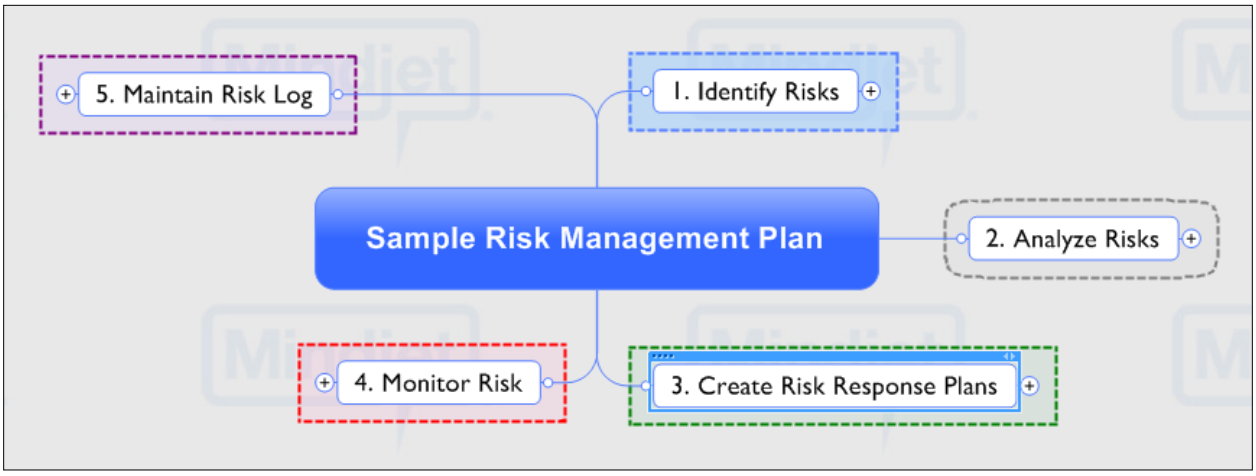
How to create a risk management mind map

By Chuck Frey

Mind mapping software is a perfect tool for creating a risk management assessment. In this application, a project team identities all of the potential risks associated with a project, ranks them in order of likelihood and potential impact, and develops plans to mitigate them. According to the Project Management Body of Knowledge (PMBOK), time, cost and scope are the three primary aspects of a project that may be impacted by risks.



In a typical project, risk identification is done after the project plan is finalized. Inputs to the risk identification process include the project's work breakdown structure (click here to read a separate Insider report on this topic), budget, schedule, statement of work, resource plan and past lessons learned.

Mind mapping is especially well-suited to the initial risk identification process, which tends to be iterative and non-linear. It often results in branching from one risk to another. As one risk is identified by the team and recorded in the mind map, it may suggest other risks - either extensions of the previous risk or totally unrelated to it. Mind maps enable the risk management team to:

- Quickly brainstorm and capture potential risks without evaluation or critique
- Evaluate each risk (with numerical icons used to rate each risk) and group them into common categories; duplicate risks can be easily consolidated or deleted from the mind map
- Add further details or definition to them, including topic notes, attached files and hyperlinks
- Add data related to risk probability and potential impact.
- Identify related risks by adding relationship lines between them.
- Add branches to the mind map that detail the team's action plans for dealing with each risk, if it should occur.
- Export the completed map in a variety of formats to share with others in the organization.

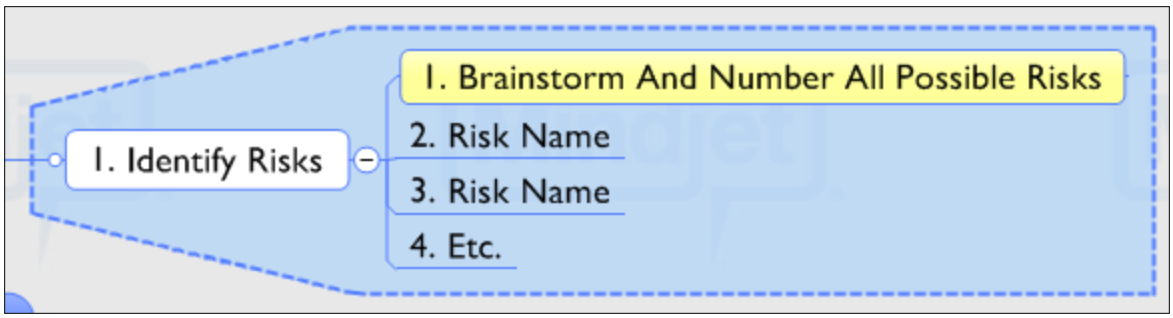
In some organizations, team members may create their own mind maps to help them organize their thoughts. The facilitator can then easily combine them into a consolidated risk management map.

Once the project is underway, the risk management mind map can be utilized throughout its lifecycle to continue to monitor identify and assess potential risks and adjust the team's response plans accordingly.

A closer look at how to create a risk management mind map

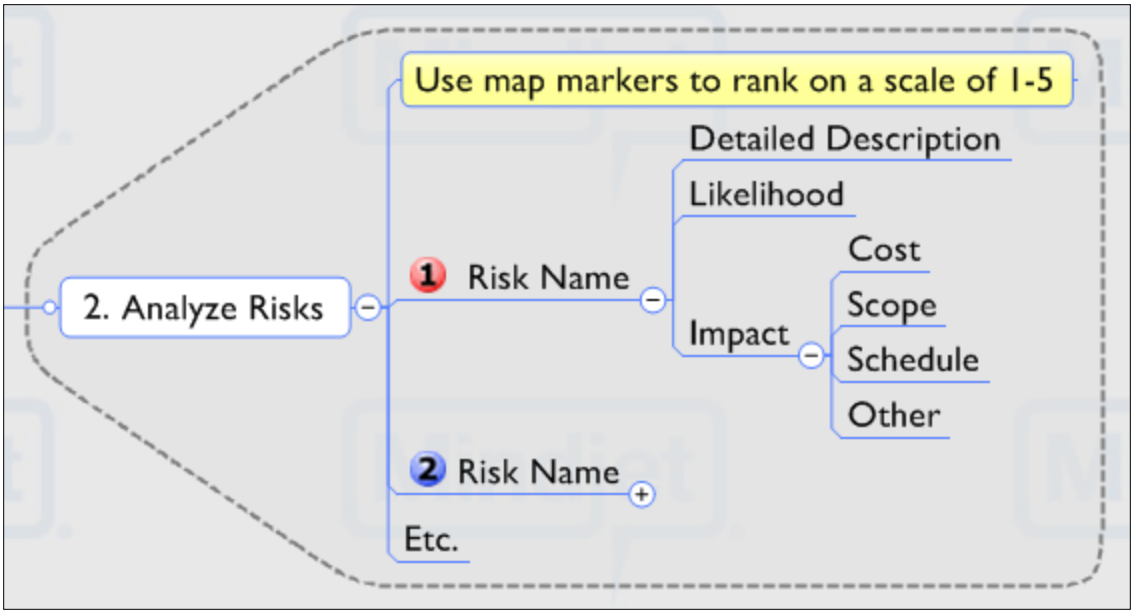
The example mind map shown on page one of this report comes to us from the BiggerPlate.com website. It was originally published by Mindjet and can be downloaded here. We'll now take a closer look at each step in creating a risk management mind map:

Step 1: Identify risks



Use this section of the template map to enter all of the potential risks you and your team have identified. Numbering them has nothing to do with ranking them; it's simply a way to refer to them during team discussions. This will help to avoid confusion, especially if several of the risks you have identified have similar wording. One tool you may want to use to help you identify risks is SWOT – which stands for Strengths/Weaknesses/Opportunities/Threats. You can read more about using a mind map for SWOT analysis here.

Step 2: Analyze risks



During this step, spend time with your team, discussing each risk. Which one is most likely to happen? What is its potential impact? Note how this template uses numerical icons or symbols to rank ideas. This makes it very easy for the team to see, at a glance, which potential risks it needs to focus upon. Obviously, those with the greatest probability of occurring and the greatest potential negative impact are the ones you need to focus upon.

"Detailed description" is where you can add background information about each risk. This could include attachments and links to reports and other resources related to that risk.

For "likelihood," I recommend that you create a scale that you feel comfortable, and then use it consistently within your risk management mind map. I'd recommend something like:

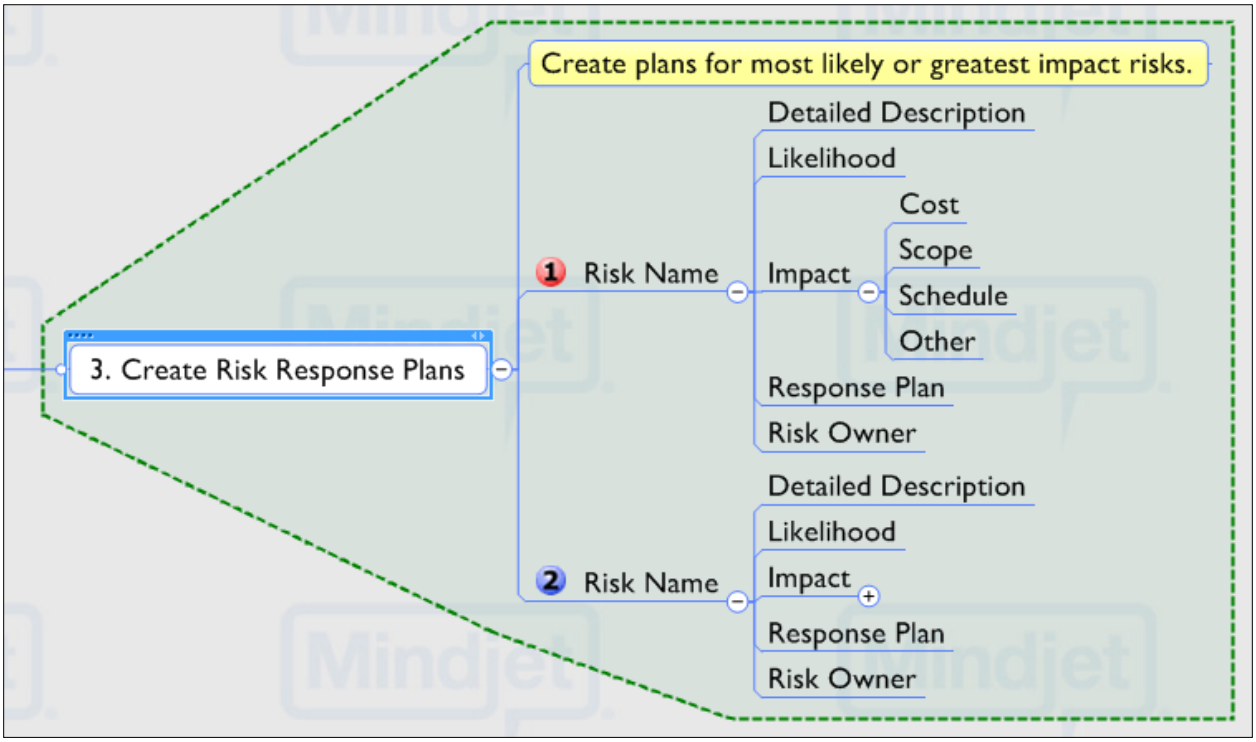
- Inevitable

- Very likely
- Somewhat likely
- Not very likely
- Not likely at all

You may want to consider making this a numeric scale, where 0 represents not likely at all and 4 represents inevitable.

In addition, note the “impact” subtopic. This refers back to the potential areas where risk can impact a project, which we talked about earlier in this report.

Step 3: Create risk response plans



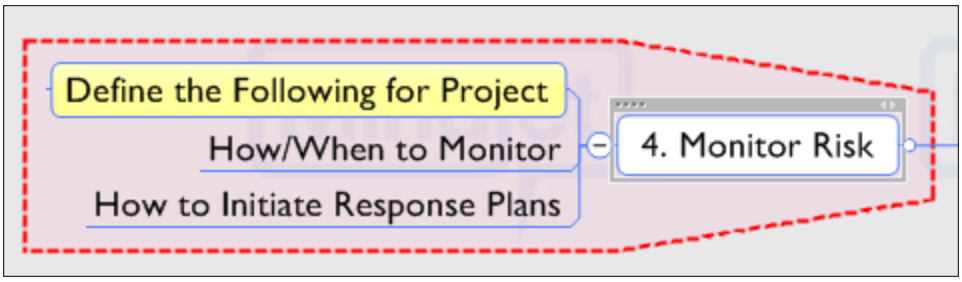
In this step, you and your team create response plans to address those risks you’ve identified that either are most likely to occur, or would have the greatest potential impact if they occurred. Note that the section of the mind map above looks very similar to step 2. What’s changed is that subtopics for “Response Plan” and “Risk Owner” have been added.

“Response Plan” could take the form of some additional topics and sub-topics. But more likely, you’ll want to link out to a sub-map or create a response plan in the form of a document and then attach it here.

“Risk Owner” refers to the person who is most capable of managing it. Here’s how PM-Notebook.com defines the risk owner:

> *Part of risk management is assigning an owner to each risk. This should be the person most capable of managing it. Project managers usually assign only project team members. That's fine, as long as they have the knowledge, resources, and authority to deal with the risk. If they don't, assign it to someone who does, even if it's the CEO. Assign it to an executive the same way you do a project team member. By discussing the risk with them and getting their concurrence they're the best person to handle it.*

Step 4: Monitor risk



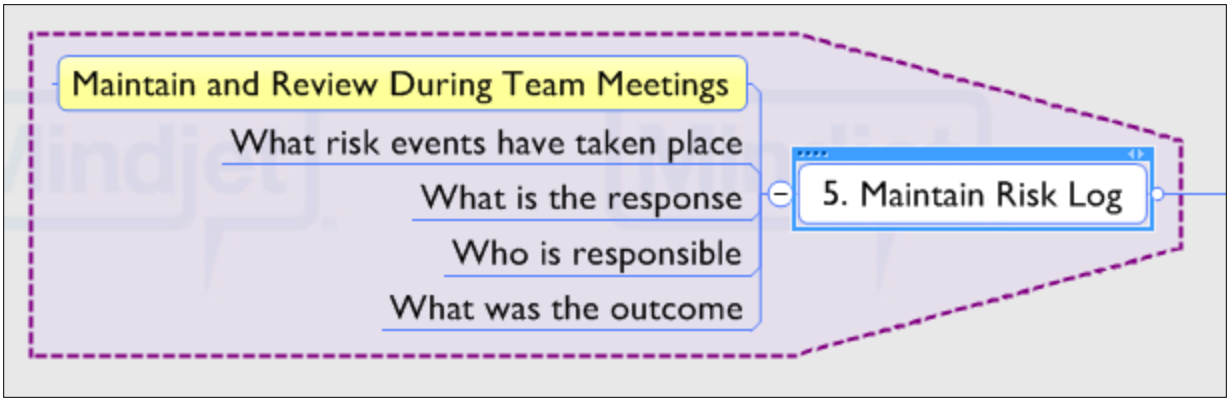
Once you have response plans in place, the fourth step is to come to an agreement among the members of your team on how and when you will monitor the risks you’ve identified, and how to initiate responses plans if a risk does occur. This map template doesn’t provide any details on how to do that. Project management experts recommend reviewing your list of potential risks once a week, and to review it with all stakeholders on a regular basis (perhaps monthly?). The key is to put it on your schedule, which will force you to do it on a regular basis.

What should you do during these review meetings?

- Review what went well and was mitigated
- Review all outstanding risks to see if they are still valid
- Discuss and assess new risks that have happened since your last review.

For best results, don't try to do this review by yourself. Be sure to involve all of your team members and stakeholders, because this will help you to have an accurate and complete view of all current risks that could affect your project.

Step 5: Maintain a risk log



The risk log is a document or mind map in which you chronicle all of the risk events that occurred, how your team responded, who was responsible and what the outcome was. This document will help you to improve your risk assessment efforts over time.

Questions?

Please contact Chuck Frey at chuck@innovationtools.com.

Please visit the Mind Mapping Software Blog for all of the latest news, trends and resources related to visual mapping.

You can also follow Chuck Frey on Twitter for even more insights and ideas.