

Risk and uncertainty in project management decision-making by karolina koleczko

[Business](#)



The paper " Risk and Uncertainty in Project Management Decision-Making by Karolina Koleczko" is a great example of a business article review. In chapter five, the concept of risk management in projects was introduced. One article related to this topic is Risk and uncertainty in project management decision-making written by Karolina Koleczko (2012). In this article, the author attempts to differentiate between risk and uncertainty in project management, and also focuses on how this difference affects decision making in project management. Risk and uncertainty are two concepts that are usually treated as one in project management.

According to the author, the risk is a measure of the probability and the effect of failing to achieve a project goal. Risk involves some degree of uncertainty. Therefore, in risk management, both probability and consequence must be considered to effectively understand manage risks. For this reason, probability theory is an important tool in forecasting and is thus used as a quantitative risk analyses method. This then leads to the concept of judgment, which requires that the project manager makes sound judgment and makes use of relevant tools in managing risks. This helps decision makers make rational and validate choices.

The author also highlights the concept of uncertainty as it applies in project management. Unlike risk, uncertainty in project management cannot be assigned a value hence cannot be measured. Therefore, project managers are required to make decisions based on the information at hand and their experience as opposed to using figures.

The differentiation between uncertainty and risk described in this paper is important since it helps project managers understand how to respond to

each in order to effectively manage risks in a project. This leads to sound decision making thereby enhancing the chances of a project succeeding. Throughout the article, the author discusses several theories and tools that can be used in responding to risk and uncertainty. By reading this article, project managers are in a position to understand the risk profile of a given project and how to manage the various uncertainties.