

Insights

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Institute of Risk Management SA Risk Manager of the Year Gordon Howes, centre, receives his award from Irmsa president Hennie Theessner, left, and 2011 Risk Manager of the Year Philip Wessels. Picture: RICHARD SIMMONDS

Keeping projects on track

WINNER of the coveted Institute of Risk Management SA (Irmsa) Risk Manager of the Year Award this year is Gordon Howes of global construction and management consulting company, Turner & Townsend.

While quality project risk managers are in relatively short supply, Howes — who was also a finalist last year — says they will increasingly come into their own as the government rolls out its multibillion-rand infrastructure programme over the next seven years.

“We are looking at expansion in infrastructure projects such as port, rail, corridor expansions, energy projects including nuclear power and clean energy projects, as well as the ongoing mining operations and stay-in-business projects ... for this quality project risk managers will be in demand,” says Howes.

“Winning this award is a real achievement for the project risk environment and for me personally, it’s a great outcome

after all the hard work I have put in over the past couple of years. I feel honoured to have achieved this and thankful to Irmsa for selecting me as the 2012 Risk Manager of the Year.”

He says that one of the factors that has driven the demand for quality project risk managers is the failure of a number of major projects that have gone over budget and over schedule.

“This is really hurting investors. Investors are investing substantial equity into these projects — and a big part of the Capex budget is being expended on risks that occur because they are not being mitigated. This often results in unprofitable projects with a lower than expected return on investment for investors.

“A driving trend is to deliver projects within cost and schedule, or with low variance either way — but not the huge variances that we have often seen in this country.

“Mistakes are being made in mega projects because lessons learned in other projects are not

discussed and mitigated in new projects. Likewise, the discipline of risk analysis and management according to risk management standards such as ISO31000 and PMBOK are sometimes not followed. Risk managers are the custodians of the risk management process, but they also have to have technical knowledge of projects.”

Howes is also a qualified project management professional, “which enables you to better understand the dynamics of projects”.

He adds: “As project risk managers, we need to understand a wide range of aspects — from project costing to scheduling. We also need to have a knowledge and understanding of project controls, procurement, cost reports and contracting strategies between the client and the engineering, procurement and construction management contractor.”

Howes is associate director and Africa risk lead with Turner & Townsend, which specialises in project and risk management, among other disciplines.