**Considering Schedule Contingency**

The most important factors in determining a project’s schedule are a detailed Work Breakdown Structure, and effective estimates. However, every project time line is subject to a variety of risk factors. To account for complexity and unanticipated events, project managers should build contingency time, or “padding,” into their schedule. The Contingency Matrix below provides a quick way to analyze your project’s risk factors, and determine how much padding to add to your schedule.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **ITS Project** | | | | | |
| **Risk Factor** | **Low (0)** | **Medium (1)** | **High (2)** | **Very High (3/4)** | **Your Project's Score** |
| Total Team Size | <5 | 5 – 9 | 10 – 14 | >15 |  |
| Workgroups Involved | 1 – 2 | 3 – 4 | 5 – 6 | >7 |  |
| Dependencies: workgroup, deliverables or external factors | Very few dependencies | Minor dependencies | Moderate dependencies, may have external dependency | Complex dependencies, may be out of project control |  |
| Technology/Technique  /Process | Expert | Familiar | New to UCSC | Breakthrough |  |
| Complexity | The solution is  well defined  and no  problems are  expected | The solution  has identified  problems | Multiple  approaches to the  project goal | The solution is  only vaguely  defined |  |
| Political Profile/Impact | Unit/Dept | Director Area | VC/Dean Area | Enterprise-wide |  |
| Deployment Impact | Unit/Dept | Director Area | VC/Dean Area | Enterprise-wide |  |
| Risk Scoring | [0-5] Add 20% contingency (standard)  [6-11] Add 30% contingency  [12-17] Add 40% contingency  [18-23] Add 50% contingency \*\*  [24-28] Add 60% contingency or more \*\* | | | TOTAL |  |

**\*\* Notes for High Risk Projects**

If your project scored more than 17 points in the Contingency Matrix, it is considered “High Risk.” For High Risk projects, we strongly recommend incorporating the following activities into the project planning phase:

* Invest time in a work breakdown structure and project plan with as much detail as possible. This will make your pre-contingency estimates as close as possible, and will uncover additional risks.
* Consider alternate approaches to the project that may reduce the risk. For example, phasing the work to control scope in any given section, or cutting complex deliverables out of scope.
* In your charter’s Risk Management Plan, take extra time to describe risks and dependencies, and articulate mitigation plans. Which areas from the Contingency Matrix are most likely to cause problems, and how will you respond when problems arise?
* Invest additional time in documenting requests for resources, including language about the risks of project delay. Ask project sponsors and resource managers to pay careful attention when they commit their staff to the project, to head off future conflict.