

# PRIMAVERA RISK ANALYSIS



## KEY FEATURES

- Risk Analysis Guide
- Schedule Check
- Templated Quick Risk
- Risk Register Wizard
- Risk Register
- Risk Analysis

## KEY BENEFITS

- Integrate directly with project schedules and costs
- Provide a comprehensive means of reporting project confidence levels
- Produce risk analysis reports in a variety of formats
- Provide techniques for determining contingency and risk response plans

*Every project has risks. The organizations that succeed are the ones that plan for those risks—anticipating, mitigating, and providing response and contingency plans for negative events that may or may not occur. Oracle’s Primavera Risk Analysis software provides the tools for doing just this, enabling companies to model risks and analyze the cost and schedule impacts of mitigating them—and, in the process, taking much of the uncertainty out of project and portfolio management.*

### Analyzing, Mitigating, and Managing Risk

By integrating directly with project schedules as well as cost estimates to model risks and uncertainty, Primavera Risk Analysis provides a full-lifecycle cost and schedule risk analytics solution for the Primavera project portfolio management applications and Microsoft Project.

Providing quick and easy techniques for determining contingency and risk response plans as well as a comprehensive means of reporting project confidence levels, Primavera Risk Analysis risk-loads projects through risk registers and risk templates before using Monte Carlo simulation to analyze them. It then provides a variety of reports, such as risk histograms, tornados, and scatter plots, that enable users to easily identify risk drivers before (optionally) publishing the resulting risk-adjusted schedules back into the schedule.

### Providing an Objective View for Effective Assessment

As a decision support tool for determining confidence levels regarding project costs and schedules, Primavera Risk Analysis delivers an objective view of required contingencies and an analysis of the effectiveness of proposed risk response plans. These combine to form the basis of a risk-adjusted schedule—now a standard part of the planning and scheduling process.

To support this mission, Primavera Risk Analysis offers the following features:

#### Risk Analysis Guide

Outlining the steps entailed in the risk analysis process, the Risk Analysis Guide takes users through the process of preparing, modeling, and running a risk analysis. Each of the required steps—schedule validation, development of the risk model, risk analysis, and results review—links to the Primavera risk analysis feature users must employ to complete it.

**Schedule Check**

The Primavera Risk Analysis Schedule Check feature lets users evaluate schedule maturity and risk readiness by seeking common scheduling problems that can affect deterministic schedules. The Schedule Check report provides the rationale behind each check and explains how it can affect risk analysis. It also provides a list of the activities identified.

**Templated Quick Risk**

The Primavera Risk Analysis Templated Quick Risk feature uses a template approach to assign uncertainty risk distributions to tasks based on WBS (work breakdown structure), activity code, user-defined field, or filter. Providing a more advanced way of executing quick risk, these templates make it easy to model task uncertainty.

**Risk Register Wizard**

With the Primavera Risk Analysis Risk Register Wizard, users can quickly create new risk registers, defining risk scoring criteria, entering qualitative risk assessments, and mapping risks to scheduled activities. Users can then gather quantitative assessments and more-detailed information in the resulting risk registers.

**Risk Register**

By using the Risk Register feature in Primavera Risk Analysis, users can integrate predeveloped risk registers as well as define new ones (see Figure 1). Users can also employ this feature to produce both qualitative and quantitative models of positive and negative risk events (threats and opportunities) and their associated response plans (such as mitigation). Risk Register also automatically integrates identified risk events into the schedule, by creating a risk event plan, which users can then analyze to determine both key risk drivers and the cost-effectiveness of the identified mitigation strategies.

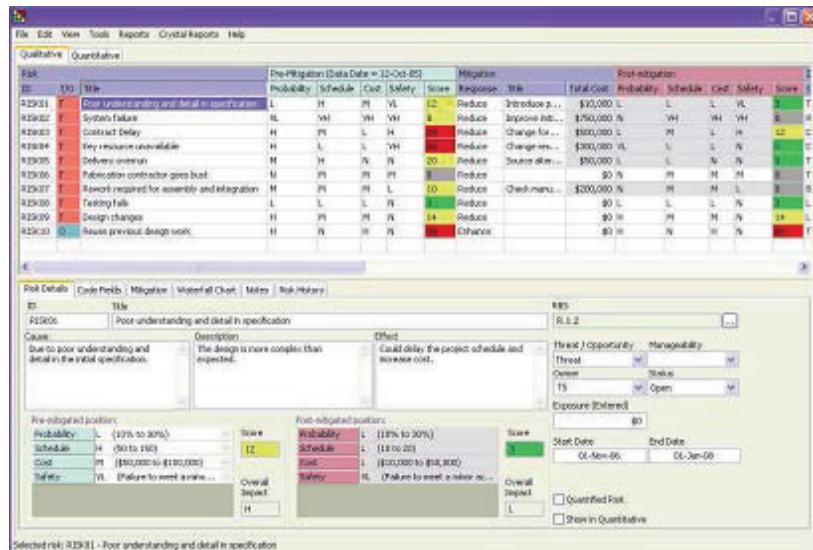


Figure 1: Primavera Risk Register

**Risk Analysis**

Primavera Risk Analysis uses advanced Monte Carlo-based cost and schedule analytics to provide full-lifecycle risk management through the following types of risk models: estimate uncertainty, task existence, probabilistic branching, fixed-cost uncertainty, variable-cost uncertainty, resource uncertainty, conditional branching, and weather modeling. In addition, users can conduct risk analyses at both the project and portfolio level, making strategic decisions about project selection through portfolio models as well as traditional project-level risk analysis against individual or linked schedules.

**Flexible Reporting**

With Primavera Risk Analysis, users can view risk assessments in a variety of formats:

**Distribution Graph**

By using Primavera Risk Analysis distribution graphs (see Figure 2), users can

- Determine confidence levels, P schedules, and schedule and cost contingency
- Report confidence levels with regard to finish dates, costs, float, internal rate of return, and net present value
- Drill down through the interactive report to identify confidence levels at multiple levels, including key milestones and stage-gate review points
- Tab between cost- and schedule-based views with the ability to drill down through the integrated tree control and filter by task or resource

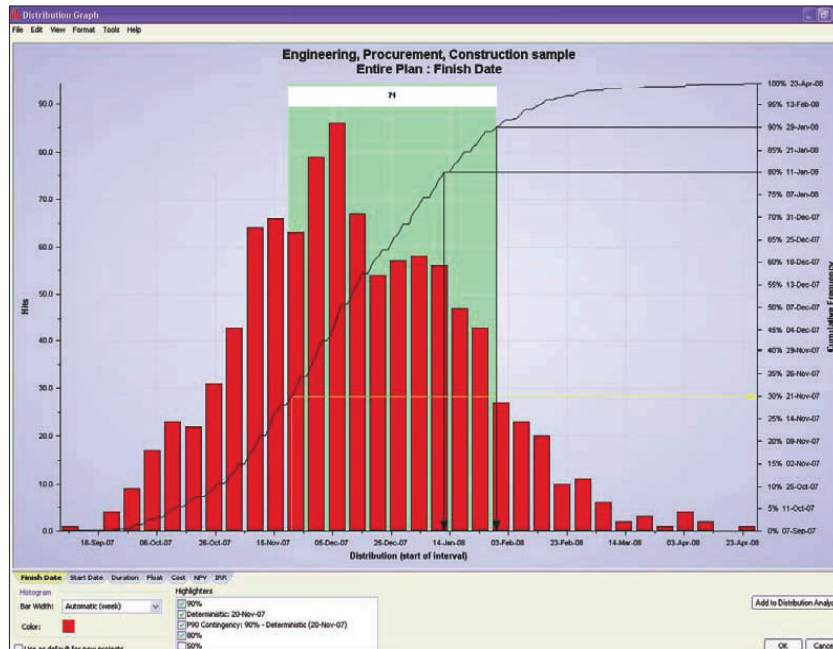


Figure 2: Distribution graph

**Tornado Graph**

Primavera Risk Analysis tornado graphs help users identify key risk drivers and pinpoint the task or risk event that’s preventing their schedules from performing as

expected. Alternatively, users can employ cost-sensitivity reports to isolate the most-cost-critical tasks or risk events. Interactive drill-down risk tornados enable quick and easy risk driver determination to report on key risk drivers.

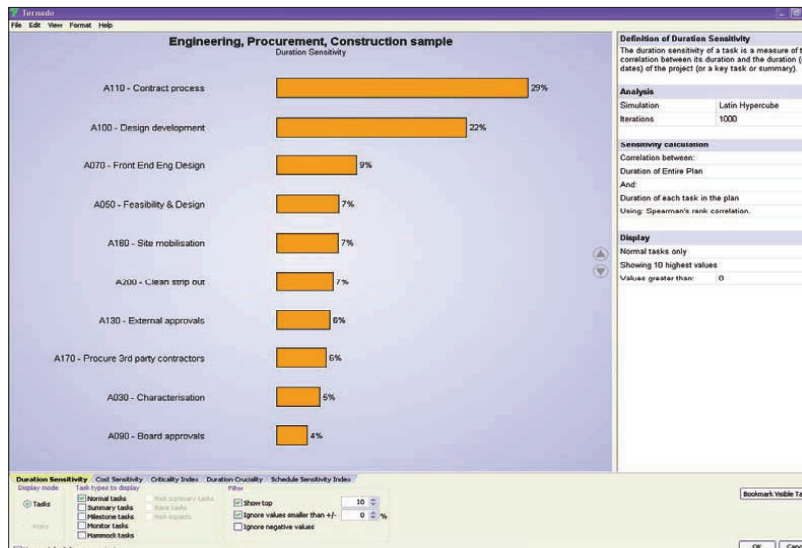


Figure 3: Tornado graph

**Scatter Plot**

Users can use this type of report to determine the combined probability of achieving given budgets and completion dates as well as to perform what-if analyses (by interactively varying cost and schedule thresholds to reveal the resulting chances of success).

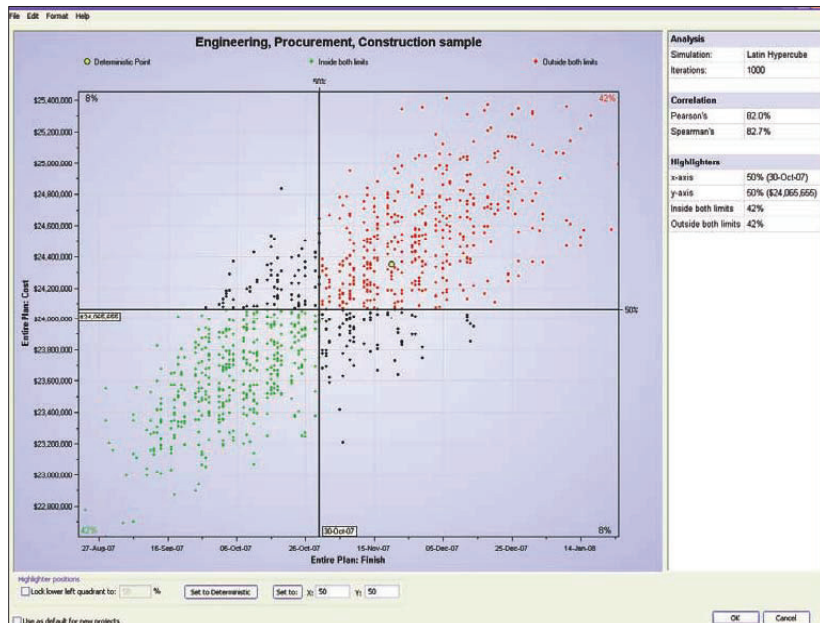


Figure 4: Scatter plot

**Distribution Analyzer**

Users can employ this type of report (see Figure 3) to

- Compare scenarios and determine the cost/benefit ratio of mitigation plans
- Overlay an unlimited number of cost or schedule risk distribution reports
- Send risk distributions directly from the risk histogram view to the distribution analyzer report for risk scenario comparison and analysis
- Take advantage of standard and advanced cost modes for quick and easy modeling of costs and resources while retaining optional advanced features

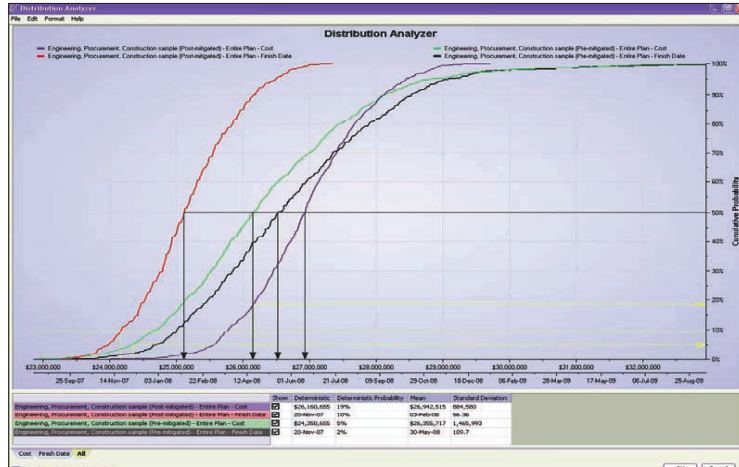


Figure 5: Distribution analyzer

**Probabilistic Cash Flow**

A probabilistic cash flow report (shown in Figure 4) is critical for forecasting, long-term budgeting, and earned-value management systems (EVMS) reporting. In addition to providing reporting and overlay options such as percentile date shading, Primavera Risk Analysis can filter the probabilistic cash flow based on specific resources and cost classes within the project plan. In addition, cash flows can be generated for specific resource and cost types.

**RELATED PRODUCTS**

Providing easy integration with a wide range of scheduling tools and risk register solutions, Primavera Risk Analysis helps project-driven organizations ensure that mission-critical projects come in on time and under budget.

Primavera Risk Analysis delivers full-lifecycle cost and schedule risk analytics and easy techniques for determining contingency and risk response plans and for reporting confidence levels for project success.

**RELATED PRODUCTS**

Primavera Risk Analysis works with the following Oracle Primavera project portfolio management applications:

- Primavera P6 Enterprise Project Portfolio Management
- Primavera Portfolio Management
- Primavera Contract Management

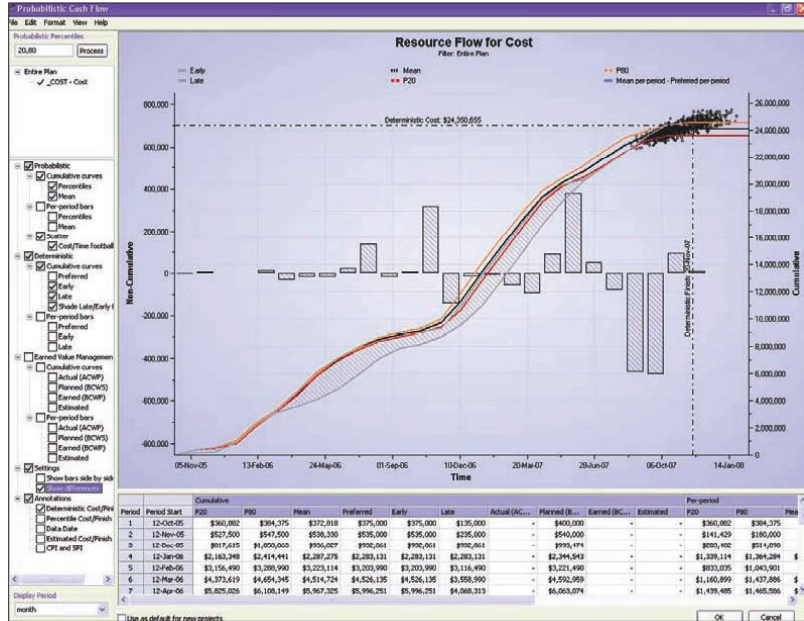


Figure 6: Probabilistic cash flow

**Summary Risk Report**

Primavera Risk Analysis lets users quickly share the results of their risk analyses via summary risk reports. Users simply select the activities, risk inputs, and risk outputs, and Primavera Risk Analysis creates an interactive report that includes the links between inputs and outputs in the report and the activities in the schedule.

**Conclusion**

Providing easy integration with a wide range of scheduling tools and risk register solutions, Primavera Risk Analysis helps project-driven organizations ensure that mission-critical projects come in on time and under budget. Delivering full-lifecycle cost and schedule risk analytics, Primavera Risk Analysis offers easy techniques for determining contingency and risk response plans and for reporting confidence levels for project success.

**Contact Us**

For more information about Oracle’s Primavera Risk Analysis, please visit [oracle.com](http://oracle.com) or call +1.800.ORACLE1 to speak to an Oracle representative.



Copyright © 2009, Oracle and/or its affiliates. All rights reserved.

This document is provided for information purposes only and the contents hereof are subject to change without notice. This document is not warranted to be error-free, nor subject to any other warranties or conditions, whether expressed orally or implied in law, including implied warranties and conditions of merchantability or fitness for a particular purpose. We specifically disclaim any liability with respect to this document and no contractual obligations are formed either directly or indirectly by this document. This document may not be reproduced or transmitted in any form or by any means, electronic or mechanical, for any purpose, without our prior written permission.

Oracle is a registered trademark of Oracle Corporation and/or its affiliates. Other names may be trademarks of their respective owners. 0109

