



# NextGen Project Risk Management Masterclass

Instructor-led Virtual Class: April 27-29, 2021  
Duration: 8:30 am - 5:00 pm (Central Time)  
Up to 25 PDUs



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## Session 1

### Project Schedule and Cost Risk Analysis

April 27-28, 2021

#### Combat Volatility, Uncertainty, Complexity, and Ambiguity (VUCA)!

Risk and uncertainty are inherent to projects. They influence every major project decision and eventual outcomes. Ignoring them will result in unrealistic estimates of project schedule and cost. The likely consequence is poor project investment decisions, schedule delays, cost overruns, and ultimate project failures.

Today's business environment is volatile, uncertain, complex, and ambiguous (VUCA). In this environment, effective management of project risk and uncertainty and realistic estimation of schedule and cost are paramount to your project success.

Hardly a few years ago, risk was considered a four-letter dirty word and virtually ignored in many organizations. However, today risk management is front and center of project management.

#### Evolving Risk Management Approach

The commonly used first generation risk management tools are risk registers involving qualitative risk analysis. The second generation tools, which are not as common yet, are based on quantitative analysis. The next generation approach — the focus of this Masterclass — supplements the existing methods by addressing, among other things:

- Ambiguity risk that deals with uncertainty about future
- Emergent risk caused by events commonly known as “unknown unknowns” that can only be recognized only after they have occurred
- Opportunities with a positive impact on project outcomes
- Integration of schedule and cost risks to account for cost changes driven by schedule changes
- Integration of project risk management into portfolio risk management

The “NextGen” approach helps you obtain more realistic estimates of project cost, schedule, and reserves; offers better insight into how a project may unfold due to risks and uncertainty; and most importantly, helps you complete projects on time and under budget and deliver promised value to your stakeholders.

#### Learning Objectives

- Define and quantitatively analyze uncertainty and risk
- Generate more realistic project cost and schedule estimates
- Account for impacts of threats as well as opportunities on project estimates
- Integrate schedule and cost risks by accounting for cost variations driven by schedule changes
- Estimate project reserves using a probabilistic approach
- Use Monte Carlo methods for schedule and cost risk analysis
- Perform sensitivity analysis using tornado diagrams, correlations, critical indexes, probability Gantt charts, and schedule impact indicators
- Develop a holistic approach to risk management by integrating project and portfolio risk analysis

#### Tools, Techniques, and Learning Outcomes

This course offers you numerous tools and techniques that include probability distributions, Monte Carlo simulations, heat maps, tornado diagrams, correlations, probability Gantt charts, stochastic estimation, etc.

You'll learn a new, important technique called **RISA (Risk Impact Sensitivity Analysis)** that will help you prioritize your threats in order to identify which ones to avoid, mitigate or develop contingency plans for.

## Session 2

### Portfolio Risk and Decision Analysis

April 29, 2021

#### Stop Investing in Wrong Projects!

Effective project risk management may help you with better estimation of schedule and cost leading to higher rates of on-time and on-budget project performance, but what if the project failed to generate the promised value?

A project may even be “dead on arrival,” when the executives make bad decisions based on inaccurate and overly optimistic benefit estimates, say, in the form of net present value (NPV). This is likely a result of project sponsors and advocates ignoring the uncertainty associated with the NPV estimates. It may be also be due to a common assumption that the project will follow the expected course from start to finish, even when the scope is ambiguous and the technical viability is uncertain.

Investing in wrong projects that are doomed to fail causes a tremendous opportunity cost for organizations. Furthermore, project portfolio managers may end up selecting a wrong *mix* of projects that may not yield the highest portfolio NPV thereby leaving money on the table.

#### Better Decisions in Selecting Projects

A key question, therefore, is:

**How do you make better decisions in selecting not only the right projects but also the right *mix* of projects?**

We address this question in this course and help you:

- Understand the uncertainty related to project NPV estimates
- Analyze the risks and strategic choices created by scope ambiguity and technical uncertainty
- Maximize the potential value of your portfolio
- Make better decisions by avoiding most common decision biases

#### Learning Objectives

- Differentiate deterministic vs. stochastic estimation of project NPV
- Apply Monte Carlo methods to estimate NPV
- Perform sensitivity analysis to identify the highest impact factors for NPV
- Estimate portfolio reserves
- Apply decision trees to identify strategic choices created by project uncertainties and to make better go/no-go decisions
- Use stochastic optimization technique to select the highest NPV-generating portfolio
- Avoid most common decision making biases



**New Dates and Time Zones are available for Training**

**For assistance on your training, please contact Daniel Tan at [daniel@nichemarketsasia.com](mailto:daniel@nichemarketsasia.com) Mobile: (+65) 9450 2005 (24 hrs)**

[www.nichemarketsasia.com](http://www.nichemarketsasia.com)

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## Course Format

- Both the sessions of the Masterclass are presented in a virtual format on Zoom.
- Each session consists of mini-lectures, interactive discussions, and team-based case study exercises.
- You will receive a complimentary copy of a software application called *HawkEye*, developed by the course instructor, Dr. Prasad S. Kodukula, PMP, PgMP, DASM, and his research team. It consists of a suite of next generation risk analysis tools. The software is designed to help you learn easily how to quantify and analyze risk and uncertainty.
- Your instructor will demonstrate each tool and technique using an example problem. You will learn them through hands-on application.
- The class size will be limited, so that personal attention can be given to each participant in helping with the hands-on exercises.

## What You'll Receive

- A digital copy of the participant guide (different for each session) with course slides, exercises, and case studies
- A copy of *HawkEye*, a software application consisting of a suite of risk and decision tools
- A digital copy of the help manual for *HawkEye* (a PDF file with basic instructions on how to use the software)
- A digital copy (Kindle) of the book written by the course instructor Dr. Kodukula (coauthor: Chandra Papudesu): *Project Valuation Using Real Options: A Practitioner's Guide*

## Who Should Attend

- Project managers, program managers, and portfolio managers
- Project planners responsible for estimation of project costs and schedules
- Project analysts involved in financial modeling of project benefits and costs
- PMO staff responsible for initiating or streamlining project and portfolio management processes
- Decision makers involved in authorizing projects

## Course Schedule

- Start: 8:30 am
- Break: 10:00 am - 10:15 am
- Lunch: 12:00 pm - 1:00 pm
- Break: 2:30 pm - 2:40 pm
- Break: 3:50 pm - 4:00 pm
- Finish: 5:00 pm

## Registration Fee

- USD 1,300 per participant - Sessions 1 & 2 (27-29 April 2021 for 3 Days)
- USD 1,000 per participant - Session 1 (27-28 April 2021 for 2 Days)
- USD 500 per participant - Session 2 (29 April 2021 for 1 Day)

## Gain PDUs

### For Session 1 (the first two days), you can receive:

- 17 PDUs (14 technical and 3 strategic) against PMP/PgMP/PfMP
- 7 PDUs (6 technical and 1 strategic) against PMI-RMP
- 7 PDUs (6 technical and 1 strategic) against PMI-SP

### For Session 2 (the third day), you can receive:

- 8.5 PDUs (4.5 technical and 4 strategic) against PMP/PgMP/PfMP

You may use these PDUs to apply towards PMP certification exam or to maintain certification.

## Instructor

**Dr Prasad S Kodukula, PMP, PgMP, DASM  
PMI Fellow,  
Chicago, Illinois, USA**



- Dr. Kodukula is a PMO advisor, thought leader, speaker, coach, author, and entrepreneur with more than 30 years of professional experience.
- As a self proclaimed Global Ambassador of Project Management, he has spoken on project management topics in nearly 50 countries and trained or coached several thousands of project, program, and portfolio management professionals at more than 40 Fortune 100 companies, the World Bank, the United Nations, and various agencies of the United States government.
- He also teaches project management at the University of Chicago.
- He is Founder/CEO of Kodukula & Associates, Inc., a project management training, coaching, and consulting company.
- Dr. Kodukula has been honored three times ("Triple Crown") by the Project Management Institute as "Best of the Best in Project Management" with 2020 PMI Fellow Award, 2016 PMI Eric Jenett Project Management Excellence Award, and 2010 PMI Distinguished Contribution Award.
- He is a co-author or contributing author of eight books and more than 40 articles. He holds four patents.

## PMP® "Project Management Professional"

PMP is the global gold standard of project management certification. Recognized and demanded by organizations worldwide, PMP validates your competence to perform in the role of a project manager, leading and directing projects and teams.

### Is PMP really worth it?

Survey after survey has shown that PMP certification holders earn higher in the long run than their non-PMP counterparts. According to Forbes, PMP certification increased in value by 18.6%, jumping the median salary of about \$114,000 in 2018 to about \$136,000 in 2019.

## Course Organizer

**niche training, a division of Niche Markets Asia  
Knowledge Management Pathways  
Connecting Business, Government and Expert Communities.**

Niche Markets Asia is a specialist knowledge management agency, connecting clients, experts and regulators. niche training provides training courses that are thoroughly researched and carefully structured to provide practical and exclusive training applicable to your organization. This includes our popular Overseas Learning Journey which consist of customized site visits to Businesses and Government Agencies and Expert Lectures.

Our clients and organizations represented at our past workshops include: Australian Communications and Media Authority (ACMA), Australia Department of Defense, Danone, Enterprise Singapore (New Business Division), European Space Agency, Jollibee, Info-communications Media Development Authority of Singapore (IMDA), Inmarsat, Kacific Broadband Satellites, McKinsey & Co., Ministry of Communication and Information Technology of the Republic of Indonesia (KOMINFO), PT IndoFood Sukses Makmur TBK, San Miguel Foods, SES, Singapore Police Force, Unilever, and others.

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