2.3 RISK MANAGEMENT

2.3.1 Risk Identification

2.3.1.1 Project

Project Size

The development team of 6 members will design and implement the Content Management Module of the ABS system. This module includes specific features. A moderate amount of hours must be spent on the creation of such features however the degree of difficulty is low.

Time Constraint

Due to the use of COTS time was decreased. The project will be developed and completed over the course of three months. Because this is a startup company there is no existing system and no rush for the completion or effect on other systems if production is delayed.

Project Structure

This company has no existing system in place, but this project is based on the existent system that the health care providers use, the AS-IS systems are phone, catalog, or web-based ordering. Our system will be more user-orientated. The users seem to agree that this system will be one they will use in the future. Abacus has been meeting with health-care providers and others with knowledge of the industry to develop the adequate system.

System Interdependences

Because this company will serve as a vendor, supplying different manufactured medical devices to the users the system depends on the manufacturers upholding their efforts. They will require interaction with the manufacturers' systems. This will involve some level of risk.

2.3.1.2 Familiarities with Technology or Application Area

Development Team

The team members have significant knowledge of the development languages and hardware involved in the project. Additionally, members are familiar with software development environment and have experience of dealing with a project of this size. Other members have knowledge and skills to analyze and plan the correct path to take.

User Group

The users are health care providers, webmasters, and system administrators. The health care providers may or may not have experience with dealing with a web-based ordering system. Some users currently use such a system and will not have difficult navigate this system however those who have no internet experience may have difficulties. The webmasters and systems administrators will be ABS employees who use the administrative areas of the system. These employees

should already have computer-based knowledge and will not have trouble in dealing with the system.

2.3.1.3 Business and Requirements

The success of this company depends on this system. If the health care providers use the system, the amount of users will be large. The system will depend on multiple business systems owned by other companies.

2.3.2 Risk Measurement

PROJECT

Duration of Project	1	2	3	4	5
Estimated Size of Project	1	2	3	4	5
Project Effort in Hours	1	2	3	4	5
Flexibility of End Date	1	2	3	4	5
Interdependence to Other Systems in Abacus	1	2	3	4	5
Interdependence to Manufacturers' Systems	1	2	3	4	5

Risk Level For Project: **Medium Risk**

FIMILARITY WITH TECHNOLOGY OR APPLICATION AREA

Team Member Familiarity with Hardware	1	2	3	4	5
Team Member Familiarity with Program Language	1	2	3	4	5
Team Member Familiarity with Software Development	1	2	3	4	5
User Familiarity with new system	1	2	3	4	5
Webmaster Familiarity with Maintenance of System	1	2	3	4	5
System Administrators Familiarity with System	1	2	3	4	5
Implementation Interrupt Critical Business Processes	1	2	3	4	5

Risk Level For Familiarity with Technology or Application Area: **Low Risk**

BUSINESS AND REQUIREMENTS

Resistance to use the New System	1	2	3	4	5
Amount of Users	1	2	3	4	5
Dependent on Manufacturer Supplying the Devices	1	2	3	4	5
Users Staff Availability During the Development Process	1	2	3	4	5

Risk Level For Business and Requirements: **Medium Risk**

2.3.3 Risk Minimization

Following the identification and measurement of the risk involved in this project we can take steps to minimize what we have discovered. Interdependence to manufacturers' systems, user familiarity with the new system, and dependency on the manufacturer supplying the devices were measured to be the risky elements of those identified and so helping to reduce these risks will decrease the overall risk tremendously.

Interdependence to manufacturers' systems is classified as the highest risk of the three. The system you design should never have total interdependence on another system. Especially one that does not involve your company and that you have no control over. However, in the case of this system, there must be some existence of interdependence. Our goal in our system structure was to maximize Abacus' ability to process orders while not having to constantly interact with the manufacturer.

User familiarity with the new system is an aspect, as with interdependence, that can't be eliminated completely. It is expected that some of the potential users may not have visited websites and may have trouble with traversing the site. One way to decrease the risk that users will not understand and will begin to shy away from using the system is to have resources like FAQ to inform the users of general elements of the system and how to operate them. We must strive for a user friendly environment so that the first-time users are not discouraged after their initial experience. Furthermore, this type of risk is interconnected with the risk of resistance to use the new system. Those who are not familiar with this type of system may be susceptible and adapting the use of this system may seem uncomfortable to them. While others who use similar web-based systems may have grown accustomed to the system they use and wish not to switch. This

is a risk that must be minimized. In order of drawing users of similar systems we must develop unique and useful tools that others do not offer – we need to develop a competitive advantage. We also must assure that the system offers effective and efficient delivery of the end product in order for the users to feel satisfied and make them willing to switch to this system.

As for the dependence on manufacturer supplying the devices there are only a few actions that be taken. If the manufacturer is not producing the products at the rapid rate needed, per say, than there will be a loss of a device that could be available. The failsafe for minimizing the damage are: Ensure that multiple manufacturers for a certain device are available, provide up-to-date tracking for the supply that the manufacturer will have available, send alert emails to the users who are often purchasers of a device that is becoming low in supply or an alert email if the Abacus receives notice from the manufacturer that their supply is low, etc. These steps will ensure that the users are either well informed about the situation or well compensated by given a comparable product.