# STUFF HAPPENS. HERE'S HELP

As is well known, in all aspects of our lives, *stuff* happens. That's just how it is. When people involved in program developments encounter this stuff, it tends to be rather deep stuff, especially as there is seemingly a correlation between the proximity of a deadline and the consequence of the unexpected occurrence. And it isn't good. As managers today seem hell-bent on shortening development time, risks can be even more hobbling than they otherwise might be.

*Proactive Risk Management: Controlling Uncertainty In Product Development* by Preston G. Smith and Guy M. Merritt (Productivity Press; $32.95; 226 pp.) is written to help people involved in programs minimize the consequences of the unexpected. The authors are thorough—for example, making sure that there is a distinction made between *risk,* "the possibility that an undesired outcome—or the absence of a desired outcome—disrupts your project," and *issues,* "Events that are certain to occur." They point out that there are three aspects of risk: uncertainty (otherwise it is an issue), the possibility of a loss consequent to its occurrence, and there is a time frame (If it doesn't happen by a certain point, then it is no longer a risk). And they are forward enough to point out: "Risk management will not prevent all risks from occurring," but, importantly, "project-specific risk management is your first line of defense against risks." Or said another way, risk management will help stack the odds in your favor—but realize that this is not a sure bet.

The main portion of the book lays out a five-step program that the authors recommend be followed for risk management. These steps are: identification; analysis; prioritization and mapping; resolving; monitoring. They recommend that a cross-functional team is put together—and in this regard point out that while many people might think because product development tends to be technical in nature, it is important that there be representation by others (e.g., marketing) because many risks in a development program relate to these other areas. It's not all technical.

It is important to note that Smith and Merritt aren't anti-risk. As they point out, "Instead of routinely avoiding risk—being risk averse—consider each risk both in terms of what it can do for you and how it can harm your project." Without risk, there is little advancement. Understanding and managing risk are essential. And *Proactive Risk Management* does a solid job in providing the tools and techniques needed to do that.

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