

Tetra tech ec and risk management

Business, Management



Case study Tetra Tech EC and risk management case Elevator Pitch The Tetra Tech cases study is about the strategies that the company uses to manage its risk considering that the nature of its job makes it prone to the risk of making huge losses. The main business of the company is remediation. When making a contract with a client, Tetra Tech can only base its decision on the cost of the process form what can be seen on the surface. However, the costs may be much higher when the company starts digging. Don Rogers, the company project manger ensured has gone a long way in ensuring that risks are managed properly through creation of strict regulations that ensure proper planning before embarking on a project. The Task initiation Procedure was quite instrumental in ensuring that this happens.

Analysis Questions

The most important factor that makes Tetra Tech successful in risk management is prior planning. Implementation of Tip ensures that all the potential risks are identified and the cost and ways of mitigating these risks created. This goes together with the fact that the company would inform its clients of all the potential risks involved and created a room for negotiation if after digging up the conditions were not as anticipated. This ensures that the company is able to share the risk of unpredicted conditions with the clients and thus reducing its losses. This was unlike in the previous situations where the initial contract was bidding all the way even when the conditions were observed to be worse than anticipated.

In the lesson learnt portion, it has been stated that it is not important to write lesson learnt in writing as it makes them as discoverable. I think this is

a statement of failing to acknowledge mistakes and errors that may have been made. This is very dangerous as it may lead to a repetition of the same mistakes. Mistakes are supposed to build up ones experience that makes them more competent to deal with future obstacles. Don Rogers can manage the lesson learnt through making his subordinates understand the importance of using past experience in solving future problem. This would be through creating a record that shows past and present performance with an analysis of what made it succeed or fail. Recommendations on how the limitations should be mitigated should then be given. In cases where a project succeeded, the factors that led to this success should be identified and ways in which they can be made to work better be analyzed. This would lead to the creation of a list on what to do and what not to do when dealing with a certain situation. In my view, Don Roger had done a lot in developing the company risk management system. However, he should not be complacent but should continue developing new innovative ways of dealing with risk as the nature of risks change with the dynamism in the market

Recommendation

The use of regulations and a reward system that reinforce people who follow them is a great step in risk management. Nevertheless, with the technological changes prevalent in the current business climate, it is important to continue developing new methods of mitigating risks that are unique to every situation and project. The company should invest more in conducting research on the conditions of the remediation project prior to the start of a project. This would ensure that the projects flows smoothly and is

finished within the allocated time as there is no need to negotiate with the client along the way.