oct 1, 2003 + 5 years < Oct 1, 2009

Maximum project duration is working time (not calendar time). For example, one-month maximum project duration is 20 working days. It is done to make maximum project duration consistent to duration of any task.

Earliest Project Deadline and Latest Project Deadline are shown as red vertical lines on the Gantt chart. You cannot scroll Gantt charts beyond these dates.

If the project is outside of Earliest Project Deadline and Latest Project Deadline, the Monte Carlo simulations will not execute. For example,

- Actual Project Start Time: Oct 1, 2008
- Projected Finish Time: Oct 1, 2011
- Earliest Project Deadline: Jan 1, 2008
- Latest Project Deadline: Jan 1, 2011

In this example, the projected the probabilistic calculation will not proceed.

**Entering main project information**

1. Click the **Schedule** tab. In the **Settings** group, click **Main Project Settings**.
2. Define **Project Start Time**.
3. Define **Project Calendar**.
4. Define **Earliest Project Deadline**, **Latest Project Deadline**, and **Maximum** project duration.
Project Tasks

When you first start RiskyProject, the Project view opens. Start the scheduling process by adding tasks. Each task should have a name and a base duration. You can enter this information directly onto the datasheet or using the Task Information dialog box.

Opening the Task Information dialog box

The Task information dialog box can be used to enter task parameters (duration, start, finish times, assign resources to tasks, assign risks, etc.). You can open the task information dialog using one of the following ways:

- Double click on Task ID
- Right-click on task ID and Select Task Information
- Select Task and Click on Project > Task Information

Entering task name and duration

When you create a task, the first step is to enter a name and a base duration.

1. Click on the Task Name field in the Project view.
2. Provide a name for the task.
3. Enter a base duration in the Base Duration field. You can enter elapsed duration. Elapsed task duration is calculated using a 24-month calendar. To define elapsed duration, enter ‘e’ before units, for example, “10 edays”.

The default Start Time for tasks is defined in the Calendar tab of the Options dialog box. The start time can be either the current date or a project start date, defined in Project >Main Project Settings. You can always change start time using constraints (see Start, Finish Times and Constraints). You can also change other default parameters in the Options dialog box.

Define task durations using the Base Duration column. Once you have added all of the tasks, you can add uncertainties by assigning low and high durations. See Define Distributions for Start Time, Cost, and Duration for more information.
Defining summary tasks and subtasks

Summary tasks represent groups of tasks (subtasks) that can be logically grouped together under a larger task. In large projects with many tasks, this is a useful method of organizing your tasks.

1. Create a task directly above the tasks that you want to group under it. This will become the Summary Task.
2. Select the tasks that you want to be the subtasks of the summary task you created in step 1.
3. Click the Indent button located on the Format toolbar to indent the tasks. The indented tasks are automatically recognized as subtasks of the summary task. If you want to move a task out from under the summary task, select the task and click the Outdent buttons. After you click on an Indent or Outdent button, RiskyProject automatically recalculates the project.

Outline Selected Level

You may view summary tasks associated with a particular level of the hierarchy using the Outline button (Schedule tab).

Task Links

All projects require that the WBS tasks be performed in a certain order. These relationships are defined in RiskyProject using the four linking buttons located on the standard toolbar.

The four types of task dependencies are shown in the following figure:

If you want a next task to be a predecessor of a previous task, for example task 5 to be a predecessor of task 3, you will have to use Predecessors tab in Task Information dialog box. You can also use the Predecessors tab if you want to define lags time greater than zero.
Remember the following rules:

1. You cannot link summary task to one of its subtasks.

2. The predecessors of a summary task must have a finish-start or start-start dependency.

3. You cannot create circular relationships.

The connecting line between successors and predecessors will be red if there is a scheduling conflict:

Predecessors and Lags

You define information about predecessors and lags in the Predecessor tab of Task Information dialog box.

You can use the Standard toolbar button to link tasks; however, this method of creating task dependencies has limitations:

- You cannot link a task (from example Task #5) to a previous task (for example Task #3).
- You cannot input lag, which is time delay between predecessor and successor.

RiskyProject allows you to setup probabilistic lag with statistical distribution defined by low, base, high number.

Sometimes it is convenient to use predecessor tab instead of link toolbar buttons when task has multiple predecessor or if there is a big difference in task Ids between current task and predecessor. For example, it is not convenient to link task number 5 to task number 74 using toolbar buttons.

You can use Predecessor column within Project view to define or modify predecessors. Text: "1, 2+2 days" would mean than current task has two predecessors (Task 1 and Task 2 with lag 2 days).

Adding a predecessor to a task

1. Select the task to which you want to add a predecessor.

2. Open the Task Information dialog box.

3. Click the Predecessor tab.
4. On the first row of the grid, click in the Task Name cell. A drop-down list appears containing a list of all available tasks or type.

5. Select the predecessor from the drop-down list. By default, the predecessor type is Finish-Start (FS).

6. If required, enter a lag time. Use the Lag low and Lag high cells to enter a range of time. Lag can be positive or negative.

7. If you are entering a base, high and low lag, you can change the default distribution using the drop-down list in the distribution cell.
   - If the low and high lags are different, the default distribution is triangular.
   - If low, base, and high lag are the same the distribution is undefined.

8. If required, edit the Seed number. Seed is the starting parameter used for the random number generation that is used to calculate lag. If you have two predecessors, and they have strong positive correlations between their lags, you can make their seeds the same. For example, a low lag for one predecessor will coincide with a low lag for another predecessor.

9. Click OK.

- You cannot make a task be a predecessor to itself
- You cannot create a schedule that it will lead to a circular relationship between tasks
- You cannot link a summary task to one of its subtasks
- You cannot link two tasks twice.

Constraints

Constraints are limitations that you set on tasks. For example, you can specify that a task must start on a particular date or finish no later than a particular date. In RiskyProject, you can assign one of seven constraints to a task:

- As soon as possible (default)
- Start no earlier than
- Must start on
- Must finish on
- Start no later than
- Finish no earlier than
- Finish no later than

Summary tasks have only “As soon as possible” and “Start no earlier than”.

Use the General tab of Task Information dialog box to add or modify constraints. If you set a constraint to Start no Earlier Then, an additional edit box opens in which you set the date for this constraint.

If you assign a constraint other than As Soon As Possible, the background color for low, base, and high Start Times or low, base and high Finish Times changes to orange to indicate that the constraint is other than As Soon As Possible.
Use constraints to ensure that the task starts or finishes on the specific dates. Use caution when you link tasks with a constrained start or finish time with predecessors because of the potential for scheduling conflicts. In this situation, to avoid scheduling conflicts, set the constraint to As Soon As Possible.

Constraints affect both probabilistic and deterministic calculations. If you change the Low or High Start times, the constraint is set to Must Start On, similar to when you change the Base Start time.

- When a task has a constraint other than As Soon as Possible, it may not shift due to the nature of Monte Carlo calculations, even if predecessors have risks and uncertainties. Therefore, use caution when planning to perform probabilistic calculations with constraints.
- When you enter the actual start date of the task as part of tracking input, task would become constrained for the probabilistic calculation only. Start time will not change regardless of risks and uncertainties for predecessors.

### Adding constraints

Before you add a constraint, you should define the task name and duration.

1. Double-click the task to which you want to add a constraint.
2. Click the General tab.
3. From the Constraints drop-down list, select a constraint that you want to add to the task.

### Milestones

You can flag a task as a milestone. If you turn on a milestone, the task bar within a Gantt chart is displayed as:

Any task with zero duration is automatically displayed as a milestone in the Gantt chart; however, any task can be marked as a milestone. The milestone flag is for display only and does not affect the project calculations.

If a task has no duration entered, it is automatically displayed as a milestone and you do not have to complete the following steps. If you want to flag a task that has duration, complete the following steps.

### Creating a milestone

1. Select the task that you want to flag as a milestone.
2. Open the Task Information dialog box.
3. Click the **Advanced** tab.
4. Select the **This task is a milestone** check box.
5. Click **OK**.

**Task Deadlines**

You define task deadlines in the **Deadline** Tab of **Task Information** dialog box.

The Actual task deadline is defined by two factors: the maximum task duration and the task deadline. The Actual task deadline is a minimum of two numbers: task start time + maximum task duration and task deadline.

Three different actions can occur when a task deadline hits its deadline:

- **No Actions**: A red deadline arrow is displayed on the Gantt chart for all views, but it will not affect the calculation.

- **End task**: The task duration is reduced, but the task is not canceled.

- **Cancel task**: The task duration is reduced and the task is canceled.

- Deadlines do not affect the results of the deterministic calculation (for the current schedule); however, a red deadline arrow is shown on all views that include a Gantt chart. You can turn display of the deadline arrows on and off in RiskyProject Options (Calendar tab).

- If the actual deadline occurs on a non-working time, it is moved to the nearest previous working time.

- When a task reaches the deadline when it is assigned the **Cancel Task** option, the task is canceled. However, task duration, start and finish times are different on different iterations due to the risks and uncertainties. Therefore, the task can reach the deadline in one iteration and not another. RiskyProject calculates task success rate based number of iterations where the task has been successfully completed. Deadlines are one of the examples of Event Chains where events on one task (e.g. restart or delay) may cause another event (cancellation because deadline has been reached).

- Example: Task deadline is October 17, 2009. At the finish of the Monte Carlo simulations, the finish time of the task was less than October 17, 2009 100 times and greater than October 17, 2009 150 times. A “Cancel task” result was set for the task deadline. Task success rate will be 40%.

**Adding a deadline to a task**

1. Select the task to which you want to add a deadline.
2. Open the **Task Information** dialog box. Click the **Deadline** tab.
3. Enter in the Maximum duration in the **Maximum task duration** boxes.
4. Select the time unit from the drop-down list.
5. Click on the **Task Deadline** box. A calendar opens.
6. Select a date from the calendar.
7. Select an action that will occur if the task reaches the deadline from the Action for Probabilistic Calculation option box.
8. Click OK.

Advanced Task Management

Use the Advanced tab on the Task Information dialog box to enter, review, or change supplemental task information. You can:

Specify the task type: A characterization of a task based on which aspect of the task is fixed and which aspects are variable. There are three task types: Fixed Units, Fixed Work, and Fixed Duration. The default task type in the Project is Fixed Units. See Task Types below.

Specify the task calendar: The base calendar that you can apply to individual tasks to control their scheduling, usually independent of the project calendar or any assigned resources’ calendars. By default, all tasks use the project calendar. You can select to ignore the resource calendar. Use the Working Time dialog box to modify calendars.

Mark the task as effort-driven: In effort driven scheduling the duration of a task shortens or lengthens as resources are added or removed from a task, while the amount of effort necessary to complete a task remains unchanged.

Task Types

The three task types used in Project are:

- Fixed units: Fixed unit is a fixed value and any changes to the amount of work or the task’s duration do not affect the task’s units. It is a default task type.
- Fixed work: Fixed-work task is a task in which the amount of work is a fixed value and any changes to the task’s duration or the number of assigned units [or resources] do not affect the task’s work.
- Fixed duration: Fixed duration task is a task in which the duration is a fixed value and any changes to the work or the assigned units don’t affect

Each of the task types affects scheduling when you edit one of the three elements as follows.

<table>
<thead>
<tr>
<th>Task type</th>
<th>Change Units</th>
<th>Change Duration</th>
<th>Change Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed units task</td>
<td>Duration is recalculated.</td>
<td></td>
<td>Duration is recalculated.</td>
</tr>
<tr>
<td>Fixed work task</td>
<td>Duration is recalculated.</td>
<td>Units are recalculated.</td>
<td>Duration is recalculated.</td>
</tr>
<tr>
<td>Fixed duration task</td>
<td>Work is recalculated.</td>
<td>Work is recalculated.</td>
<td>Units are recalculated.</td>
</tr>
</tbody>
</table>

Formatting Gantt Bars

You may adjust the shape and color of Gantt bar. You may do it for specific tasks or for specific types of tasks: standard tasks, summary tasks, milestones, etc.

Formatting Gantt Bars for All Tasks

- Click the Schedule tab. In the Settings and Options group, click Format Gantt Bar.
Formatting Gantt Bars for Selected Tasks

1. Select task or a group of tasks
2. Right-click on Task ID and choose Format Bar…
Managing Resources and Work

Resources are the people and equipment that are assigned or the material that is used to complete a task.

**Adding resources**

1. Click the Schedule tab. In the Schedule Views group, click Resources.
2. Click on a row.
3. Provide a Name (mandatory), Initials (optional), and Rate (mandatory).
   - You can group resources to define reams using the indent and outdent buttons.
   - Initials and notes are for information only and do not affect the calculations.
   - Rates affect the cost the task to which the resource is assigned. Rates for work resources can be per year, month, week, day, hour and minute. Rates for material resources are per unit (e.g. 10 tons).
4. Select the resource type: Material, Cost or Work.
   - Material label indicates type of material resources (e.g. tons)
5. Maximum units are used to calculate Overallocation of work resources. It is not used for the material or cost resources.

- Use the Resource Information dialog box to assign resources risks.
- You can add risks to a resource using the Risk tab of Resource Information dialog box. If you have only a few risks assigned to a few resources, this is the preferred method to define resource risks. If you have many resources, we recommend that you add the risks in the Risk Register of Risk workflow tab and then assign them to the resources from one of the risk views.
- Default rate for resource type Work is defined in Tools > Options Cost tab.

**Assigning resources to tasks**

1. On the Schedule tab, in the Schedule Views group, click Project View.
2. Select the task to which you want to assign the resource.
3. Click in the Resource field associated with the task.
4. Select a resource from the drop-down list. If you type in a new resource name, it will be added to the list of resources in the resource view. When you add a new resource in this manner, it will be assigned at 100% effort for work resource.
5. Enter Cost for cost resources

- Multiple resources can be assigned to a particular task.
- Tasks do not have to have resources assigned to them.
Assigning a calendar to a resource
1. By default, RiskyProject assigns the Standard calendar to resources.
2. On the Resource view, double-click on a resource ID.
3. Select a resource calendar from the Base Calendar drop-down list.
4. Click the Working Time button (Schedule tab) to modify the resource calendar.

Defining work
You can enter tasks as work rather than duration. The Work view shows the total work of all resources assigned to a task.
1. On the Schedule tab, in the Schedule Views group, click Work.
2. Select the Task type: fixed units, fixed duration, or fixed work. The same information can be defined using Advanced tab of task information dialog.
3. Check the Effort driven flag if the task is effort driven (default value). Effort driven task can be defined in the Advanced tab of Task Information dialog box.
4. Enter low, base, and high work for the selected task. Units for work are defined in the Tools > Options > Duration tab. Duration and units for the task will be calculated based on task type.

- For probabilistic calculations, work is always correlated with duration. Seed and distribution of the duration are used for work as well. Therefore, seed and distribution for work are not entered.
- You may view work assigned to the particular resource in the Resource tab of task information dialog.

Cost Rate Tables
Cost rate tables allow you to define rates and cost per use that change over time. For example, on January 1, 2011 cost was $10/hr. On February 1, 2011 cost became $12/hr. For rate you may enter a value or a percentage of increase or decrease from the previous rate. For instance, if a resource’s cost per use is reduced by 20% type -20%.

To define cost tables:
1. On the Schedule tab, in the Schedule Views group, click Resources.
2. Double click on Resource ID. Resource information dialog comes up
3. Go to Costs tab
4. Enter effective date, rate and cost per use for this effective date
Managing Costs

Cost, Income, and Profit Calculations in RiskyProject

You can define cost and income associated for tasks with risks and uncertainties. You can use income to perform an analysis of the full life cycle of a project. Profit is calculated as the difference between income and cost. This will affect the way that RiskyProject presents data in the Cost and Cash Flow views. If the project has income, all cost and cash flow data is now shown as Profit where costs are a negative value. In these cases, it is possible that a project will have negative profit.

The example below illustrates how fixed and variable (resource) costs are calculated with respect to tasks and subtasks:

<table>
<thead>
<tr>
<th>Task Name</th>
<th>Cost Low</th>
<th>Cost</th>
<th>Cost Hight</th>
<th>Annual</th>
<th>Res. Cost</th>
<th>Total Cost</th>
<th>Income Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task 1</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Task 2</td>
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<td></td>
<td></td>
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<tr>
<td>Task 3</td>
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</tr>
<tr>
<td>Task 4</td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

The project schedule includes the summary task “Web Site Design”, the summary task “Art Works”, and subtasks “Selection of art work” (2 days duration) and “Purchase of art work” (0.2 days duration). “Selection of art work...” has base fixed cost $200 and is assigned to the Graphic Artist with rate $50.00/hour. “Purchase of art work” has a base fixed cost of $400 and is performed by Purchaser with a rate of $40.00/hour. The work is supervised by project manager with rate $80.00/hour, but is only 10% his time is assigned to this project. It is assumed that a day has eight (8) working hours.

A. Calculation of base fixed cost for summary task “Web Site Design”:

Base fixed cost for “Selection of art work...” (Task 3) = $200.00
Base fixed cost for “Purchase of art work” (Task 4) = $400.00
Total = $600.00
B. Calculation of variable (resource) cost for summary task “Web Site Design”:

Resource cost for project manager = 17.6 hours * $80/hr / 10 = $140.80

Resource cost for Selection of art work (Task 3) 16 hours * $50/hr = $800.00

Resource cost for Purchase of art work (Task 4) = 1.6 hours * 40/hr = $64.00

Total = $1004.80

Income is calculated similarly to cost calculation. Income cannot be assigned to the resources.

**Variable and Fixed Costs and Income**

There are two types of costs in RiskyProject:

- **Fixed costs**, which are associated with tasks; and,
- **Variable costs**, which are associated with resources.

Costs associated with resources are calculated based on rate, units assigned, and work of the particular resource.

Income is always fixed. You define it in the same manner as fixed costs. Both fixed cost and income can be accrued at the beginning of the task, at end of the task or be prorated.

You define and verify costs and income in the **Cost and Income** tab (Schedule tab if the workflow bar) and report results within **Profit Report** view (Report tab).

**Cost Per Use**

Per-use costs are one-time fees for the use of a resource, such as equipment. Per-use costs never depend on the amount of work done. Instead, they are one-time costs that are incurred every time that the resource is used. Although a per-use cost for a work resource depends on the number of assignment units used, a per-use cost for a material resource is applied only one time. For example, if a bricklayer has a per-use cost of $100 (instead of an hourly rate) and it takes three brick layers to complete a task, the cost is $300. However, a per-use delivery cost of $100 for a material resource like cement is applied only once per delivery, whether 10 tons of cement are delivered or 100 tons.

**Adding fixed costs and income to tasks**

The Cost and Income view also shows the calculated results for fixed costs and resource costs.

1. On the **Schedule** tab, click the **Cost and Profit** view.
2. Select the task in which you want to include fixed cost or income.
3. Enter base fixed cost in the **Cost** field. You can enter in Low and High estimated costs.
4. Select an accrual method in the **Accrual** column. Accrual methods indicate how cost or income is accrued in the task. Default accrual method if defaulted in **Tools > Options**, cost tab separately for cost and income. Accrual methods available are:
   - Start
   - Finish
   - Prorated
4. Enter Income in the same manner as above.
- You may assign fixed cost and income to the summary tasks the same way as they are assigned to the subtasks.
- You may define uncertainties in fixed cost and income using low, base and high values of cost and income, as well as seed and statistical distribution.
- Uncertainty in variable cost is originated in task work since variable cost = resource work * number of units * rate.
Chapter 4: Quantitative Risk Analysis
Assigning Risks to Tasks and Resources

Risk Assignments

Risks must be assigned to calculate their impact. If a risk is not assigned to any tasks or resources it will remain in the risk register, but probability, impact, and score will not be shown.

RiskyProject has two types of risks assignments:

- **Global Risk Assignments** – Global risk assignments are those risk assignments which have a chance of affecting the project as a whole and are not limited to specific tasks or resources. For example, political or weather risks would be assigned as global.

- **Local Assignments** – Local risk assignments are those risks that have a chance of affecting only specific tasks or resources. A local risk assignment can affect more than one task or resource. For example, risks affecting the delivery of specific equipment for a certain phase of a project would be assigned local.

You can edit or view risk assignments in the following dialog boxes and views:

<table>
<thead>
<tr>
<th>View</th>
<th>Dialog/Tab</th>
<th>Local or Global</th>
<th>Assigned to tasks or resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drag’N’Drop Risk View</td>
<td>Local risks</td>
<td></td>
<td>Both task and resources</td>
</tr>
<tr>
<td>Global Risk Assignment View</td>
<td>Global Risks. Local risks can be assigned from global risks</td>
<td></td>
<td>Both task and resources</td>
</tr>
<tr>
<td>Risk Register</td>
<td>Risk information dialog (double click on Risk ID), Assignment tab</td>
<td>Both local and global risk</td>
<td>Both task and resources</td>
</tr>
<tr>
<td>Any view with task information (Project View, Result Gantt, etc.)</td>
<td>Task information dialog (double click on Task ID), Risk tab</td>
<td>Local risks</td>
<td>Task</td>
</tr>
<tr>
<td>Resource View</td>
<td>Resource information dialog (double click on Resource ID), Risk tab</td>
<td>Local risks</td>
<td>Resources</td>
</tr>
</tbody>
</table>
Converting your project from Qualitative to Quantitative Risk Analysis

If you have risks in the Risk Register, but no schedule, you can perform a qualitative risk analysis of your project. If you add even one task to the project, all your risks will convert to global risks, and will therefore be assigned to all tasks.

In qualitative risk analysis risk categories are separated into two groups:

- **Schedule related risk categories**: “Schedule and Scope” which is related to category “Duration” in qualitative analysis and “Cost and Income” which is related to category “Cost” in qualitative analysis.
- **Non-schedule categories** (Safety, Quality, Technology, etc.)

In qualitative risk analysis the “Duration” category has only one outcome type “Relative delay”; however, in quantitative analysis, the corresponding category “Schedule and Scope” has many outcome types (fixed delay, relative delay, etc.). Similarly, in qualitative analysis the “Cost” category has only one outcome type, “Relative cost increase”; whereas the “Cost and Income” category in quantitative analysis has many outcome types (fixed cost increase, relative cost increase, etc.).

If you add a schedule (i.e. activities or tasks) to your project, the following occurs:

- Risks with the outcome type “Relative Delay” will convert to a global risk with the same outcome type.
- Risks with the outcome type “Relative Cost Increase” will convert to a global risk with the same outcome type”.

At this point, you may need to reassign these risks to particular tasks or resources and modify the outcome types. For example, a risk which had a Relative Cost Increase may need to be modeled as a Fixed Cost Increase.

- The Probabilities and impacts of schedule related risks in quantitative analysis are calculated differently than in qualitative analysis.
- Schedule related risk impacts are calculated as a correlation between the duration or cost impact for each risk and project duration or cost.
- As a result, probabilities and impacts of schedule risk for quantitative and qualitative analysis will be different.

For more information about calculation of probabilities and impacts of risks for quantitative analysis read “How are risk probabilities, impacts, and scores calculated?” in the Frequently Asked Questions.

- The risk register has an additional column for quantitative risk analysis: risk assignment. To view pre- and post-mitigation probabilities and impacts for quantitative risk analysis, you must calculate your project.
- When you have a project schedule, the Global Risk Assignment view is enabled. The Global Risk Assignment icon will be disabled in the workflow bar for qualitative analysis when no schedule is present.
• When you remove a schedule but do not remove risks, you will be performing qualitative risk analysis.

Risk Attributes for Quantitative Risk Analysis

Each risk has the following information related to quantitative analysis.

• Risks can be assigned to Tasks or Resources
• Risks are defined by the **chance of occurrence** (from 0% to 100%). The chance can be defined per task (by default) or per duration unit. For example, if there is a 30% chance that task can be restarted per day. If task duration is 2 days, the chance of the risk occurring per task is 60%. This chance calculation option is defined for **all tasks and resources** for the project in the **Risk** tab of the **Options** dialog box:

• Each risk has a different **outcome type**. Outcome types can be schedule and cost related and non-schedule related, which you can customize using the Risk Outcome dialog box. Standard schedule-related risk outcomes are shown in the table.

<table>
<thead>
<tr>
<th>Outcome Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Impact</td>
<td>This is for information only and has no impact on project schedule</td>
</tr>
<tr>
<td>Relative Delay</td>
<td>Durations will be expanded in the period, defined in the <strong>Result</strong> field regardless of, when the risk occurs. If the <strong>Result</strong> is negative, the task duration will be reduced. If task duration is elapsed, the delay will also be represented in elapsed units (eday, ehour, etc.)</td>
</tr>
<tr>
<td>Fixed Delay</td>
<td></td>
</tr>
<tr>
<td>Relative Cost</td>
<td>Task related fixed costs are increased by the amount, defined in the field <strong>Result</strong> regardless of when the risk occurs. If the <strong>Result</strong> is negative, costs are reduced. These risks don’t affect cost per use.</td>
</tr>
<tr>
<td>Increase</td>
<td></td>
</tr>
<tr>
<td>Fixed Cost Increase</td>
<td>Works in a similar manner to fixed cost increase and relative cost increase, but applied to the income.</td>
</tr>
<tr>
<td>Relative Income</td>
<td></td>
</tr>
<tr>
<td>Increase</td>
<td></td>
</tr>
<tr>
<td>Fixed Income</td>
<td></td>
</tr>
<tr>
<td>Increase</td>
<td></td>
</tr>
<tr>
<td>Restart Task</td>
<td>Tasks are restarted from the moment the risk occurs. As a result, the task duration is increased.</td>
</tr>
<tr>
<td>End Task</td>
<td>Tasks are successfully completed when the risk occurs. As a result, the task duration is reduced.</td>
</tr>
<tr>
<td>Cancel Task</td>
<td>Tasks are canceled when the risk occurs. As a result, the task duration is reduced and the</td>
</tr>
</tbody>
</table>
### Task is Marked as Canceled

<table>
<thead>
<tr>
<th>Risk Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cancel Task + all successors</td>
<td>When the risk occurs, tasks and all its successors are canceled. The task duration is reduced and the task and all its successors are marked as canceled.</td>
</tr>
<tr>
<td>Rate Increase</td>
<td>This risk can only be used on resources. If this risk occurs, the rate will be increased or reduced. For example, if the rate is $20/hour and risk outcome is 50%, the rate will be $30/hour if the risk occurs. This outcome affects project cost.</td>
</tr>
<tr>
<td>Execute Response Plan</td>
<td>Result field for this risk contains a dropdown list with mitigation plans. They come from Risk Mitigation or Response view. If a task has multiple local and global risks, which require execution of the particular mitigation or response plan, this plan will be executed only once.</td>
</tr>
</tbody>
</table>

- The **Outcome** is related to the outcomes “Fixed cost increase”, “Relative cost increase”, “Fixed delay”, “Relative delay”, and “Rate Increase”. It defines how much the duration or cost will be increased or reduced.
- RiskyProject calculates the **Risk Impact** for duration and cost using sensitivity analysis and displays this in the Risk Register, Global Risk Assignment views and Risk Tabs for Tasks and Resources. Colors are used to indicate the level of correlation between the risk and project duration and cost.
- Red indicates a strong correlation
- Yellow a medium correlation
- Green a weak or no correlation

Colors for threats are the opposite. Particular colors for the risk impact value depend on the risk tolerance defined in Format Risk Matrix dialog box.

The **Moment of risk** is defined by:

- Start time of Risk occurrence;
- Most likely Time of risk occurrence;
- Finish Time of Risk occurrence
- Uniform or triangular distributions

Start, Most Likely, and Finish times are entered as a percentage of total task duration starting from the beginning of the task.

For example:

- Distribution: Triangular
- Start: 50%
Assigning local and global risks

Once you have added your risks you can start assigning your local risks to tasks and resources. You cannot assign the same local risk to both a task and a resource. RiskyProject offers a number of ways to assign risks to task and resources.

Method 1: Assigning risks using the Drag’N’Drop Risk view

This is the preferred method for assigning risks to complex projects as it allows you to quickly assign risks to multiple tasks or resources.

1. On the **Risks** tab, click the **Drag’N’Drop Risk** view.
2. You must indicate whether you are assigning the risk to Tasks or Resources using the options below the list of tasks or resources. Select **Task** or **Resources** and the right pane will list change based on your selection. By default the view is set to Tasks.
3. Select tasks or resources your risk will be assigned to.
4. Select one risk.
5. Drag the risk onto the tasks or resources.
6. The **Assign risk to task or resource** dialog box opens. It shows a list of the task or resources that the risk will be assigned to and allows you to define risk chance, outcome type, outcome, and moment of risk.

7. Select whether you want to add or update a risk for the specific task or resource or if you do not want to make any changes to risk assigned to the specific task.

8. Enter the risk chance, outcome type, outcome and moment of risk. These parameters will be the same for all selected tasks.

9. Click **OK**. The risk assignment to the selected tasks or resources is updated.

**Method 2: Assigning global and local risks using Risk Register**

This method is useful when you edit risk assignment, for example for mitigation planning. You will be able to view all risk assignments in one place. With the risk register, you can assign both local and global risks.

1. Open the **Risk Register**.

2. Double-click on the risk to which you want to add properties.

3. Click the **Assign to tasks or resources** tab.

4. Depending upon whether you are assigning local or global risk to a task or resource click on the first empty row in either the Tasks or Resources tables.

5. Select the task or resource from the drop-down list. You may select “All Tasks” or “All Resources” for global risk assignments. If you select a specific task or resource, it will have a local risk assignment.

6. Click the row ID cell the item you just select to enable the **Selected assignment** table to the right. This is where you define the risk assignment.

7. Click in the **Chance** cell to start entering the **Chance, Outcome, and Result** of the risk.

8. Select the **Moment of risk** distribution from the drop-down list. If it is triangular, you must define the **Start, Most Likely, and Finish** parameters.

9. Click in an additional row to enter a mutually exclusive risk alternative. A risk alternative is a different outcome from the same event.

This shows how you assign risks to tasks in the Risk Register. Click the How to Assign Risk button to view this directly in the application.
- Use the Pie Chart for mutually exclusive risk alternatives to as a guide for how they affect the overall chance that the risk will occur.
- If you do not enter chance, outcome, results, or moment of risk assignment will not be saved even you selected task or resources.

**Method 3: Assigning local risks using the Global Risk Assignment view**

This is a preferred method for global risk assignment. You may use this method for assigning local risks based on global risks. If you have global risks, you may assign them to one of many tasks and resources at the same time.

1. On the **Risks** tab, click the **Global Risk Assignment** view.
2. Click on the first row.
3. Select the risk that you want to assign as a global risk.
4. Select whether this is a global task or resource risk.
5. Enter the **Chance**, **Outcome Type**, and **Outcome** of the risk.
6. Select the **Moment of risk** distribution from the drop-down list. If it is triangular, you must define the **Start**, **Most Likely**, and **Finish** parameters.
7. Click the **Enable** check box to enable the risk for purposes of calculation.
8. Repeat steps 2 - 6 to add additional global risks.

**Assigning risks from the Global Risk Assignment view to local tasks or resources**

You may also use the Global Risk Assignment view to assign local risks.

1. Open the **Global Risk Assignment** view.
2. Define a new risk assignment or select existing risk assignment.
3. Double click on the **Risk ID** field. The **Risk Information** dialog box opens.
4. Select either the Assign to Tasks or Assign to Resources tab.
5. Select a task or resource from the list.
6. Enable or disable risk for the particular task or resources if necessary.

- If you enable a risk and assign it to a task using the Global Risk View, ensure that in Global Risk view the risk is disabled. Otherwise, risk may occur twice as global and as local risks.
- You can update the risk properties for all of the tasks and resources to which this risk is assigned using the Update Risk Properties button. For example, you can update a risk in the Global Risks Assignment view. Then select the Assign to Tasks or Assign to Resources tab and click the Update Risk Properties button.

Method 4: Assigning Local Risks Using the Task Information dialog box and Resource Information Dialog Box

You can define task risks in the Risk Tab of Task Information dialog box. All risks entered here are “local risks” and will not appear in the Global Risk Assignment view. It is a preferred method if you want to assign few different risks to few separate tasks and resources.

1. Open the Task Information or the Resources Information dialog box.
2. Click the Risks tab.
3. Double click on Risk Name field and type in the name of the risk.
4. Use the Indent/Outdent buttons to create a hierarchical structure of risks. This simplifies the enabling and disabling of risks. If you enable a summary risk, all of its risks are enabled and vice-versa.
5. In addition to the above steps, you can:
   - Click the Enlarge button to expand the view and make it easier to assign risks.
   - Click the Load Risks from Global Risk Assignment View or Load Risks from Template button to load all risks from the Global Risk Assignment View or from a risk template. In this way, you can create a master list of risks in either the Global Risk View or a risk template, load it here and enable or disable risks as required.
   - Clear the Apply global risks to this task check box (it is selected by default) if you do not want to include this task in global risk calculations.

- You cannot add risks to summary tasks.
- Ensure that you have clearly defined your risks and uncertainties. For example, if you have already accounted for risk using a range (Base, High, and Low) of durations; do not add this as a risk as it is accounted for twice in the calculations.
You can copy and paste risks between tasks. Right-click and choose Copy Risks to copy a risk. In the target task's risk list, right-click and choose Paste Risk to add the risk to the task.

Parallel Risks

Parallel risks represent a way of modeling risks in cases where multiple risks occur simultaneously. If risks are parallel, RiskyProject will only account for maximum impact of the most critical risk during each iteration of a simulation. This is useful if one or more less critical risks occur in conjunction with a critical risk recovery from all potential risks which can occur over the same period. In such cases, only the impact of the most critical risk will be accounted for in the simulation.

For example, a risk ‘Change of requirements’ causes a delay of 5 days, and a risk ‘Problem with supplier’ causes a delay of 4 days. If these risks occurred together and they were not parallel, cumulative impact will be 9 days maximum. If they are parallel, cumulative impact will be 5 days.
To set a risk to run in parallel:

2. Double-click on the task id for the task in which you want to set a parallel risk.
3. Click the **Risks** tab.
4. Locate the risk you want to run in parallel.
5. In the “Parallel Risk” column for the risk, click the check box. The risk will now run in parallel to the other risks assigned to the project.
6. Repeat for all other risks that you want to run in parallel.

Parallel risks are calculated for increasing cost and duration. They do not affect risk outcomes of cancel/end tasks or non-schedule risks.
Risk Assignments on the Gantt Chart

Risks and issues can be shown on the Gantt chart as arrows:

Colors represent the calculated impact of the risk on all project parameters combined. The size of the arrow represents probability. You may click on each risk arrow within a Gantt chart to be shown with information about risks:

- Only local risks are shown as arrows.
- You cannot add or remove mutually exclusive alternatives using this dialog, but you can input chance of occurrence, outcomes, result, and moment of risk.

Showing or hiding risks on the Gantt chart

Click the button on the Analysis tab toolbar to toggle the risk arrows on or off. You may also Right-click on Result Gantt chart and select Show Risks.
Risk Correlations

Different risks can be correlated to each other. For example, bad weather conditions (risk 1) can mean that the delivery of the goods can be delayed (risk 2). For each risk, you can specify correlated risks or view risks, which can occur with a particular risk. For example, the risk Technical Difficulties with HTML editor occurs together with the risk Major problem with web site.

If you define a correlation between risk 1 and risk 2, and then define a correlation between risk 1, risk 3 and risk 4, the correlation between risk 1 and risk 2 defined in the previous step will be removed. Therefore, if you want to setup correlations between many different risks, you must perform this in one step.

Risk correlations can be specified once for different mutually exclusive alternatives of the same risk. The Moment of risk will not be correlated: even though risks are correlated, they may occur at a different moments during the task duration.

How correlated risks are calculated

RiskyProject uses the same seed for correlated risks. You can view or update the seed in the Global Risk Assignment view. If seeds for two risks are the same, then sampling will follow the same pattern and risks will be correlated with each other.

If risks are correlated with each other, it does not mean that they will always occur together as the risks may have different chances of occurrence. If Risk 1 has a chance of occurrence of 10% and Risk 2 has a chance of occurrence of 20% and both risks are correlated, Risk 1 will always occur when Risk 2 occurs, but Risk 2 may occur when Risk 1 does not occur.

Correlating risks

Risk correlations can only be defined in the risk tabs on Task Information and Risk Information dialog boxes.

1. Right-click on the risk.
2. Click the Correlations tab.
3. Select a risk from the list of all available risks.

4. Select the task or resource to which this risk is assigned. This is required when risks with the same name are assigned to different resources or tasks.

5. Click OK to save this information.

**Correlation of risk assignments**

The risk events may occur at the same time (risk assignments are correlated) or in different times (risk assignments are not correlated). The default rule, or how different risk assignments are correlated, is defined in project options. To change this rule:

1. Click the Schedule tab. In the Settings and Options, click Options. The Options dialog box opens.

2. Click the Risk tab.

3. If check box **Risk assignments to different tasks are correlated** is checked, all local and global assignments of the same risk will be correlated by default.
RiskyProject Professional User Guide

Risk Templates

Risk templates allow you to quickly add risks to your project and assign chances of occurrence and outcomes. Risk templates are different from the Risk Register: they contain information about risk assignment. Risk templates are useful when you want to:

- Move risk assignments between different projects
- Perform a risk assignment as you did in a previous project
- Manage different sets of risk assignments for different types of projects

Creating a risk template

Create a set of global risks assignments:

1. Click the Risks tab. In the Export/Import group, click Risk Assignment and then Save Risk Template.
2. Provide a name and description.
3. Click OK. RiskyProject automatically saves the files. If the template already exists, a warning will come up.

Loading a risk template

1. Click the Risks tab. In the Export/Import group, click Risk Assignment and then Open Risk Template. The Open Risk Template dialog box opens.
2. Click on a list to select it.
3. Click OK. The template risks will replace any global risks that exist in the project.

Selecting a default risk template

When you select a template as the default, the template will be loaded each time you create a new project.

1. Click the Risks tab. In the Export/Import group, click Risk Assignment and then Open Risk Template.
2. Select the check box to the left of a template to set it as the default template.

Templates are saved into the Templates directory. Templates directory is a subdirectory of RiskyProject directory. Templates directory is generated during installation. You Templates directory does not exist, templates are saved to the RiskyProject directory. The file extension for the template is *.aln. Template names are displayed in the status bar.

Using risk templates for local risk assignments

1. Open the Risk tab located in the Task Information dialog box or the Resource Information dialog box.
2. Click Load Risks from Template button. The Load Risks from Template dialog box opens.
3. Select the template from the list and click OK. The risks template will overwrite all existing local risks for the particular task or resource.
Templates may contain risks assigned to both task and resources. If you load a risk template from Task Information dialog box, resource risks will not be loaded. If you load risk template from Resource Information dialog box, task risks will not be loaded.
Managing Uncertainties

If you have accurate historical statistical data that is analogous to a particular element in your project, we recommend that you use this data to model uncertainty in your project as opposed to risk events. Be aware of double-counting risk and uncertainty as most of the uncertainty in a project is due to the probability of risk events occurring.

To define uncertainties:

1. Define a 3-point estimate for any of task parameters: cost, income, duration, and start time. 3-point estimates for work will be calculated automatically based on uncertainty in duration. You may also define 3-point estimates for the lag.

2. After you define 3-point estimates, a statistical distribution will be assigned. You may change the default statistical distribution for the duration, cost, income, and start time parameters in Distributions tab of Task Information dialog box.

The meaning of low, base, and high data depends on the statistical distribution defined in the Distributions tab of the Task Information dialog box.

Adding 3-point estimates for task duration and start times

1. On the Project view, double-click on the task ID.

2. Click the General tab.

3. Select a Base, Low, and High dates for Start Time.

4. Select a Base, Low, and High values for Duration. By default, when you enter a value for duration, the default values for Low and High are calculated based on the defaults set in the Duration Options.

5. Click OK to save the estimates.

Adding 3-point estimates for task cost and income

1. On the Cost and Income view, select the task to which you want to add cost and income estimates.

2. Enter cost data for Cost Low, Cost, and Cost High. By default when you enter a value for Cost, the default values for Low and High are calculated based on the Cost defaults set in the Cost Options.

3. Enter income data for Inc. Low, Income, and Inc. High.

4. Click OK to save the estimates.

Adding 3-point estimates for lags

1. On the Project view, double-click on the task ID.

2. Click the Predecessor tab.

3. Enter Low, Base, and High Lag. Default statistical distribution will be generated automatically. There are only two distributions for lag: Uniform Triangular.
4. Click **OK** to save the estimates.

---

**Distributions for 3-point estimates for duration, cost, income, and start time**

You define distributions for 3-point estimates in duration, start time, income and cost in the **Distributions** tab of **Task Information** dialog box. Distribution for work is the same as distribution for duration. Distributions do not affect the deterministic calculation of current schedule. You cannot define distributions for summary tasks.

The Distributions tab allows you to assign distributions and define the meaning of low and high values for normal and lognormal distributions. The actual values for low, base (most likely), and high duration, cost, and start time are defined when you enter task parameters in data sheets. Low and high duration and start time can be entered in **General** tab of **Task Information** dialog box of in data sheets. Seeds, which are associated with the distributions, are defined in data sheets.

RiskyProject offers the following distributions:

<table>
<thead>
<tr>
<th>Distribution</th>
<th>Parameters</th>
<th>How to use</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Beta</td>
<td>Alpha and beta parameters</td>
<td>Used for wide range of conditions. If Alpha and Beta are 1, Beta distribution will uniform. If Alpha and Beta are the same, the distribution will be symmetrical.</td>
</tr>
<tr>
<td>2 BetaPert</td>
<td>Mean parameter</td>
<td>Derived from Beta distribution. Used as “smoother” substitute to Triangular distribution</td>
</tr>
<tr>
<td>3 Cauchy</td>
<td>Shape parameter</td>
<td>Used if low duration, cost, or start time represents “best case scenario” value. High value represents a cut off: how long duration, cost, and start time can expand.</td>
</tr>
<tr>
<td>4 Custom</td>
<td>Set of points with probabilities</td>
<td>Used to define generic shape of distribution by entering point as a percentage of task duration, start time or cost, and associated relative probability.</td>
</tr>
<tr>
<td>5 Discrete</td>
<td>Set of intervals with probabilities</td>
<td>Used to define distributions consisting of multiple segments with associated relative probabilities. Each segment is defined by uniform distribution. Interval is entered as a percent of task duration.</td>
</tr>
<tr>
<td>6 Exponential</td>
<td>Mean parameter</td>
<td>Similar to Cauchy distribution</td>
</tr>
<tr>
<td>7 Gamma</td>
<td>Alpha and beta parameters</td>
<td>Similar to Cauchy distribution</td>
</tr>
<tr>
<td>8 Gumbel</td>
<td>Two share parameters</td>
<td>Skewed distribution. Useful if there is lower chance that task will take longer time than a shorter time.</td>
</tr>
<tr>
<td>9 Laplace</td>
<td>One parameters</td>
<td>Similar to Cauchy distribution</td>
</tr>
<tr>
<td>10 Lognormal</td>
<td>Mean and standard deviation parameter or P1/P99, P5/P95, P10/P90</td>
<td>Similar to Gumbel distribution</td>
</tr>
<tr>
<td>11 Normal</td>
<td>Mean parameter or P1/P99, P5/P95, P10/P90</td>
<td>Symmetrical distribution. Low and high values of duration, cost, and start time serve as cut offs.</td>
</tr>
<tr>
<td>12 Rayleigh</td>
<td>Standard Deviation</td>
<td>Similar to Gumbel distribution</td>
</tr>
</tbody>
</table>
### Defining task distributions

1. Select the task in which you want to define distributions.
2. Open the **Task Information** dialog box.
3. Click the **Distributions** tab.
4. Select the **Cost**, **Duration** or **Start Time** tab.
5. Select the distribution from the **Distribution** list. If you select **Undefined**, the base value will be used for all iterations.

6. Define the distribution parameters. The Probability Density chart is automatically updated. You can adjust distribution parameters using the sliders.

7. If you use a custom or discrete distribution, a grid opens. The grid will allow you to define points (or intervals for discrete distributions) and associated with each point (interval).

8. If you select **Normal** or **Lognormal**, you must select the **Low** and **High** probability range (P1 and P99, P5 and P95 or P10 and P90). These are “cut-off” parameters; meaning that duration, cost, or start time cannot go beyond these values.

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- The Probability Density chart’s colors are consistent with those found in the Project Summary and Monte Carlo Simulation results: Duration is blue, Cost is green, and Start Time is yellow.
- Double-click on the probability density chart to enlarge it.
- To copy the chart to the clipboard or as a file, right-click and choose a copy command from the shortcut menu.

---

In most real life examples, the type of distribution (triangular, normal, and lognormal, etc.) may not significantly affect the results of calculation. Results of project scheduling cannot be accurate with high precision due to the large systemic errors of estimation in project management. It is recommended that you assign different statistical distribution if you have reliable historical data about similar tasks.
Distribution Fitting using Stat::Fit®

If you have empirical data for Cost, Income, and Duration, you may use Stat::Fit software to generate most appropriate statistical distribution. You cannot use Stat::Fit for start time. Stat::Fit is the third party software by Geer Mountain Software (www.geerms.com) and can be purchased separately.

Fitting a distribution

1. Click on **Fit Distribution** button. The Stat::Fit software opens.
2. Enter data to the **Data Table**. Make sure that you are entering data in the current units for RiskyProject e.g. days
3. Click on the **Auto::Fit** toolbar button
4. Select a recommended distribution from the list of possible distributions. Make sure that RiskyProject supports the distribution you selected. RiskyProject uses Uniform, Normal, Lognormal, Beta, Gamma, Triangular, and Exponential distributions from Stat::Fit.
5. When you are satisfied with selected distribution, click the **Export** button. From the list of applications, select RiskyProject. Output should be set to Clipboard (default selection).
6. Click **OK**.
7. Save empirical data in Stat::Fit if you which and close Stat::Fit. RiskyProject will generate distribution and assign low and high estimates for cost, income, and duration based on empirical data.

Assigning Low and High Estimates for Duration and Cost for Group of Tasks

You may assign statistical distribution for duration and cost for a selected group of tasks:

1. Open the **Project View**. Select a group of tasks.
2. Right-click on a Task ID.
3. Select **Set Low/High Duration** or **Low/High Fixed Cost**.
4. Enter fixed values and a coefficient to calculate **Low and High duration** or cost based on **Base duration or Cost**.
5. Select a distribution from the drop-down list.
6. Click **OK** to apply changes.

Alternately, you may go to **Risks > Distribution** group and click on **Duration** or **Cost**.

You may clear the statistical distribution for a particular group of tasks. To do so, go to **Risks > Distribution** group and click on **Clear**.
Finding Text or Data

A popular method to quickly assign low and high estimate for duration and cost using coefficients is to assign them to groups that are identified by specific values in text or data fields. This is often referred to as grouping or banding.

To find specific text or data values in your project fields.

1. Click the Schedule tab. On the Zoom and Find group, click the Find button. The Find dialog box opens.

2. From the Look in field: dropdown list, select the column that you want to search. This list contains only those columns available in currently open view.

3. From the Test: dropdown list select the logic definition that you want to use for your search. Type in the value that you want search for in the text box to the right. Selected activities are highlighted. Activities will remain selected until you clear the selections.

4. To clear your selections, click the Unselect button.
For example, if you want to find/select all Tasks with that include “Design” in the task name, select Task Name in the Look in field: dropdown list. From the Test: dropdown list, select contains and type in “Design” in the text box and click Find.

To select all activities:

1. Click the Schedule tab. On the Zoom and Find group, click the Find button. The Find dialog box opens.
2. Click Select All. All activities are selected.
Assign duration/cost to found tasks

Once you have selected the activities that you want to modify, you can then mass edit the low and high estimates for duration and cost to the selected activities.

To set low and high duration or cost to found activities:

1. Using the Find feature, search for those activities to which you want to set the low and high duration or cost.
2. In an open view, click on the Task ID of one of the found activities (highlighted in black) to select it. The highlighting will change to a lighter shade of gray to indicate that you have made a selection.
3. Right-click and from the shortcut menu, choose either Set Low/High Duration or Set Low/High Fixed Cost.
4. In the dialog box, click the Apply to Found tasks option.
5. Enter the rest of the required values or coefficients for Low and High estimates and select a statistical distribution.
6. Click OK.
Chapter 5: Analyzing Project Results
Calculations

RiskyProject has two types of calculations:

- **Deterministic calculation of current schedule** - The default calculation is automatically performed when you modify a project schedule. As this calculation occurs automatically, you do not need to press the Calculation button. This calculation uses the Base input parameters (duration, start time, lag) without calculating the effect of risk or uncertainty.

- **Probabilistic (Monte Carlo simulations)** - Use this to calculate the project schedule and costs with uncertainties and risks.

Automatic Monte Carlo simulations for small tasks are enabled by default.

**Enabling or disabling automatic Monte Carlo simulations for small projects**

1. Click the **Schedule** tab. In the **Settings and Options**, click **Options**. The Options dialog box opens.
2. Click the **Calculations** tab.
3. From the **Default Calculation for Small Projects** option box, select one of the two options:
   - Current Schedule Calculation only
   - Probabilistic Calculation (Monte Carlo simulation)
4. Click **OK**. RiskyProject automatically determines which project is small based on your computer's performance and the size of the project.

**Running probabilistic calculations**

Click the **Calculate** button. You may cancel the probabilistic calculation at any time; however, if the number of simulations performed is less than 20, no probabilistic results will be calculated.

- By default RiskyProject performs convergence monitoring. Simulations can be stopped when they convergence equals mean and standard deviation values defined in Schedule tab > Options > Calculation.
- Minimum number of simulations is 200.
- If you cancel a calculation after more than 20 simulations and generate results, use these results with caution as the number of simulations which have been run may be too small to provide an accurate portrayal of the project's risks and uncertainties.
- If you try to perform Monte Carlo simulations without risks and uncertainties, simulations will not proceed in the same manner as when you define risk and uncertainties. Remember that uncertainties include a probabilistic calendar.

**Defining the number of simulations**

You can define the total number of simulations run during each probabilistic calculation.

1. Click the **Schedule** tab. In the **Settings and Options** group, click **Options**.
2. Click the **Calculations** tab.
3. Type in the number of simulations in the **Maximum number of simulations** box. The number of simulations that have actually been run could be less if the simulations converge.
4. Click OK.
Analyzing Results

Project Summary

The Project Summary view shows the main information about your project: total cost or income (if income is defined), finish time, duration, and success rate for both deterministic and probabilistic calculations.

The Project Summary is divided into four sections:

- Main project information – the main project information includes the project name, manager, etc.
- Main project parameters with and without risks – this table is located in the center of the project summary and shows the project start time, duration, finish time, cost, income, and profit for the current schedule (no risks) and the low, base, and high calculated results.
- Main project parameter frequency/cumulative probability charts – interactive charts that show the distribution of the results.
• Meters: provide project risk scores for cost and duration. You can adjust the scale and calculation formula for project meters by clicking on the question mark (?) on the left bottom corner of the duration meter. You can also define a formula for project risk score.

**Risk Score Meter Settings**

To define risk score meter scale and calculation formula click on the question mark at the lower right corner of the Duration Score meter.

Project duration score is calculated using the following formula:

\[
\text{Risk Duration Score} = \frac{\text{Risk Duration}}{\text{Original Duration}}
\]

Where:

**Risk Duration** – could be mean project duration as a result of analysis, mean project duration plus a standard deviation of duration, or a certain percentile of the entire project duration.

**Original Duration** - Original (baseline) project duration with no risks and uncertainties

• If the project does not have duration risks, the Duration score will be equal 1.
• If the Duration risk score is > 1, the project has threats related to duration.
• If the Duration risk score is < 1, the project has opportunities related to duration.

Project cost score is calculated similarly

**To define risk score meter settings:**

1. Select risk parameter from dropdown list
2. Define maximum threat score
3. Click OK

**Viewing the project summary frequency charts**

The frequency charts are interactive and show the risk profile for each project parameter: Cost, Finish Time, and Duration.

1. Drag the slider across a chart to view the chance that the project parameter will equal a certain value.
2. Double-click on a chart to enlarge it. The enlarged chart provides several different features including:
   - Cumulative probability chart
   - Full access to all statistical data for the selected parameter
3. Click on the **Statistical Data for Work** button to view the distribution for work. Work data is correlated to project duration distributions.
4. Right-click on the chart to view a full menu of analysis and copying options.
The low and high results of probabilistic calculations (cost, duration, and finish times) are associated with P1/P99, P5/P95, P10/P90, or any custom percentiles. These are defined in the Options (Calculation tab).

You may customize frequency charts either using Format > Format Frequency Chart or by right-clicking on a frequency chart and selecting Options.

Results Gantt Chart

RiskyProject displays the start and finish ranges of each task in the Result Gantt view. The calculated project and baseline schedules are shown in the same Gantt chart. You can use the task bar for current schedule to compare deterministic and probabilistic schedules.

You can display Result Gantt associated only with low (optimistic) and high (pessimistic) results.

Showing or Hiding Low/High Results
1. Right-click on the chart and a shortcut menu opens.
2. From the shortcut menu, choose one of the following viewing options:
   - Show Low/High Results
   - Show Low Results
   - Show High Results
   - Show Current Schedule.

Task Simulation Results

RiskyProject allows you to quickly view the cost (profit, if income in any task is defined), duration, start time and finish times uncertainties associated with each task.
After you have completed a probabilistic calculation, you can see the probability that the particular task will start and finish on particular dates, and will have a duration and a cost less than a certain value. The six charts available are for:

- Cost (Profit)
- Duration
- Start Time
- Finish Time
- Variable cost
- Work

**Viewing Task Simulation Results**

1. Right-click on a task ID in any view. A shortcut menu opens.
2. Choose **Task Simulation Results** from the shortcut menu. The **Monte Carlo Simulation Results** dialog box opens.
3. Drag the slider across the charts to view the chance of a certain result.
4. Double-click on a chart to open up a detailed view of the chart.
   - Click the tabs on the top of the charts to toggle between Frequency, Cumulative Probability views, or their combination.
- Click the **Statistics**, **Data**, or **Percentiles** to view more detailed views of the result data.

- Right-click on a chart to copy the chart, statistics or data to the clipboard or view cumulative probability, frequency charts, or their combination.

- You may customize this chart either using Risks tab > Format Chart or by right clicking on the chart and selecting Options.

You may use this feature to view task simulation results at each phase of the project. For example, if you have a milestone associated with a certain phase of the project, you can determine the chance that this phase of the project will be completed on time and budget.

**Simulation Chart Options**

You can use the chart options to define how the charts will appear.

**To define chart options:**
1. Select chart you want to format
2. Right-click on a chart. A shortcut menu opens.
3. Choose **Options**. The **Chart Options dialog box** opens.
4. Define the default viewing options.

![Chart Options dialog box](chart_options.png)

You can define three percentiles in addition to default low and high percentiles to be shown on cumulative probability or joint chart.

Selected percentiles can be drawn on cumulative probability or joint chart frequency and cumulative probability chart.

Deterministic line is shown in red if it is between max. and min. results.

Small charts are shown on Project Summary view and Task Monte Carlo Simulations Results. Larger chart appear when you double click on small chart.

Space between bars
Viewing statistics results of work
1. On the Task Information dialog box, click the Resource tab.
2. Right-click on a resource ID and select Simulation Results.
3. Drag the slider across a chart to view the chance that the work will equal a certain value.
4. View statistical parameters, percentiles, and raw statistical data for work on the left pane.
5. Switch between frequency chart, cumulative probability chart, and combined chart on the right pane of the dialog.
6. Right-click on the chart to view a full menu of analysis and copying options.

- The low and high results of probabilistic calculations (cost, duration, and finish times) are associated with P1/P99, P5/P95, P10/P90, or any custom percentiles. These are defined in the Options (Calculation tab).
- You may customize this chart either using Risks tab > Format Chart or by right clicking of the chart and selecting Options.

View sensitivity analysis for each task
Sensitivity analysis is available for each activity. Two types of charts are available:
1. Tornado Plot: the chart will show how finish time of task predecessors will affect finish time of the selected tasks.
2. Scatter Plot: the chart will show correlation between task duration or cost and project duration or cost.

To view the sensitivity analysis for a single activity:
1. Run a Monte Carlo simulation.
2. Click on the task from which to generate a sensitivity analysis.
3. Click the Analysis tab. On the Task Simulation Results group, click Tornado Plot or Scatter Plot. A tornado chart or scatter plot opens. You can also right-click on a task ID and then click Task Sensitivity Analysis or Task Scatter Plot.
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Only predecessors of the selected task will be shown.

Only task with correlation coefficient greater than minimum value will be shown. This minimum correlation coefficient can be defined in Schedule > Options > Calculation.

Toggle between Task Duration vs. Project Duration and Task Cost vs. Project Cost.

Right click on task ID.

Sensitivity Chart for selected task

Correlation analysis of selected task
Scatter Plot: Cost vs. Duration

Scatter Plot: Cost vs. Duration also known as a Bull’s Eye, Football, or Joint Confidence Level chart, shows a comparison of the Total Project Cost vs. Total Project Duration or Finish Time for each iteration of the simulation and is part of the Project Summary.

The plot includes four quadrants:

1. **Left-Top**: % of simulations in which project meets schedule but is over budget
2. **Left-Bottom**: % of simulations in which project meets both budget and schedule
3. **Right-Top**: % of simulations in which project are over budget and schedule
4. **Right-Bottom**: % of simulations in which project meets budget but is over schedule

To view the Scatter Plot: Cost vs. Duration:

1. Make sure that your schedule has both uncertainties in duration and cost
2. Run a Monte Carlo simulation.
3. Click the **Analysis** tab. On the **Project Summary** view, click **Cost vs. Duration scatter Plot**. The scatter plot opens.
4. Select type of the plot you want to view:
   - Project Cost vs. Project Duration, or
   - Project Cost vs. Project Finish Time
Resource Allocation

The Resource chart shows the time allocation for a selected resource.

For the resource chart to open, two conditions must be met:

- You must select the Chart check box for a resource in the resource sheet.
- The selected resource must be assigned to a task.

You can select four different types of resource charts:

- **Peak units:** The highest level at which a resource is scheduled for all assigned tasks during a given period.
- **Work:** The total number of hours a resource is scheduled for all assigned tasks during a given period.
- **Overallocation:** A resource is over allocated when it has more work assigned than can be done in the resource’s available time. Overallocation is number of hours a resource is scheduled for all assigned tasks over resource’s available time. Overallocation can be shown only for work (not material and cost) resources.
- **Percent allocation:** The percentage of a resource’s capacity taken up by all of its assigned tasks during a given period. Percent allocation is only available for work (not material and cost) resources.
Selecting the resource chart type
1. Select the Chart check box associated with the resource.
2. Right-click on the Resource chart and choose one of chart types from the shortcut menu.

Overallocation for work resources is calculated based on Maximum Units, defined for the resource in the Resource view. For example, if maximum units are 150%, overallocation can be work above 150%.

Viewing results for resource assignments
You may view the statistical distribution of work associated with each resource. Statistical distributions are only shown for resources that are designated work rather than material and cost.
1. Double-click a task ID to open the Task Information dialog box.
2. Click the Resources tab.
3. Right-click on a resource assignment ID.
4. Choose Simulation Results… to view the work associated with selected resource assignment.

Analyzing Cost and Profit
Use the Cost Analysis view to analyze cost and profit on each stage of the project. The Cost Analysis view has up to three cost diagrams:

<table>
<thead>
<tr>
<th>Cost diagram</th>
<th>Description</th>
<th>Color</th>
<th>When it is shown</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current schedule (budgeted) cost</td>
<td>Cost diagram with current project schedule (no risks)</td>
<td>Red</td>
<td>Always when cost or profit for any task is defined</td>
</tr>
<tr>
<td>(budgeted) cost or profit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Result cost</td>
<td>Cost diagram with risk and uncertainties (calculation results)</td>
<td>Blue</td>
<td>Shown after calculation if uncertainties are defined</td>
</tr>
<tr>
<td>Actual cost</td>
<td>Cost diagram represents actual cost</td>
<td>Green</td>
<td>Shown after calculation if uncertainties are defined and actual cost is available (either entered directly or percent done for at least one task is defined)</td>
</tr>
</tbody>
</table>

You may use the slider to determine:

- Cost Variance (actual vs. budgeted cost)
- Cost with Risks and uncertainties vs. Current schedule (budgeted) cost.
If income is defined for at least one task, the cost analysis diagram will show the project profit calculated based on the formula: \( \text{Profit} = \text{Income} - \text{Cost} \).

- If Cost exceeds Income in any given period, Profit will be negative.
- If income is not defined, Cost will be always positive.

Use the shortcut menu to manipulate with chart. In particular, instead of presenting a line chart of current schedule, result, and actual cost, you can create an area chart by choosing Fill Chart from the shortcut menu.
**Cash Flow results**

The Cash Flow view shows a comparison between Current Schedule, Calculated (with risks and uncertainties), and Actual project cost and income.

- If you enter income for at least one task, the cash flow diagram will show the project profit calculated based on the formula: \( \text{Profit} = \text{Income} - \text{Cost} \).
- If Cost exceeds Income in any given period, Profit will be negative.
- If you do not enter any income, Cost will be always positive.
- If \( n \) is the number of months, the formula for NPV is:

\[
\text{NPV} = \sum_{t=0}^{n} \frac{\text{Income}_t - \text{Cost}_t}{(1 + \text{rate})^t}
\]

Discount rate is used to calculate NPV. Default NVP is defined in Cost Options.
Sensitivity Analysis

Sensitivity analysis shows which variables have the potential to have the greatest effect on the main project parameters. RiskyProject performs calculations for the sensitivity analysis as part of all probabilistic calculations. The results of sensitivity analysis are shown as a sensitivity chart in the Sensitivity View.

Sensitivity Analysis view is accessed using the Workflow bar. The sensitivity Analysis icon will be disabled in the workflow bar for qualitative analysis (without schedule).

The Sensitivity view shows how sensitive or how much potential each project input parameter has on the main project parameters. Sensitivity measures how much a change in an input variable will affect the selected project parameter. For example, if a risk occurs, how much this will affect the project duration. This is measured as the Spearman Rank correlation coefficient. The higher the coefficient, the higher potential this input parameter has to affect the selected output parameter.

RiskyProject uses six input parameters to calculate sensitivity:

- Task duration
- Task Start Time
- Task Success Rate
- Task Cost
- Lags
- Risks

You can select these inputs using the check boxes at the bottom of the chart.
RiskyProject has the following output parameters:

- project duration
- cost
- finish time
- success rate
- non-schedule risk categories

You can also select “All Parameters”. You can only measure the effects of risks on “All Parameters” and all non-schedule risk categories. If you select “All Parameters”, the sensitivity chart shows the ranking across all risk categories, using the risk weighting entered for each risk category.

**Examples:**

- Input parameter **Task Duration** and output parameter **project Duration** are selected. If task A is shown at the top of the sensitivity chart, this indicates that the project duration is very sensitive to the uncertainties in the task A’s duration.
- Input parameter **Risks** and output parameter **All Parameters** are selected. If risk A is shown at the top of the sensitivity chart, this indicates that the all risk categories (project scope, duration, cost, all-non-schedule categories) are very sensitive to the uncertainties caused by risk A.
- Input parameter Task Duration and output parameter project Cost are selected. If task A is shown at the top of the chart, this indicates that the project cost very sensitive to the uncertainties in the task A’s duration. It occurs if task A has significant variable cost.

RiskyProject identifies risks based on their unique name. For example, if the risk Budgetary Problems is assigned to different tasks, it will be considered as one risk for the purpose of sensitivity analysis. RiskyProject will calculate the overall effect of this risk on the main project parameters. If you select only risks that are input variables, you will see critical risks or risks that have the greatest effect on the project schedule. In the example above, an assessment of Critical Risks begins with difficulties obtaining comprehensive information.

- If an input parameter (task or risk) is not seen in the list, it means that it does not have a significant effect on project parameters.
- The correlation coefficient for a risk is not the risk impact, it is the measure of relative importance of the risk. Correlation coefficients are used to calculate risk impact. To read more about this, see “How are risk probabilities, impacts, and scores calculated?” in the Frequently Asked Questions section.
- In Schedule tab -> Options you can define the minimum sensitivity coefficient for the Sensitivity view. If a sensitivity coefficient is less than the defined value, it will be shown as zero in the Sensitivity view. For example, minimum sensitivity coefficient is 0.16. A sensitivity coefficient for a particular task’s duration and project duration equals 0.1. Sensitivity coefficient for this task will be set to zero and this task will not be ranked in the sensitivity view.
- If the number of tasks is greater than 4000, the sensitivity chart includes only summary tasks and does not include sensitivity to lags between tasks.
Viewing the Tornado Chart

1. Select a project parameter from the drop-down list at the top of the chart. The name of the list changes according to the parameter selected. If you select All Parameters, you will only be able to see risk sensitivities.

2. Select an input parameter check box located at the bottom of the chart. You can select more than one output parameter. The resulting correlation coefficient is the calculated as the sensitivity of all the selected inputs on the output parameter.

Calculation Algorithm for Sensitivity Analysis

There are two algorithms for sensitivity calculation: rank order correlation coefficient and contribution to variance:

- Spearman's rank correlation coefficient is a non-parametric measure of statistical dependence between two variables. Perfect positive correlation coefficient equals +1.
- Contribution to Variance is calculated by squaring the rank correlation coefficients and normalizing them to 100%.

To select the sensitivity calculation method:

1. Click the Analysis tab on the Workflow bar and then click Sensitivity Analysis.
3. Select the calculation method.

Risk Chart

The Risk chart shows risks associated with tasks versus task duration or cost. The risk is expressed as:

- task standard deviation of task duration or cost
- maximum or minimum values
- ranges: the difference between maximum and minimum values
- percentiles

In well-balanced project schedules, different tasks usually have similar level of risks. However, if risk associated with a task is higher than for tasks with similar duration or cost, these risks should be carefully analyzed and possibly mitigated. Alternatively, if the task does not have significant risks and uncertainties compared with other similar tasks, it may represent an opportunity to increase the risks and increase benefits.
Analyzing the Risk Chart

1. Select the tasks that you want to display on the chart from the list on the left.
2. Select the project parameter option (Total Task Cost or Task Duration) option at the top of the chart.
3. Select a risk indicator from the Risk expressed as drop-down list. These are standard statistical measures such as standard deviation or percentiles.

The example below illustrates how the Risk Chart can be analyzed using “risk zones”. If you visualize these zones on your risk chart, you can clearly see which tasks are outliers and merit further examination.

Note: These zones are shown here purely for demonstration purposes and do not appear in the actual Risk Chart.
Crucial Tasks Chart

In addition to sensitivity charts, the results of sensitivity analysis can be shown on the Crucial tasks Gantt chart.

Each task can belong to one of three categories:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Red bar</strong></td>
<td>Tasks that have the most affect on the project duration—crucial tasks. There is a strong correlation between the task and project duration.</td>
</tr>
<tr>
<td>2</td>
<td><strong>Yellow bar</strong></td>
<td>Tasks which have some affect on project duration, i.e. there is a correlation between task and project duration</td>
</tr>
<tr>
<td>3</td>
<td><strong>Green bar</strong></td>
<td>Small or no correlation between the task and project duration</td>
</tr>
</tbody>
</table>

To explain crucial tasks, we use the “spring analogy”. Let us assume that each task is a spring in a big system of springs. When we start moving springs back and forth, we find that some of them significantly affect the movement of the full spring system, while others do not. The amount of movement depends on how springs are connected to each other (links between tasks) and how flexible they are (the type of risks and uncertainties they have assigned).
Crucial tasks may not lie on the critical path; however, in many cases, crucial tasks will lie close to the critical path because they are defined by the project schedule structure and risk and uncertainties associated with each task. Critical path calculations take into account only the project schedule structure.

**Viewing the Crucial Task chart**

By default, the Crucial Tasks View is not shown on the Analysis Workflow bar. The Crucial Tasks view provides another analysis view to investigate the root causes of project uncertainty.

1. If the **Crucial Tasks View** does not appear on the **Workflow** bar, click the **All Views** button.
2. Click on the **Crucial Tasks** icon to open the view. Crucial tasks are color-coded, red indicating tasks that are most crucial.
3. Double-click on a crucial task in the Gantt chart to view distribution charts and statistics for the selected task.
4. Double-click on a risk (arrow) to view the **Risk Properties** of a risk assigned to a crucial task.

**Success Rate Chart**

The success rate or chance the task will be successfully completed is shown on the **Success Rate Gantt** chart.

RiskyProject represents the success rate of each task using different colors, which represent a range of success rates.

A task can be canceled in one of three cases:

- if the outcome **Cancel task** or **Cancel task + all successors** occurs, this cancels the tasks plus all successors which have occurred;
- if a task reaches a deadline, and action associated with deadline is set to **cancel task**; and,
- if a project has reached a deadline and the task finish time is beyond the deadline.
Viewing task success rates

The Success Rate view provides another analysis view to investigate the root causes of project uncertainties:

1. If the **Success Rate** view does not appear on the **Workflow** bar, click the **All Views** button.
2. Click on the **Success Rate** icon to open the view. The calculated success rates of tasks are color-coded.
   - Double-click on a task with a low success rate in the Gantt chart to view distribution charts and statistics for the selected task.
   - Double-click on a risk (arrow) to view the **Risk Properties** of a risk assigned to a crucial task.
Tracking Performance

Tracking is an important step in the project risk management workflow. You add tracking information in the Tracking tab of the Task Information dialog box. Tracking information is shown on the Tracking Gantt and Result Gantt views.

Tracking information is not included in the current schedule (deterministic) calculation. The progress of summary tasks is a function of its subtasks; therefore, you cannot add tracking data to summary tasks. RiskyProject will calculate tracking data for summary task and complete project automatically.

Calculating and reassessing tasks using tracking data

RiskyProject uses tracking information for probabilistic calculations. The purpose of the calculation is to reassess the task duration, start, and finish dates based on the actual progress. As the deterministic current project schedule remains unchanged, you can compare your original estimates with the forecasted schedule.

If a task has tracking information, new forecasted task duration and finish times are calculated. The results of this calculation are instantly plotted on the tracking chart as a green rectangle. The task’s start time is actual start time entered in the tracking data.

The actual start time, forecasted task duration, and finish time are used for probabilistic calculations. If the percentage complete is greater than 0%, uncertainties in remaining duration are calculated using one of two methods:

1. If you enter percent completed, but did not enter remaining duration, original low and high duration will be used to calculate remaining duration. RiskyProject project will calculate deterministic projected duration based on percent completed and status date. Then on each iteration RiskyProject will calculate duration based on original statistical distribution. Duration for task in progress on each iteration will be extrapolated based on projected deterministic duration.

   Example

   Originally, a task had a duration of 10 days (low duration 8 days, high duration 12 days: +20%). After two days only 10% task is completed. Deterministic projected duration will be 20 days. As a result of the analysis, the updated duration will now be between 16 and 24 days (+-20% of projected duration).

2. If you enter the statistical distribution for the remaining duration and percent completed, remaining duration will be taken from the statistical distribution and added to the duration of the completed portion of the task. Original statistical distribution for duration will be ignored.

   Example

   Originally, a task had a duration of 10 days (low duration 8 days, high duration 12 days: +20%). After two days only 10% task is completed. Duration of the completed portion of the task is 2 days. Remaining duration is defined using triangular statistical distribution (min 1 days, most likely 2 days, and max 3 days). As a result of the analysis, the updated duration will now be between 3 and 5 days.

   If the task has risks assigned to it (global or local), the chance of the risk is recalculated based on the current time, when the risk occurred, and the task completion percentage.
• If the percentage completed equals zero, all risks are used with their original chances of occurrence.
• If the percent completed equals 100, the chance of occurrence for all risks is internally set to zero. Although the original chance of risk occurrence is not changed, it is important to note that the actual outcome of risks changes.

Tracking Results

The probabilistic calculations always encapsulate the tracking information if it has been entered for a task. RiskyProject presents results of the tracking calculations in several different ways depending upon the view you are using to examine it.

<table>
<thead>
<tr>
<th>View</th>
<th>How Tracking information is presented</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project View</td>
<td>No tracking information on the baseline schedule</td>
</tr>
<tr>
<td>Results Gantt</td>
<td>Tracking data is represented as green, yellow, and red bars. These bars represent percent completed. It can be turned on and off when you right-click on Gantt chart and select “Show Tracking Bars”.</td>
</tr>
<tr>
<td>Success Rate</td>
<td>Gantt chart is drawn based on current (deterministic) schedule</td>
</tr>
<tr>
<td>Crucial Task s</td>
<td>Gantt chart is drawn based on current (deterministic) schedule</td>
</tr>
<tr>
<td>Tracking Gantt</td>
<td>The Tracking Gantt behaves in the same manner as the Results Gantt. In addition, the percentage completed will be shown on the right of the bar</td>
</tr>
</tbody>
</table>

Entering tracking data

1. Select the task to which you want to enter the tracking data.
2. Open the Task Information dialog box.
3. Click the Tracking tab. By default, the first row should contain the actual start time with zero percent done.
4. Click the row below the previous entry.
5. Enter the status date or select it from the calendar.
6. Enter the percentage of the task completed by the specified date. All dates and percentages must be consistent. For example, you cannot have a record with 60% completed before a record with 40% completed. In addition, you cannot have historical data with the date Jan 5, 2004 before the record with Dec 14, 2003.
7. Optionally enter remaining duration parameters: low, base, and high duration, and statistical distribution for remaining duration. If you don’t enter this information remaining duration on each iteration will be calculated using extrapolation of original duration.
8. Define parameters of statistical distribution for remaining duration (see “Defining statistical distribution for remaining duration” for more information).
9. Type in a comment to record actual details of work completed. You can now view the Tracking chart.
• To view any tracking information, including the percentage completed for summary tasks and the project, you must calculate the project.

• Remaining duration information is used only for probabilistic analysis.

**Defining statistical distribution for remaining duration**

1. Select the task to which you want to enter the tracking data.
2. Open the Task Information dialog box.
3. Click the Tracking tab. By default, the first row should contain the actual start time with zero percent done.
4. Enter low, base and high remaining duration for certain status date
5. Right-click on ID and select **Distribution for remaining duration**
6. Select the distribution from the Distribution list. If you select **Undefined**, remaining duration will not be used for probabilistic analysis (analysis will be done using percent completed only)
7. Define the distribution parameters. The Probability Density chart is automatically updated. You can adjust distribution parameters using the sliders.
8. If you use a custom or discrete distribution, a grid opens. The grid will allow you to define points (or intervals for discrete distributions) and associated with each point (interval)
9. If you select **Normal** or **Lognormal**, you must select the Low and High probability range (P1 and P99, P5 and P95 or P10 and P90). These are “cut-off” parameters; meaning that duration, cost, or start time cannot go beyond these values.
Viewing Tracking Data

Once you have entered in the tracking information, the tracking chart is automatically updated to show the Current Schedule, Low, Base, High, Actual and Forecast tracking data.

- **Current Schedule** is always visible and represents the start and finish times of the task as entered in the task sheet.
- **Results Low, Base, and High** are calculated as part of the probabilistic calculations. **Low** is associated with minimum, P1, P5, or P10 results depending on setting defined in Options (Calculation tab). **Base** is associated with the mean. **High** is associated with the maximum, P90, P95, or P99. If the low, base, and high results are the same, only one base line is drawn.
- **Actual** represents the actual progress of the task.
- **Forecast** is generated if you do not have the results of probabilistic calculations and you have entered a percentage for task completion, but did not recalculate the project.

To enlarge the chart, right-click and choose Details.

To copy the chart to the clipboard or as a JPEG, TIFF, GIF, PNG, or BMP file, right-click and choose a copy command from the shortcut menu.

Viewing tracking data for a task

1. Select the task to which you want to enter tracking data.
2. Open the Task Information dialog box.
3. Click the Tracking tab. By default, the first row should contain the actual start time with zero percent done.
4. Right-click on the chart and select Details:
5. To copy the chart for use in presentations or reports, right-click and select one of the Copy commands.

Viewing the Tracking Chart

The Tracking chart view is the only way to see tracking results for the complete project.

1. Click the Tracking tab. In the Tracking Views group, click Tracking Chart.
2. Select a checkbox beside the task name to see results for the specific task. If no check boxes are selected, the results for the entire project are shown.
## Tracking Gantt Chart

You can use the Tracking Gantt to view the impact that your tracking information has upon the project schedule. It behaves much like the Result Gantt except it shows the percent completed for each task.

Below is an example of tracking information as shown in the Tracking viewing:

![Tracking Gantt Chart Diagram]

RiskyProject uses the following system of colors to represent percent completed in Tracking and in Result Gantt.

- **Red**: 0% - 25% Done
- **Yellow**: 25% - 75% Done
- **Green**: 75% - 100% Done

The tracking bars can be turned on and off in the Gantt chart.

### Showing the Baseline and Tracking bars

- Right-click on the chart and choose Show **Current Schedule** and/or **Tracking Bars** from the shortcut menu.
Chapter 7: Reporting Project Results
Statistics Report for Quantitative Analysis

Once you have completed the Monte Carlo simulation, you can quickly generate a statistics report for selected tasks in your project schedule. The statistics report can include histograms for Start Time, Finish Time, Duration, and Cost as well as a Sensitivity to Finish Time table with a Tornado chart. Statistics reports can be exported to PowerPoint.

To create a statistics report:
1. Run a simulation on your project.
3. Select the activities that you want to report on by clicking the check boxes beside the activity names.

To export a statistics report to PowerPoint
1. Click the Report tab. Click Statistics to PowerPoint. Alternatively you may click on File and then click Export -> Microsoft PowerPoint.
2. If Microsoft PowerPoint is installed on your computer, PowerPoint will be launched and the report will be generated using settings defined in Customize Report dialog. Only frequency and cumulative probability charts and tornado (sensitivity) plots are exported to PowerPoint.

You may use your custom PowerPoint template. The template file can be defined in Customize Report dialog.
Customizing the Statistics Report

You can modify the statistics report by adding or removing histograms, statistics, or the sensitivity chart as well as the general project information that is included.

To customize the statistics report:
3. In the Charts and Data group, add or remove the charts and tables that you want to include in the report.
4. Modify the order in which the report elements are shown in the Order of Data tables.
5. Define bar’s color for Sensitivity to Finish Time table.
7. Add or modify Header and Footer information.
The Project Dashboard 3x3

RiskyProject includes the Project Dashboard 3x3. This view shows the results of your analysis in a logical and easy to understand manner. Total project cost, duration, and finish time with risks are the mean values for each. Crucial tasks and critical risks are the results of the sensitivity analysis.

Three main project parameters for the current schedule and with risks and uncertainties (mean values):

1. Total Project Cost
   - Project Finish Time
   - Project Duration
2. Three most crucial tasks
   - Effect on project cost
   - Effect on project duration
3. Three most critical risks
   - Effect on project cost
   - Effect on project duration
Task Sheet, Results, and Profit Reports

Use the Task Sheet view to enter and view baseline, low, base, and high task durations without a Gantt chart. The Results view is similar to Task Sheet View, but shows the results of the probabilistic analysis. You can use these views for the reporting and analysis of your results. Profit Report view shows input data and results associated with cost, income, and profit. Report: All tasks
Task Reports

Use the Task Report View to display information for all tasks. This information includes:

- General task information (task duration, start and finish time, and costs): see General tab of Task Information dialog or Cost and Profit view
- Predecessors: see Predecessor tab of Task Information Dialog
- Successors: successors are explicitly shown in Branching tab; successors are defined through defining of predecessors in Predecessor tab of Task Information Dialog
- Advanced task information: task calendars, task type (Fixed Units, Fixed Duration, Fixed Work), Milestones, and other information (see Advanced tab of task information dialog)
- Task notes: see General tab of Task information dialog
- Local risks assigned to tasks: see Assigning local risks to tasks
- Resources assigned to tasks: see Resource tab in Task Information dialog box
- Tracking information: see Tracking tab in Task information dialog box
- Statistical distributions: see Distributions tab in Task Information dialog box
- Branching information: see Branching tab of Task information dialog
- Branching notes: see Branching tab of Task information dialog - notes for each branch
- Moment of risk information: see Assigning local risks to tasks.

- You may enable/disable certain information using the Customize report button in upper left button of the Task Report View.
- You may export the report to comma separate file. This file can be opened in Microsoft Excel or other applications. To export report to comma separate file click on the Export Report button in the left upper corner of Task Report View.
Report: All Risks

Use the All Risks Report View shows information for all risks. This information includes:

- General risk information (risk or issue, opened or closed risk, etc.): see Risk Register
- Risk Properties
- Risk assignments: global and local risk assignment to tasks or resources
- Moment of risk information: the moment when a risk occurs during a course of the task

- You may enable/disable certain information using Customize report button in upper left button of the Risk Report View.
- You may export the report to comma separate file. This file can be opened in Microsoft Excel or other applications. To export report to comma separate file click on Export Report button in the left upper corner of Risk Report View.
### Setting up reports

You can set up how you want to print from all views with the exception of the Resources.

1. Click **File** and then click **Page Setup**. The **Page Setup** dialog box opens.
2. Enter the page margins in the **Margins** group box.
3. If you want to include a footer, select the **Draw Footer** check box.
4. Select the checkboxes associated with the information you want to include in the header.
5. If you want to include a header, select the **Draw Header** checkbox.
6. Select the checkboxes associated with the information you want to include in the footer.
7. If you only want to include headers or footers on the first page, select the **Draw on first page only** check boxes.
8. Click either the **Landscape** or the **Portrait** page orientation option. If you want a page border, select the **Draw page border** checkbox.
9. Adjust the height of each item (row) in the **Height of one item** box.

#### Modify the number of columns to print from a view

1. Select the view from the **columns for view** drop-down list.
2. Select the number of columns to print from the **Print** box. RiskyProject will print the number of columns in the same order they appear left to right in the selected view.
3. Click **OK**.

### Printing reports

- Click **File** and then **Print**.

### Previewing reports

- Click **File** and then **Print Preview**.

### Copying data to the Clipboard

You can copy project data to the clipboard, for use in other applications; see “Copy column” and “Copy cut and paste selected rows” in RiskyProject Data sheets. You can also copy data, associated with charts to the clipboard: These charts are:

- Simulation Results chart
- Probability Density chart
- Tracking chart
- Tracking chart within Tracking Tab of the Task Information dialog box
Images and Pictures

You can copy or save images associated with all charts and all views with the exception of the Resource and Simulation Results charts. Images can be copied to the clipboard as metafiles or bitmaps or saved as a JPEG, BMP, TIFF, PNG or GIF file.

**Copying an image from a chart**
- Right-click on the image and choose a copy command. You can also copy the content of a view (e.g. Project view) to the file or clipboard

**Copying the content of a view**
- Click the Schedule tab. In the Format group, click Copy Picture. The Copy Picture dialog box opens.
Exporting Projects

You can export project data to a variety of 3rd party applications. You may export data to Microsoft Project XML format, or MPX format. Most project management scheduling software supports Microsoft Project XML format. While Microsoft Project no longer saves data in the MPX format, it can still read this format.

Exporting data to XML or MPX formats

1. From the File menu, choose Export> XML or Export> MPX and enter the file name. The Export Data dialog box opens.

2. You can export either the current project schedule or the results of the analysis. You must select the type of the schedule you want to export.

- MPX files do not support all RiskyProject data including risks. Therefore, when you export data to MPX file and import it back, you can lose information.

Exporting Results of Analysis to Microsoft Excel

You can export statistical data for a group of selected tasks to the comma-separated (CSV) file for use in Microsoft Excel. For the selected tasks, the csv file contains the following simulation results: duration, cost, start and finish time, and work for all iterations.

1. Open any view that contains task information, such as Project View, and select tasks you want to export

2. From the File menu, choose Export> Statistics…

3. Enter the file name for comma separated (CSV) file and click OK. You can now open this file Microsoft Excel.
Launching external applications

You can launch some applications such as Microsoft Project directly from RiskyProject. In these cases, a temporary XML file will be created and passed as an input to the application. RiskyProject will try to get a location of all these applications from the system registry. If RiskyProject cannot find the application, you can browse to find the application. Use Options > Tools to see and update path of the applications.
Chapter 8: Advanced Project Risk Management
Analyzing Risk Mitigation Efforts with Multiple Baselines

RiskyProject allows you to create multiple baselines of the same project. Multiple baselines can be used during the planning stage, to determine the effects your risk mitigation efforts or response plans will have on the project’s overall cost, finish time, and success rates. You can save up to 10 baseline versions of a project.

For example, once you have created your project and run a risk analysis on it, you can create a baseline. When you create the baseline, you can select a level of certainty (percentile) that you have decided to use for management purposes. You can then model the effects of mitigation efforts or risk response plans. This modeling may include adding additional activities with resources and costs as well as the closing or minimizing of risks. You can then create a baseline of the “mitigated” project plan and compare it with the unmitigated baseline. In this way, you can decide you risk response plan as defined in PMBOK: avoid, transfer, mitigate, or accept.

Creating a baseline

Once you have run a simulation on your project, you can save the results as a baseline.

1. Click the Schedule tab. In the Baselines group, click Set.
2. Enter a name for the baseline. By default, it is assigned “Baseline #_”
3. Select the type of results (Low, Base, High, specific percentile, or Deterministic) that you want to use for your baseline.
4. Click OK.
5. If you are using probabilistic results for the baseline, you are prompted to disable all risks and uncertainties from the schedule. Choosing Yes will in effect create a deterministic baseline out of the results you selected. Choosing No will mean that all risks and uncertainties will remain. If you calculate this baseline again, this may cause a double count of the risks and uncertainties.
Setting the current baseline

The current baseline is the project data that appears in RiskyProject. You can change current baselines as part of your planning efforts.

2. Click the Schedule tab. In the Baselines group, click Manage.
2. Select the check box beside a baseline to set it as the Current Baseline.
3. Enter a name for the baseline. By default, it is assigned “Baseline #_”

Right-click on a baseline to copy baseline data to the clipboard or delete it.

Viewing multiple baselines

- Click the Schedule tab. In the Baselines group, click Manage. The Manage Baselines dialog box opens.

In this example, we can see the differences between two baselines due to mitigation efforts. Particularly cost associated with baseline “Budget Mitigation” is lower than cost of “Baseline #1”.

Using this dialog box, you may set a previously saved baseline as current schedule. The baseline will replace currently active schedule.

Converting a baseline to a current schedule

1. Click the Schedule tab. In the Baselines group, click Manage. The Manage Baselines dialog box opens.
2. Select a baseline you want to make current using a check box on the left from baseline name.
3. Click OK.

Comparing pre and post-mitigation baselines

1. Open the Risk Register view (Risk tab of the workflow bar)
2. Click the **Configure Pre and Post Mitigation** button.

3. Select your baseline Pre and Post Mitigation baselines.

### Probabilities, impacts, and scores for multiple baselines

You can view risk mitigation efforts for any individual risk using the risk matrix. To view risk mitigation for an individual risk, you must have multiple baselines with various mitigation efforts for this risk. Mitigation efforts for the risk can be:

- Reducing the chance of occurrence or outcome of the risk
- Changing the outcome
- Changing the mutually exclusive alternatives associated with the risk
- Changing the project schedule, e.g. executing a number of additional activities on the specific baseline
- All the above

### Viewing a risk for different baselines

1. Open the **Risk Register** view.

2. Double-click on Risk ID. The **Risk Information** Dialog box opens.

3. Click the **Risk in Different Baselines** tab.
Probabilistic and Conditional Branching

Probabilistic and conditional branching can be used in project planning to model projects in which there are two or more possible activities that may succeed an activity, but a decision regarding which activity will be taken has not yet been made.

Probabilistic Branching

Probabilistic branching allows you to calculate expected values (EV) for the project given that you have not yet been able to determine which branch will be executed. This type of branching is useful to calculate the expected value for the project cost given the current uncertainty in the project plan. Probabilistic branching is defined by the probability (chance) that a certain branch will be executed or not executed.

Conditional Branching

Conditional branching is useful when you need to determine expected values of the project under certain conditions. For example, what would be the cost of the project if certain activities will not proceed? What will happen if their predecessors take longer than 100 days to complete?

Conditions can be related to:

- Task duration
- Task Cost
- Task Start Time
- Task Finish Time

Creating probabilistic and conditional branching

1. Open the Task Information dialog box for the task in which you want to create the branch.
2. Click the Branching tab.
3. For each successor define the Condition and Value that will cause the successor to be cancelled. The type of value you can select is dependent upon the condition you select.
4. Select the Action that will occur when a successor is cancelled or executed.
5. Select the This task and all successors are always executed even if cancelled by predecessors check box if you want to force this task and all successors to be run in the simulation even if its predecessors are canceled.
A task can have multiple predecessors. These predecessors may belong to different branches and can be canceled due to the results of the branching. Select the check box if you want to force this task and all successors to be run in the simulation even if its predecessors are canceled.

6. Click OK.

**Example of Conditional and Probabilistic Branching**

In this case, Task 1 has three successors:

1. Task 2 will be canceled in 40% of the time. Task 2’s success rate will be around 60%. This is example of probabilistic branching.

2. Task 3 will be canceled if duration of Task 1 is greater than 5 days. Task 2’s success rate depends on the statistical distribution for duration of Task 1. This is example of conditional branching.

3. Task 4 and all it successors will be canceled in 60% of cases. Task 4 success rate will be around 40%. This is example of probabilistic branching.
Importing Data From Microsoft Excel

Importing Chances and Outcomes of the Risk from Microsoft Excel

You can import risk chances and outcomes from Microsoft Excel files. You can use this, to link the chances and outcomes of a particular risk to cells in an Excel spreadsheet. If you link chance and outcomes to an Excel spreadsheet and then make changes to that spreadsheet, RiskyProject will automatically update these values when you open the linked RiskyProject file and click the Refresh Data (Tools tab) button.

To setup integration between RiskyProject and Excel:

1. **Setup a connection to an Excel spreadsheet.** To set up a connection to an Excel spreadsheet, on the Tools tab, click the Connect/Disconnect button. You can visualize the Excel spreadsheet with the Visualize Excel button.

2. **Open any view in which you can perform risk assignment.** For example, the Risk tab of Task Information dialog box.

3. **Right-click on an outcome or chance field.** Select Link to Excel Cell from the shortcut menu.

4. **The Excel spreadsheet will open.** Select a cell within the spreadsheet. In the dialog box, click the button to link the selected cell to an outcome or chance field.

Importing Risk Register from Microsoft Excel

You can import the complete risk register from Microsoft Excel. To do so, you need to map Excel fields to RiskyProject fields.

To import risk register from Microsoft Excel:

1. **Make sure that your Risk Register has all risk properties defined to present all data in Excel.** Use the Default Risk Properties dialog to create any custom properties.

2. **Ensure your Risk Register contains all columns to present these properties.** Very often Excel spreadsheets contain risk probabilities and impacts for specific categories. In this case, you need to define the column: for example, Impact: Cost, or Probability: Quality.
3. Click on **File > Import > Import Risks from Excel**

4. Browse and select Excel File; click OK

5. **Map Risk Properties to Excel Fields** dialog opens.

6. If you have done mapping for this file before, verify that mapping is correct for the selected Excel file and click OK. If you did have not done this mapping before, you need to enter the mapping information.

7. To enter mapping information:
   - click on the Excel Field for a particular risk property
   - right-click and select “Link Excel cell” from dropdown menu; Excel will be launched
   - in Excel, select the header or first cell with the data of the appropriate column
   - repeat this process for all risk properties

   ![Map Risk Properties to Excel Fields](image)

   - If, in Excel, there is a column from Threat/Opportunity, define how Threats and Opportunities are named in Excel; for example, Excel may label a threat as “T” and an opportunity as “O”. Use the Threat and Opportunity data type for risk properties in RiskyProject to map such properties in Excel.

   - If you are entering mitigation plans, which are defined as list of strings on an Excel spreadsheet, use the Mitigation Actions risk property. For example, an Excel spreadsheet has a column entitled Mitigation Action Plans. It could be a number of lines for one risk in each cell of the Excel spreadsheet, for example Action 1, Action 2, ... If you map a risk property with data type “Mitigation Actions risk property” to this column, all individual actions will be imported as separate mitigation plans.
Additional Information
Frequently Asked Questions

What is the difference between qualitative and quantitative risk analysis in RiskyProject?
If you do not have a schedule for your project, RiskyProject will only perform qualitative risk analysis. However, if you add a schedule by either adding activities or importing a schedule, RiskyProject automatically switches to quantitative analysis. You may switch between qualitative and quantitative analysis by adding or removing a project schedule.

How do I assign risks to tasks?
You can assign risks to task using four methods in RiskyProject.
1. **Risk Drag & Drop View**: this is the preferred method for project risk assignment. You simply select one or many risks on the left page and drop them on the task.
2. **Risk Register**: if you are using the Risk Register, you can assign a risk and mutually exclusive risk alternatives to tasks by double-clicking on the risk in the risk register and assigning tasks to the risk in the **Assign to tasks or resources** tab.
3. **Global Risk Assignment View**: double-click on risk ID in Global risk view and use **Assigned to Tasks** or **Assigned to Resources** tab. You may assign these global risks to multiple tasks or resources at the same time. After you make the assignment of a global risk to specific tasks and resources, global risk assignment will be disabled; otherwise, the risk will be applied twice.
4. **Risk Tabs on Task Information and Resource Information Dialog boxes**: you can create and assign local risks to a task using this method. This is the preferred method if you want to assign a few different risks to separate tasks or resources.

How should I use the risk register?
You should use the risk register as the central place to define your project’s risk breakdown structure. Once you have added the risks, from the risk register you can:
1. Add risk properties (date created, recorder, owner, etc.)
2. Assign risks to tasks and resources
3. Sort and filter risks
4. View risk status, including results of mitigation efforts. Risks can be opened and closed, risk and issues, or threats and opportunities.

When should I correlate risks and how do I do it?
Risk correlations are useful when the two risks are likely to occur together. For example, the risk “bad weather” is correlated with the risk “late delivery of materials”. You can create risk correlations in the Correlations tab of the Risk Information dialog box in the Global Risk Assignment view, as well as risk tabs for tasks and resources.

RiskyProject uses only strong correlation between risks. If Risk 1 has chance of occurrence is 10% and Risk 2 chance of occurrence is 20% and both risks are correlated, Risk 1 will always occur when Risk 2 occurs, but Risk 2 may occur when Risk 1 does not occur.

How are risk probabilities, impacts, and scores calculated for quantitative analysis?
Risk probabilities, impacts, and scores are calculated the following way:
1. RiskyProject tracks the impact of each risk on each project parameter at each iteration of the Monte Carlo simulation. It is performed using absolute units. For example, in the first iteration Risk A caused a delay of 2 days.

2. RiskyProject also calculates duration, cost, success rate, finish time, and work on each iteration.

3. RiskyProject calculates the Spearman Rank Order correlation coefficient between duration impact for each risk and project duration. This coefficient is presented in the Sensitivity view.

4. Correlation coefficients are not yet a risk impact. They only show how the risk affects the project. If a correlation coefficient is low, and the risk is not correlated with duration, it means than some other factors affect duration other than this risk. To become an impact, the correlation coefficient must be normalized. For example, you have a schedule, which has only one risk with an outcome of an increase in duration of 2 days. The correlation coefficient will be 100% because the schedule does not have any other uncertainties. Now change the risk outcome to 100 days. The correlation coefficient again will be 100%. Risk impact takes into account absolute value of duration increase, cost increase, etc. If the duration increases 2 times when compared with the original project schedule, the normalization coefficient is 1. Otherwise, the normalization coefficient will be greater or less than 1. Impact equals correlation coefficient multiplied with the normalization coefficient.

5. Risk probability is calculated based on the chance of risk for each assignment. If a risk has only one assignment, calculated probability equals input chance. If the risk has multiple assignments which are not mutually exclusive alternatives, the probability is calculated by combining risk results of each iteration as shown in the example:

<table>
<thead>
<tr>
<th>Risk Assignment</th>
<th>Iteration 1</th>
<th>Iteration 2</th>
<th>Iteration 3</th>
<th>Iteration 4</th>
<th>Iteration 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assignment to Task 1</td>
<td>occurred</td>
<td></td>
<td>occurred</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assignment to Task 2</td>
<td>occurred</td>
<td>occurred</td>
<td>occurred</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Combined probability will equal 80%

6. Risk score equals probability multiplied by impact.

7. For risks affecting All Parameters (combination of duration, cost, safety, quality, etc.) calculated impact is calculated using impact for each risk category, multiplied on relative importance of risks for this category. For schedule related risk categories risk impact on finish time and success rate will not be used to calculate risk impact. For schedule related risk categories, the risk impact on finish time and success rate will not be used to calculate risk impact. This relative importance can be seen on the Categories and Outcomes dialog (Risk tab).

**How can I update a project schedule from Microsoft Project and keep my assigned risks?**
You may use the RiskyProject toolbar or ribbon in Microsoft Project to transfer a schedule from Microsoft Project to RiskyProject. When you use the RiskyProject toolbar or ribbon, your
schedule in Microsoft Project will be associated with risks and uncertainties defined in RiskyProject. Please read “RiskyProject for Microsoft Project” for more information.

When you import (click **Import** on the **File** menu) an updated schedule from Microsoft Project, RiskyProject gives you the option of completely overwriting the existing schedule or updating the existing schedule with new data in Microsoft Project, while retaining global and local risk assignments. This is useful if you originally exported the schedule and assigned risks to the project. RiskyProject keeps unique task IDs from Microsoft Project.

**How do I rank schedule related and non-schedule risks together?**

RiskyProject calculates the relative impact of both schedule-related and non-schedule risks in such a manner as to provide a valid comparison of both types of risks in regards to potential impact on the project. The basis of this comparison is the relative weight (importance) that you assign to each risk category. You can view the impact (threat or opportunity) of each risk in the Risk Matrix view and Risk Register view. In the Global risk assignments view and in Risk Tabs of Task Information dialog box and Resource Information dialog box you will find an impact of the risk on all parameters under “All” (Calculated impact on all project parameters) column.

**How do I plan a risk response?**

Risk response planning is done in the Mitigation or Response view in the Risk workflow. Risk responses are the duration and cost effects of activities that will occur if a risk occurs. These activities can be modeled in a similar manner as a risk with an outcome and result. Risk Mitigation and Response view can be useful, if you have many risks causing the same response.

You assign the risk response to a risk as a risk outcome “Execute Response Plan” and the response plan as the result.

For example, you have two risks “Problem with supplier” and “Problem with the component” that will initiate the same response “Replace Component”. If you define “Replace Component” and assign it to both risks using the risk outcome “Execute Response Plan”, the response plan will be executed only once even if both risks occur together.

**How can I compare mitigation efforts using different baselines?**

There are two methods to view the results of your mitigation planning against the original schedule. To compare the results, first create a baseline using the results from the original schedule. Model the planned mitigation efforts in your current schedule taking into account any additional activities and costs that the mitigation efforts will entail (these may also introduce additional risks).

In the risk register, use the Configure Pre and Post Mitigation button to select the original baseline as the pre-mitigation and the current schedule as the post-mitigation. The risk register will display the risk impact and score of each risk for the pre and post mitigation schedules.

In the Manage Baselines dialog box, you can compare major project parameters of the two schedules: Duration, Finish Time, Cost, and Success Rate.

**How many iterations are required in a simulation?**

The number of iterations required depends upon the risks you have assigned to the project. Normally, the minimum number of iterations is 200 and can be adequate on small, non-strategic projects. However, if you have risks that have a very low chance of occurring, but have a potentially large impact, the results will not account for this risk unless you run sufficient simulations. For example, your project has a 0.5% chance of being cancelled due to political instability. You must run at least 200 iterations, just to ensure just to ensure that the simulation
runs a single occurrence of this risk. To adequately model these types of risks, we recommend a minimum of 600 simulations.

**When should I use a risk event instead of a statistical distribution?**

RiskyProject supports both methods of risk analysis. Statistical distribution or uncertainty modeling is recommended in projects where there is strong and analogous historical data that is supported by expert opinion.

If this data does not exist, risk event modeling will normally result in a more accurate assessment of your project risk and uncertainty. In addition, risk events make it much easier to identify critical risks through sensitivity analysis as most if not all uncertainty in a project is caused by risk events. Without risk event modeling, you will need to do a root cause analysis to identify which risks are causing the uncertainty in your project.

**What are mutually exclusive alternatives for risks and how does RiskyProject calculate them?**

Mutually exclusive alternatives are used to calculate alternate outcomes for the same risk event that cannot occur at the same time. An alternative risk is similar to using a Boolean “OR” statement. Only one risk alternative can occur at the same time. For example, if you have a fire risk, the fire could be minor or major each with different outcomes. They are the same risk, but unlike other risk events, these alternatives cannot occur at the same time.

In this example, the risk Fire has two alternatives:

<table>
<thead>
<tr>
<th>Chance</th>
<th>Outcome</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%</td>
<td>Fixed delay</td>
<td>2 days</td>
</tr>
<tr>
<td>2%</td>
<td>Relative delay</td>
<td>45%</td>
</tr>
</tbody>
</table>

When the simulations are run, there is a 12% chance that the risk Fire will occur. 10% of the time the outcome of the minor fire will be calculated, while 2% of the time the outcome of a major fire is calculated, but they are never calculated during the same simulation.

**What are risk templates and how do they differ from the risk register?**

A risk template is a flat list of risks that have been assigned a chance, outcome, result, and distribution. The risk templates can be imported into risk views where you can quickly assign them as global, task, or resource risks. In this way, risk templates provide a quick way of loading risks into your project.

A risk register is a risk management tool that allows you to create, assign, and track risks with greater detail than any of the other risk views. The register allows you to add risk properties, assign ownership, convert risks to issues, and view pre and post mitigation risk scores.

You may share a risk register between different computers in your organization by saving it to the corporate server. Using RiskyProject, you may establish simple an easy-to-use corporate risk management system:

1. Create a risk register and save it on the corporate server (*.alr).
2. Load the risk register file into a new project.
3. RiskyProject will ensure that different users do not overwrite the corporate copy of the risk register through the built-in locking mechanism.
How do I use the probabilistic cash flow as part of my product lifecycle management?
Probabilistic cash flow view is used to show the original, actual, and simulation results of cash allocation during monthly, bi-monthly, quarterly and yearly periods. In RiskyProject, you can apply risks and uncertainties to cost and income. As a result, the probabilistic cash flow view can have both a negative (cost) and positive (income) cash flow. This is a useful analysis for project lifecycle management, where you are trying to determine both the cost associated with product development and the income associated with sales of the product.

When should I use probabilistic calendars?
Probabilistic calendars are useful for modeling uncertain scheduling conditions such as weather. If you know from experience that during the project there is a 30% chance that you will be operating under poor weather conditions that will restrict working time, you can create a calendar that reflects this. Using the probabilistic calendars, you can then run this calendar 30% of the time to realistically model weather risks.

How do I customize risk outcomes?
You can add or customize non-schedule risk categories and outcomes (cost and schedule outcomes are hard coded and cannot be edited). RiskyProject provides several default risk categories and outcomes (Legal, Safety, Quality, etc.). Click the Risks tab, and in the Settings group click Risk Categories and then the Outcomes tab. You may use the Risk to add or modify non-schedule risk categories and outcomes. You may also enable or disable certain outcomes, so they are not shown in the dropdown list when you do risk assignments.

We recommend that you modify the default risk outcomes so that they can be used across your organization. These outcomes are saved in the system registry and can be used for all projects.

I imported a schedule from Microsoft Project to RiskyProject. Are there any potential differences?
In most cases, if you import your project schedule from Project, the projects in both applications will be identical. However, there are specific cases that may cause slight differences:

1. RiskyProject currently does not support split tasks. However, RiskyProject will import work calculated using split tasks. RiskyProject does not have task usage or resource usage views. The note for the task will be generated, then the task imported to RiskyProject as a split task.
2. RiskyProject calculates task duration differently than Microsoft Project in cases where resources that have different calendars are attached to the same task. However, even in these cases, start and finish times of the tasks will be identical.
3. RiskyProject does not support overtime rates.
4. RiskyProject does not import resource groups. Each resource is imported individually.
5. RiskyProject does not support the earned value method “Percent work completed”. Instead, it uses “Percent completed”.

How can I define opportunities versus threats?
When you create a risk assignment, define a negative outcome result that translates to an opportunity. For example, fixed delay –2 days indicates that if the event occurs, the task will require 2 fewer days to complete and is an opportunity.

How can I import low, base, and high duration from Microsoft Project?
Use the following fields in Microsoft Project to represent Low, Base, and High durations:
1. Duration1 for Low Duration
2. Duration2 for Base Duration
3. Duration3 for High Duration

Please remember that Duration1 < Duration2 < Duration3

**Why is the high result for duration or cost for the current schedule different from the high results?**

Low and high estimates for inputs, which you define for each task, are different from low and high results because their actual meanings are different.

1. You define the definition for low and high estimates for duration, cost, income input in the **Distributions** tab of **Task Information** dialog box. This can be interpreted differently depending upon what distributions you select. By default, low distribution inputs are P10 and high is P90.

2. You define the definition of low and high results for duration, cost, and income in the **Calculation** tab of the **Options** dialog box as a percentile of statistical distribution obtained as a result of your analysis. By default, low distribution results are P10 and high are P90.
## Glossary

<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual Cost</td>
<td>Cost that is accrued during a course of task or project. RiskyProject calculates actual cost automatically based on tracking data. Alternatively, you can enter this cost manually if you uncheck a flag in Options (cost tab).</td>
</tr>
<tr>
<td>Actual Start Date:</td>
<td>The start date of a task based on tracking data. Actual start dates can be input using the Tracking tab in Task Information dialog box. The Result Giant chart takes into account the actual start date. In addition, the Gantt chart shows actual start dates.</td>
</tr>
<tr>
<td>Assignment (for Resources)</td>
<td>Resources are assigned to particular tasks. Each assignment is defined by a resource name and the number of units allocated for the task. Assignments are defined in the Task Information dialog box.</td>
</tr>
<tr>
<td>Assignment Units</td>
<td>The percentage of a work resource’s time assigned to a task.</td>
</tr>
<tr>
<td>Base Calendar</td>
<td>A calendar that can be used as a project and task calendar that specifies default working and nonworking time for a set of resources. Differs from a resource calendar, which specifies working and nonworking time for an individual resource.</td>
</tr>
<tr>
<td>Baseline Project Schedule</td>
<td>The baseline project schedule is a snapshot of the project schedule. Baselines are saved without taking into account risks, uncertainties, and tracking information. RiskyProject uses an unlimited number of project baselines. Current baseline project schedules are shown in the Project view. The current baseline name is shown in the status bar. You may create baseline, restore baseline, or delete baseline. Baselines are very useful for analysis of mitigation efforts.</td>
</tr>
<tr>
<td>Budgeted cost</td>
<td>Cost associated with current project schedule.</td>
</tr>
<tr>
<td>Calendar</td>
<td>Calendar is a set of working and non-working times and days. Calendars are defined in Working Time dialog box. RiskyProject uses project, task, and resource calendars. Any number of calendars can be created.</td>
</tr>
<tr>
<td>Chance of Risk Occurrence</td>
<td>Chance that the selected risk, assigned to the task or resource or particular risk alternative, would occur. In this document, the chance of risk occurrence usually refers to the input chance for a risk assignment. Risk probability refers to the calculated probabilities for this risk, which can be different.</td>
</tr>
<tr>
<td>Closed Risk or Issue</td>
<td>Risks or issues that previously affected the project, but were analyzed, addressed, mitigated, and no longer affect the project. You may switch between opened and closed risks in the Risk Information dialog of Risk Register.</td>
</tr>
</tbody>
</table>
Constraint
A restriction that is set on the start or finish date of a task. If you enter a new task by specifying parameters (task name, duration, etc.) rather than start and finish dates, RiskyProject does set a constraint and the task will start and finish as soon as possible. If you specify a start date, a constraint is set to Start No Later Than. If you specify a finish date, a constraint is set to Must Finish On. You can change or remove constraints in the General tab of the Task Information dialog box. Constraints for start or finish dates are indicated using an orange background in all views.

Convergence
In the process of Monte Carlo simulations, RiskyProject monitors mean and standard deviation of project duration. RiskyProject then calculates relative difference between standard deviations of project duration in two consecutive simulations. If convergence monitoring is turned on, the simulation will stop, when this relative difference is less than the predefined value within a predefined number of simulations. The same is done for mean. Convergence parameters are set in the Options dialog box, Calculation tab. Convergence allows you to minimize the number of simulations and reduce calculation time, if a sufficient amount of information is collected.

Cost Per Use
Per-use costs are one-time fees for the use of a resource, such as equipment. Per-use costs never depend on the amount of work done. Instead, they are one-time costs that are incurred every time that the resource is used. Although a per-use cost for a work resource depends on the number of assignment units used, a per-use cost for a material resource is applied only one time. Cost per use is defined in Resource View.

Crucial Task
A task that has the most potential to affect project duration. Crucial tasks are shown as red in the Crucial Task View. RiskyProject calculates the Spearman Rank Order correlation coefficient and it as an indicator of how task duration affects project duration.

Cumulative Probability Plot
This chart plots cumulative probability versus the value of a variable. A cumulative probability chart allows you to analyze the risk associated with a variable. All cumulative probability charts in RiskyProject are interactive. By moving the slider, you can determine what is the chance that the project will be completed within a given period; or, what is the chance that the cost of the project will be within budget? Cumulative probability charts can be combined with frequency charts using the same variable.

Current Schedule
The deterministic project schedule that is currently active and used for probabilistic calculations. In most cases, it is the original project schedule you created or imported from other project management software. You may also set a baseline, which you previously created. See “Baseline Project Schedule (Baseline)” for more information.
<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Duration</strong></td>
<td>The total span of working time required to complete task or the whole project. Task duration can be input in months, weeks, days, hours, and minutes, as it is specified in <strong>Options</strong> dialog box (Duration tab). Normally, duration is calculated in hours. Duration is calculated using your current calendar.</td>
</tr>
<tr>
<td><strong>Earliest Project Deadline</strong></td>
<td>See <strong>Project Deadline</strong></td>
</tr>
<tr>
<td><strong>Effort Driven Scheduling</strong></td>
<td>The duration of a task shortens or lengthens as resources are added or removed from a task, while the amount of effort necessary to complete a task remains unchanged</td>
</tr>
<tr>
<td><strong>Event Chain Methodology</strong></td>
<td>A method of defining and analyzing uncertainties in time related business and technological processes. According to this methodology, most uncertainties are driven by stochastic events or risks. Single events can precipitate other events and create event chains. RiskyProject implements this methodology for project management problems.</td>
</tr>
<tr>
<td><strong>Finish date</strong></td>
<td>The date the task is scheduled to be completed. The start date is calculated based on successors, predecessors, constraints, task durations using the current calendar.</td>
</tr>
<tr>
<td><strong>Fixed Duration Task</strong></td>
<td>A task in which the duration is fixed. Any changes to the work or the assigned units [that is, resources] will not affect the task’s duration. This is calculated as follows: Duration x Units = Work.</td>
</tr>
<tr>
<td><strong>Frequency Chart</strong></td>
<td>This chart plots the number of samples or probability versus the value of the variable. Frequency charts allow you to analyze the risk associated with a variable. All frequency charts in RiskyProject are interactive. By moving the slider, you can check the chance that the project will be completed within a given period, or what is the chance that the cost of the project will be within budget. Frequency charts can be combined with cumulative probability chart for the same variable.</td>
</tr>
<tr>
<td><strong>Gantt Bar</strong></td>
<td>A graphical element of the Gantt chart that represents start, finish times, and duration of the task.</td>
</tr>
<tr>
<td><strong>Global Risk Assignment</strong></td>
<td>A stochastic event, which affects all tasks or resources in the project. Global risks are defined in the <strong>Global Risk Assignment</strong> View. You may also use <strong>Risk Register</strong> to assign global risks.</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td>Net processed from sales or net profit (without cost). RiskyProject analyzes cost and income separately, because they may have different risk and uncertainties. Specifically, RiskyProject has the risks Fixed Income Increase and Relative Income Increase. You can assign a special statistical distribution for Income.</td>
</tr>
<tr>
<td><strong>Income Actual</strong></td>
<td>Income that is accrued during the course of a task or project. RiskyProject calculates actual cost automatically based on tracking data. Alternatively, you can enter this income manually if you uncheck a flag in Options (cost tab).</td>
</tr>
</tbody>
</table>
IRR (Internal Rate of Return)  The rate of return that would make the present value of future cash flow (income) equal current market price of investment (cost). RiskyProject calculates IRR in Cash flow view.

Issue  Event that has already occurred. Issues could be viewed in Risk Register. Risks can be converted to issues using the Risk Information dialog from Risk Register. When risks become an issue, the chance of risk occurrence would become 100% for all risk assignments. You have to manually set the chance of risk occurrence to 100% for all mutually exclusive alternatives.

Kurtosis  Kurtosis is one of statistical parameters used by RiskyProject. Kurtosis is a measure of the flatness or peaked nature of a distribution relative to a normal distribution. RiskyProject presents kurtosis as part of results of Monte Carlo simulations for project and for the tasks.

\[
Kurt = \frac{1}{n} \sum_{i=1}^{n} \left( \frac{x_i - \mu}{\sigma} \right)^4
\]

where \( \mu \) is mean, \( \sigma \) is standard deviation and \( n \) is number of samples (number of Monte Carlo simulations).

Lag  The delay between the finish of the predecessor and the start of the successor task. Lags can be probabilistic. They are defined by statistical distribution.

Latest Project Deadline  See Project Deadline

Legend  The Legend appears by default at the bottom of each view. It contains practical information for each view. By default, legends are turned off. They can be toggled on and off from the View menu or the Options dialog box (View tab). In addition, legends can be turned off by clicking the X in the title bar of legend.

Lognormal Distribution  A distribution where the logarithm of the variable follows the normal distribution. The lognormal distribution is often used to model data, which is positively skewed.

Material Label  Material resource property: name of material units (e.g. ton).

Maximum Project Duration  See Project Deadline

Material Resources  The supplies or other consumable items used to complete tasks in a project. RiskyProject treats both work and material resources differently during calculation.

Maximum Units  Parameters associated with work resources. These are used in analysis of resource allocation: a resource will be over-allocated if the maximum units are exceeded.
<table>
<thead>
<tr>
<th><strong>Maximum Value</strong></th>
<th>The maximum result of a Monte Carlo simulation. It can be the maximum value of duration, cost, and start and finish times for all simulations. RiskyProject presents minimum and maximum values as part of results for Monte Carlo simulations for projects and tasks.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mean</strong></td>
<td>Mean is one of the statistical parameters. Mean is calculated as the sum of variable values on each simulation divided by the number of simulations.</td>
</tr>
<tr>
<td><strong>Milestone</strong></td>
<td>A reference point indicating a major event in the project. Milestones are used to monitor the project progress. Milestones in RiskyProject may or may not have zero duration. If the task has zero duration, it is automatically displayed as a milestone.</td>
</tr>
<tr>
<td><strong>Minimum Value</strong></td>
<td>Minimum result of Monte Carlo simulations. It can be a minimum value of duration, cost, start, and finish times for all simulations. RiskyProject presents minimum and maximum values as part of the results of Monte Carlo simulations for the project and for tasks.</td>
</tr>
<tr>
<td><strong>Monte Carlo</strong></td>
<td>The mathematical method used on risk analysis. Monte Carlo simulations are used to approximate the distribution of potential results based on probabilistic inputs. Each simulation is generated by randomly pulling a sample value for each input variable from its defined probability distribution. These input sample values are then used to calculate the results (in RiskyProject, it is project schedule parameters: project duration, start and finish times, success date, and cost). This procedure is then repeated until the probability distributions are sufficiently well represented to achieve the desired level of accuracy. The probability distribution to be used for these inputs is dependent on the types of numbers you want to generate.</td>
</tr>
<tr>
<td><strong>NPV (Net Present Value)</strong></td>
<td>NPV is the present value of investment’s future cash flow minus initial investment. RiskyProject calculates NPV and presents it in Cash flow view. You may change discount rate for NPV calculation.</td>
</tr>
<tr>
<td><strong>Non-schedule Risk Outcomes</strong></td>
<td>Risk outcomes, which do not affect project schedule directly. Examples are safety related risk outcomes (reduce safety, accident, etc.), quality related outcomes (reduce quality), etc. See risk outcomes for more information</td>
</tr>
<tr>
<td><strong>Normal Distribution</strong></td>
<td>A distribution that describes situations where values are distributed symmetrically around the mean. 68% of all values under the curve lie within the standard deviation of mean and 95% lie within two standard deviations.</td>
</tr>
<tr>
<td><strong>Opened Risk or Issue</strong></td>
<td>Risk or issue which is currently active and may affect your project schedule. You may switch between opened and closed risks in the Risk Information dialog of Risk Register.</td>
</tr>
<tr>
<td><strong>Opportunity</strong></td>
<td>Risk event, which positively affects the project. In RiskyProject opportunity is determined based on the results of risk outcomes. If a result is negative, (for example fixed delay is -2 days) it is an opportunity. Otherwise, it is a threat.</td>
</tr>
<tr>
<td>Term</td>
<td>Description</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Overallocation</td>
<td>An over-allocated resource has more work assigned than can be done in the resource’s available time. Overallocation is the number of hours a resource is scheduled for all assigned tasks over the resource’s available time. Overallocation is shown within the Resource view. Use the shortcut menu (right-mouse click) to switch between the different types of charts available in the Resource view.</td>
</tr>
<tr>
<td>P1/P99 (P5/P95, P10/P90) range</td>
<td>The difference between P1 and P99 percentiles (P5 and P95, P10 and P90). RiskyProject presents such ranges as part of results for Monte Carlo simulations for project and for tasks.</td>
</tr>
<tr>
<td>Peak Units</td>
<td>The highest level at which a resource is scheduled for all assigned tasks during a given period. Peak units are shown in the Resource view. Use the shortcut menu (right-mouse click) to switch between the different types of charts available in the Resource view.</td>
</tr>
<tr>
<td>Percent Allocation</td>
<td>The percentage of a resource’s capacity for all assigned tasks during a given period. Percent allocation is shown within resources view. Use the shortcut menu (right-mouse click) to switch between the different types of charts available in the Resource view.</td>
</tr>
<tr>
<td>Percentile</td>
<td>A measure used in statistics indicating the value below which a given percentage of observations in a group of observations falls. A value in the 95th percentile is a value equal to or better than 95 percent of other values. RiskyProject presents percentiles as part of results of Monte Carlo simulations for project and for the tasks. Notation P95 indicate 95th percentile.</td>
</tr>
<tr>
<td>Predecessor</td>
<td>A task that must start or finish before another task starts or finishes.</td>
</tr>
<tr>
<td>Project Calendar</td>
<td>The base calendar used by the project. Project calendar is used for scheduling tasks if task or resource calendars are not defined.</td>
</tr>
<tr>
<td>Project Deadline</td>
<td>Calculated using the earliest project deadline, the latest project deadline, and the maximum project duration. These parameters are entered in the Main Project Settings dialog box (see Project menu). The project is cancelled when the deadline is reached. The deadline can also affect the project success rate as any tasks that exceed the project deadline are canceled.</td>
</tr>
<tr>
<td>Projected Duration</td>
<td>The task duration, which is recalculated, based on current schedule task duration and tracking data.</td>
</tr>
<tr>
<td>Range</td>
<td>The difference between maximum and minimum values. RiskyProject presents range as part of results for Monte Carlo simulations for projects and tasks.</td>
</tr>
<tr>
<td>Resource Calendar</td>
<td>A calendar that specifies working and non-working time for a specific resource. A resource calendar differs from a project calendar, which specifies working and non-working time for more than one resource.</td>
</tr>
<tr>
<td>Resource Information dialog box</td>
<td>This dialog box contains <strong>General</strong> and <strong>Risks</strong> information about particular resources. The Resource Information can be viewed by double clicking on any not editable field associated with the resource in the resource view, for example on resource ID. The Resource Information dialog box can also be opened using shortcut menu in resource view.</td>
</tr>
<tr>
<td>Resources</td>
<td>People, materials, and costs used to complete tasks.</td>
</tr>
<tr>
<td>Profit</td>
<td>Profit = Income – Cost. Profit is calculated only if income is defined for at least one task.</td>
</tr>
<tr>
<td>Risk</td>
<td>A stochastic event that can be applied to tasks or resources and affects project schedules. Risks are defined by name. When risks are assigned to tasks or resources, you need to define their chance of occurrence, outcome, and time of occurrence.</td>
</tr>
<tr>
<td>Risk Assignment</td>
<td>Risk can be assigned to all tasks or resources (global) or particular task or resource (local). When you perform risk assignment, you need to define chance of risk occurrence, risk outcome, result, and moment of risk. If risk is not assigned to any tasks and resources, it will remain in the Risk Register but will not be used for risk ranking and will not affect your project schedule.</td>
</tr>
<tr>
<td>Risk Category</td>
<td>Group of risk outcomes. RiskyProject calculates risk impacts and scores for each category. For example, one of the default risk categories is safety. It has a number of outcomes: reduce safety, injury accidents, etc. Risks within these outcomes will be ranked together.</td>
</tr>
<tr>
<td>Risk Chart</td>
<td>Chart, which represents task risk, expressed as standard deviation, range, P10, P90, etc. versus task cost or task duration.</td>
</tr>
<tr>
<td>Risk Impact</td>
<td>RiskyProject calculates risk impact for duration, cost, and combined for all parameters as a result of sensitivity analysis, normalizes it, and presents it within different views, including Risk Register, and Risk Matrix. Red for threat-type risk impact means there is a strong correlation between the risk and project duration/cost. Yellow means that there is a medium correlation between the risk and the project duration/cost. Green means there is a weak or no correlation between the risk and project duration/cost. Colors for opportunity type risk impacts are the opposite. If a risk has threats and opportunities, its color is not defined.</td>
</tr>
<tr>
<td>Risk Matrix</td>
<td>The view presenting risk probability versus risk impact within matrix. Risk matrix uses different colors (red, green, and yellow) to represent severity of the risk. In RiskyProject, risk matrix can be viewed separately for risks and opportunities.</td>
</tr>
<tr>
<td>Risk Outcome Type</td>
<td>Description</td>
</tr>
<tr>
<td>-------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Risk Outcome Type</td>
<td>A result if a risk occurs. In quantitative analysis risk outcome types can be schedule-related and non-schedule. Multiple risk outcome types can be combined in risk category. You can customize non-schedule risk outcome types, as well as enable/disable schedule risk outcome types using the <strong>Categories and Outcomes</strong> dialog. If a risk is assigned to a task, the outcome type can be Increase cost, Delay Restart End task, Cancel task. If a risk is assigned to a resource, the outcome type can be Increase cost, Delay, Restart, End task, and others. If an outcome is set to No impact, the risk is ignored.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Risk Probability</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Probability</td>
<td>Calculated chance that event would occur. Risk Probability is shown in Risk Matrix, Risk Register, and other views and dialog boxes, where risks information can be viewed. In this document, chance of risk occurrence usually refers to input chance for risk assignment. Risk probability refers to the calculated probabilities for this risk, which can be different.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Risk Properties</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Properties</td>
<td>Attributes, associated with the risks. Examples of these risk properties include when risk is created or modified, name of record, name of contact, and other information. Default sets of risk properties are defined in <strong>Default Risk Properties</strong> dialog. Actual values of these risk properties are entered in the <strong>Risk Information</strong> dialog of <strong>Risk Register</strong>.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Risk Register</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Register</td>
<td>The set of all risks. Includes input parameters: opened or closed, risk or issue, and properties. Also, includes calculated parameters: threat or opportunity, pre- and post-mitigation probability, impact, and score. Risks from Risk Register should be assigned to tasks or resources. RiskyProject is shown in Risk Register view and Risk Properties view.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Risk Score</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Score</td>
<td>Calculated risk impact multiplied by risk probability. Risk score can be viewed in <strong>Risk Register</strong> view and <strong>Risk Matrix</strong> view. You may sort all risks based on risk score in <strong>Risk Register</strong>.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Seed (in Monte Carlo Simulations)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seed (in Monte Carlo Simulations)</td>
<td>Seed is a number, which is used as a starting point for Monte Carlo simulations. RiskyProject automatically generates and saves the seed for all uncertain parameters: duration, start and finish times, work, cost, etc.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule</td>
<td>The timing and sequence of tasks within a project. A schedule contains tasks with dependencies, as well as other project information.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Schedule Related Risk Outcome types</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule Related Risk Outcome types</td>
<td>In quantitative risk analysis, Risk outcome types that directly affect project schedule. Examples are restart task, fixed delay, and fixed cost increase. Schedule related risk outcome types are hard coded, but you can enable or disable them. See Risk Outcome Types for more information</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Semi Standard Deviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semi Standard Deviation</td>
<td>Semi standard deviation is calculated the same way as standard deviation, except only samples below mean are used in the calculation. RiskyProject presents semi standard deviation as part of results of Monte Carlo simulations for project and for the tasks.</td>
</tr>
</tbody>
</table>
### Skewness

Skewness is a measure of the degree of asymmetry of a distribution around its mean. If the distribution is skewed to the left, it will have a positive skewness. If it is skewed to the right, it will have a negative skewness. RiskyProject presents skewness as part of results of Monte Carlo simulations for project and for the tasks.

\[
Skew = \frac{1}{n} \sum_{i=1}^{n} \left( \frac{x_i - \mu}{\sigma} \right)
\]

where \( \mu \) is mean, \( \sigma \) is standard deviation and \( n \) is number of samples (number of Monte Carlo simulations).

### Spearman Rank Order correlation coefficient

A nonparametric (distribution-free) rank statistic proposed by Spearman in 1904 as a measure of the strength of the associations between two variables. It is used in RiskyProject to estimate which task duration, risk, task start date, task cost, risk, etc. affects project duration, finish time, cost success rate the most. Complete results of calculation in form of chart are shown in Sensitivity View. See Lehmann, E.L. and D’Abrera, H.J.M. *Nonparametrics: Statistical Methods Based on Ranks*, rev. ed. Englewood Cliffs, NJ: Prentice-Hall, pp.292, 300, and 323, 1998.

### Standard deviation

The standard deviation is a measure of how widely dispersed the values are in a distribution. Equals the square root of the variance. RiskyProject presents standard deviation as part of results of Monte Carlo simulations for project and for the tasks. Standard deviation can also be shown for input distributions for cost, duration, and start time (see Task Information dialog box, Distributions Tab).

\[
\sigma = \sqrt{\frac{1}{n-1} \sum_{i=1}^{n} (x_i - \mu)^2}
\]

where \( \mu \) is mean and \( n \) is number of samples.

### Start date

The date when task is scheduled to begin. The start date is calculated based on successors, predecessors, constraints, task durations using current calendar.

### Statistical Distribution

An arrangement of values or variables showing their observed or theoretical frequency of occurrence.

### Subtask

A subtask is a task that is part of a summary task. The subtask information such as cost and duration is consolidated into the summary task. Summary task and subtasks can be outlined using the **Indent** and **Outdent** buttons located on the **Formatting** toolbar, as well as the **Indent** and **Outdent** menu items.
Success Rate

The chance that a task or project will be completed. A task success rate of 56% means that there is a 56% chance that this task will be completed and 44% percent chance that it will be canceled. A task can be canceled when either it reaches a task or project deadline, or if a risk with a Cancel task, Cancel Task + all successors or Cancel Project outcome type occurs. A project can be canceled either when it reaches the project deadline or if a task risk with a Cancel Project outcome occurs. The task success rate is shown on the Success Rate view, but it can be requested within any view. The Project success rate is shown in the Project Information view.

Successor

A task that cannot start or finish until another task starts or finishes.

Summary Task

A task that encompasses and summarizes the duration and costs of all tasks in a group. Summary task and subtasks can be outlined using the Indent and Outdent buttons located on the Formatting toolbar, as well as the Indent and Outdent menu items.

Task Deadline

A target date for the completion of a task. Task deadlines are defined in the Deadlines tab of Task Information dialog box. You can assign different actions for when a deadline occurs: the deadline can be ignored in the scheduling process and the task can be canceled with or without affecting the success rate. Deadlines are displayed as a red arrow in Gantt charts. Deadline arrows can be turned off and on in the Project Options (Calendar tab).

Task Dependencies

The type of link between different tasks. There are four types of task dependencies:

3. Finish-To-Start: Task 2 (successor) cannot start until task 1 (predecessor) finishes
4. Start-To-Start: Task 2 (successor) cannot start until task 1 (predecessor) starts
5. Finish-To-Finish: Task 2 (successor) cannot finish until task 1 (predecessor) finishes
6. Start-To-Finish: Task 2 (successor) cannot finish until task 1 (predecessor) starts

Task dependencies can be defined in the Task Information dialog box (predecessor tab). They can also be defined using the toolbar buttons.

Task Information dialog box

Information regarding a specific task is organized using a series of tabs (General, Predecessors, Resources, Deadline, Risks, Distributions, Tracking, and others). The dialog box can be opened by double-clicking on any non-editable field associated with a task in the task view. A task ID is an example of a non-editable field. You can also open the Task Information dialog box using the shortcut menu in the task view, or choosing Project> Task Information from the menu.
<table>
<thead>
<tr>
<th><strong>Task</strong></th>
<th>An activity or job that has a start date and time, an end date and time, duration, and other properties. A Project is comprised of tasks.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Task Calendar</strong></td>
<td>The base calendar that you can apply to individual tasks to control their scheduling, usually independent of the project calendar or any assigned resources’ calendars. By default, all tasks use the project calendar.</td>
</tr>
<tr>
<td><strong>Threat</strong></td>
<td>Risk events that negatively affect the project. In RiskyProject a threat is determined based on the result of a risk outcome. If the result is positive (for example, fixed delay is 2 days) it is threat. Otherwise, it is an opportunity.</td>
</tr>
<tr>
<td><strong>Timescale</strong></td>
<td>The time period indicator that appears at the top of the various Gantt charts, the Resource charts, frequency and cumulative probability plots, and tracking plot. Timescale always has two tiers. Information in timescales is automatically adjusted based on the resolution of the particular chart.</td>
</tr>
</tbody>
</table>
| **Variance** | The variance is a measure of how widely dispersed the values are in a distribution, and thus is an indication of the risk of the distribution. It is calculated as the average of the squared deviations about the mean. The variance gives disproportionate weight to outlying values that are far from the mean. The variance is the square of the standard deviation. RiskyProject presents range as part of results for Monte Carlo simulations for project and for tasks.  
\[ \sigma^2 = \frac{1}{n-1} \sum_{i=1}^{n} (x_i - \mu)^2 \]  
where \( \mu \) is mean, \( \sigma \) is standard deviation and \( n \) is number of samples (number of Monte Carlo simulations). |
| **View** | A graphic user interface component, which may combine charts and worksheets. RiskyProject has 12 views. You can navigate between views using the ribbon or the **Workflow** bar. The order of the views in the workflow bar reflects the recommended project risk management workflow. |
| **Work** | For tasks, the total labor required to complete a task. For assignments, the amount of work to which a resource is assigned. For resources, the total amount of work to which a resource is assigned for all tasks. Work is different from task duration. |
| **Work in Resource Chart** | Total number of hours a resource is scheduled for all assigned tasks during a given period. Work is shown within **Resource** view. Use the shortcut menu (right-mouse click) to switch between the different types of charts available in the **Resource** view. |
Workflow bar  
Located on the left of the RiskyProject workspace, the Workflow bar allows you to quickly select and open Views. The order of the views in the workflow bar reflects the recommended project risk management workflow. The Workflow bar can be turned on and off from within the **Options** dialog box (view tab) or the **View** menu. In addition, the Workflow bar can be turned off by clicking the X in the title bar (top of workflow bar).
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