

Risk

Equipment testing has shown that Risk 2, Systems aren't compatible with hospital equipment, has come to fruition. 15 older computers do not work with the new scheduling system. The risk management plan identifies two possible solutions: create an interface between the system and the existing equipment, or replace the minimum amount of equipment needed to work with the new system. The funding reserved to handle this risk is \$45,000.

The risk owner has researched the options. The vendor quoted \$50,000 to write an interface to the existing equipment. The cost to replace the equipment is \$55,000. In addition, the consortium of Brisland Hospital and Brisland Shore Hospital has another project underway to standardize and integrate some systems.

Which option would you choose to address this issue? Describe your reasoning.

Solution

The cost to write an interface is \$5,000 more than the funding reserved for this risk. Replacing equipment is \$10,000 more than the available funding. Either way, some additional funds are required.

If you decide to write an interface, the hospital will still have 15 older computers that are likely to cause more problems in the near future. If you decide to replace the equipment, you need to find \$10,000.

Your preferred path is to replace the equipment. You might talk to the project manager for the consortium standardization project to see if \$10,000 can be made available for replacing equipment. If that project can't provide the funds, another step might be to find less expensive equipment that will work with the new scheduling system. As a last resort, you could ask the customer or sponsor for \$10,000 from the project contingency funds.