In Project risk, students often have a hard time conceptualizing the probability and impact of a specific risk event. Often students, will say that a risk has the highest probability of occurring and the impact will be high or very high on a 5 point scale.  This is not the case - if every risk was the highest probability, we would often question moving forward with our projects - high impacts are often only for catastrophic events that can occur to a business. If we are not correct in our assessment of a risk, this has great impact on our budget and planning.

To help students understand, I often review the weather as an example.  We would not say on a daily basis, there is a 70-90% chance of snow or rain. We use weather reports and expert judgement to help us better predict poor weather.  From an impact perspective, we discuss how a level 5 impact on a 1-5 scale with 5 being the highest is reserved for only very serious events. This can be a hurricane, flooding, snowstorm resulting in power losses. This often helps students connect the terms and application in a more appropriate way.