

Week 7: Controlling Risks and Project Budgets

27 unread replies. 27/27 replies.

You'll recall that as part of developing your project charter (Week 2), you submitted a preliminary budget. This week's lesson went into much greater depth on the financial aspects of a project. This is a good time to look at your preliminary budget, consider what was presented in this week's lesson, and reflect back on other financial concepts and tools you learned throughout the nurse executive track. Use the following questions as the basis for your discussion this week.

- What variances can you identify on your project to date? If you had to report on the reason for variances +/- 10% of budget, what would your report say?

Think back to lessons and discussions on forecasting. What adjustments do you feel you need to make to your project budget based on your progress to date and what you foresee moving forward? What changed to cause you to have to adjust (forecast) the project budget?

Hello class,

A Strategic Direction (2020, p24) article agrees that managing risk in an organization is challenging if the risks are ill defined or not understood. Every project will have risks. Project progress is dependent upon effective risk management. Identification of possible risks that could develop throughout the project are managed using a risk project tool. This tool correlates risk management to regulatory compliance ensuring the project remain on target. Risks are grouped into categories- people, finances, or technical.

Every project has a budget and have financial risks, usually, associated with overestimation, underestimation, and changes in the project. Underestimation is the most common and is usually associated with lack of skill in finance or cost management of the project manager. This is the case with my project. I have identified risk related underestimation of labor cost and a lack of overflow cost estimation. My original budget did not estimated nursing supervisor oversight of the unit 1 hour every week. The actual supervisor oversight should be daily instead of weekly resulting in an underestimation of labor cost. The original cost calculation was salary x 1 hour x 52 weeks/yearly totaling. The actual cast should be salary x 1 hour daily x 7 days x 52 weeks.