



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

Everyone's Smart University

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Section

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Project Risk Management

Instructions:

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According to the risk management, there are four categories of risks: compliance, hazard, control, and opportunities. Since Saudi Aramco considers one of the giant companies around the world, it is undoubtedly, addresses every issue and risk that might affect the company negatively or positively. As for a company that is always keep looking to be above the best, it follows the rules and legalizations. One of its commitment citations is “the first responsibility of being a good citizen is to obey the law”. It is very crucial to be aware about the regulations of any organization and follow them without hesitation. This kind of risk called compliance. Aramco has every single rule written on contracts and documents, and before any person needs to deal or enter to the company, he/she must know about them to be aware about what is going to happen if the regulations are not been followed. For instance, it makes sure that all imports and exports are categorized, labelled, and valued. Also, it never takes suspicious deals with other parties. It encourages its employees to ask questions about the misunderstanding, report any kind of violations, and cooperate with any investigation. If Aramco fails to follow the regulations that would lead to vegetive consequences to the company and every individual who works inside. However, if it always agers to follow every single rule, that will make the risk almost be zero.

Aramco also care about every member inside the institution. It is committed to the human safety and health. This kind of risk called hazard and it gives negative impact if it is not managed well. It for sure causes harm in the workplace and even death, unless an effective and a consistent approach is used to handle and identify hazard. Aramco always keep addressing every negative scenario that might happen inside the company particularly, it embraces oil. Oil can be so dangerous if there are not enough instructions about how to deal with every single scenario. Aramco sets exit pathways around the company, fire alarm, and fire extinguisher. It sets safety policies with directions to manage the risk. Not only that, it also, assesses and measures the level of risk and provide the members with templates of the whole process and operations.

Risk control is related to the uncertainty of projects whether the outcomes are positive or negative. For example, Aramco recruits qualified individuals who seek for oil inside the deepest sea. They sail for months to find the precious oil locations. Soon after, they report that to the experts who come to pursue their mission and extract the oil. This type of risk as mentioned is connected to the uncertainty because employees do not know where to go and when they can find the oil. Sometimes they find it quickly and sometimes it takes too much time just to find it. If Aramco failed to manage the time and every detail, that would lead to huge losses such as money and resources. Aramco follow business continuity plans (BCPs) which aim to keep works and businesses running and continuing even with event of disasters. Moreover, it takes its member's hands to train them, teach them, and enhance their skills to be high qualified. It keeps looking for every defect to manage and control it before becoming threat to the company.

Aramco is the primary source of Saudi oil revenue. It seeks to grasp every single positive chance to gain high benefits. Even though, this type of risk is important for every organization because it gives benefits and positive impact, companies take a lot of precautions to be on the safe side. This kind of risk called opportunity risk since it rises when institutions are seeking for enhancing and improving. Some of the effective strategies that the company use for opportunities are it invests heavily in upstream gas and oil projects because it has greater financial resources and it also, invests in refinery projects in main energy-consuming countries, like China and India. In addition to that, Aramco produces different grades of oil and liquid which give them so much value. At this point, the company tends to address serious issues to deal with, such as the rising of new technologies and renewable energy. Since there are some innovative ideas keep rising to compete oil, Aramco take a lot challenges to find potential and effective solutions.