

Investment Analysis and Project Risk Management Program

You will acquire knowledge & tools to conduct financial and economic project appraisal.

If an important capital project does not achieve the financial and economic goals of the promoter organization, it can result in financial losses, waste of resources and impacts across wider reputational spheres. The goal of this training course is to avoid such situations by giving participants the tools and techniques of modern economic and financial project appraisal.

Training Highlights

- The importance of careful risk assessment in the project planning and appraisal phase

- Modern concepts of risk assessment

- The advantages, disadvantages and practical applications of various risk management tools

- The increasingly important role of Public-Private Partnership (PPP) as a risk controlling solution for delivering successful projects

Objective

"This interactive and practical training course will provide an insight into how procurement organizations can meet the challenge to pick and deliver the best projects against a context of limited resources.

It will take you through the key stages of project risk assessment, and provide guidance on risk management tools to improve project outcomes.

This training course will focus on the principal risk factors and other key issues that need to be considered in managing the planning of major, long-term, high-value projects.

This Project Risk Analysis & Management training course will conclude with an in-depth review of the most widely used mechanism for major projects, the Public-Private Partnership (PPP) contract; identifying, assessing and allocating the principal issues in adopting a PPP model."

By the end of this training course, participants will be able to:

Prepare a risk identification process within a project appraisal

Identify key risk categories

Appreciate the suitability of differing risk management solutions

Recognize the benefits of the PPP project model

Organisational Impact

Application of sound project risk assessment and management techniques will enable the organization to forecast potential future conditions that might create strategic opportunities or jeopardize project success, thereby not only maximizing the organization's return on capital invested in projects, but also improving its reputation for delivering positive outcomes.

Module 1 :-

Project Structure Selection

Planning Structures for Delivering Projects

Defining a risk tolerance baseline for all activity, plus incremental procedures for high-value, complex projects

Scaling risk management to the size and complexity of a programme or project

Project structures to address risks from the points of view of:

Sponsors

Lenders

Investors

Contractors

Concession Contract Models

Foreign Direct Investments

Joint Ventures

Service Outsourcings

Keeping Structures & Financing Flexible to Accommodate Changes

Module 2 :-

Risk Identification & Assessment

Risk Identification

Developing a Risk Matrix with Risk Ratings based on Probability and Impact

Types of Risk

Hazard Risks

Financial (business) Risks

Operational (technical) Risks

Strategic Risks

Internal & Finance Risks

External Risks

Risk Assessment / Analysis

Sensitivity Analysis – (“what if analysis”)

Identifying Risks

Identifying the Impacts of Risk

Estimating the Likelihood of Risks Occurring

Estimate the Cost of Risk

Risk Response / Mitigation Planning

Monitoring and Communicating Risk

Module 3 :-

Risk Management

Objective of Project Risk Management

Tools and Techniques for Risk Management

Avoidance – modifying a project plan

Transference – shifting consequences and responsibilities

Mitigation – preventative action

Acceptance – accepting risk outcomes

Limitations of Risk Management

Use of Insurance & External / 3rd Party Mechanisms in Risk Strategies

Constructing a Risk-adjusted Project Cost Model

Using Risk Factors to Test Affordability

The Roles of Incentives, Sanctions and Risk Sharing

Using Project Design, Financial and Organizational Arrangements as Risk Management Tools

Module 4 :-

The PPP Contract Model

The General Principles of How Project Appraisal, Selection, Design and Risk Management ensure more measurable, controllable, successful projects

What are Public-Private Partnerships (PPPs)?

The Dynamics of PPPs & How Key Risk Areas can be Managed

Use of PPPs in Different Sectors and Services

The Roles and Relationships of Public and Private Parties

Principal Ways PPP Contracts Can Be Properly Managed

What are the Lessons for Adopting and/or Adapting PPP Models Across Future Projects?

Module 5 :-

Project Funding Solutions

Embedding Risk Management into Normal Operations

Allotting Appropriate Resources for Risk Management Activities

Integrating Risk Management into Project Protocols and Controls

Risk Management Monitoring and Control throughout the Project Lifecycle to Improve and Guide Risk Management Processes

Evaluating Effectiveness of Risk Response Actions (and making adjustments within the project cycle)

Summaries of Conclusions and Group Discussions