



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

Everyone's Smart University

Assignment 1 (Spring 2021)

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Section

**Master of Project
Management**

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Course Code

(PMG510)

Project Risk Management

Instructions:

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Throughout this course you have learned about the different types of risk and how businesses manage them. Now you will be able to see how it is done in a well-known company.

Your assignment is to choose one of the following companies:

Saudi Aramco

The National Commercial Bank

Saudi Telecom Company

Do some research on any of the aforementioned companies and identify four risks they are facing.

For each risk please answer the following:

1. Why is this a risk?
2. What type of risk is it?
3. What is the likelihood of the risk? How great is the impact?
4. What strategy or policy does the company use to manage the risk?

** Your answers could either be in Arabic or English.

** You should submit your assignment in a pdf formatted file.

** Font size should be 12.

** Font type is Arial.

** Line spacing is 1.5.

All the best.



STC

As STC provide a new service which is STC Pay service, they are facing 4 main risks: Opportunity of providing new digital service, Uncertainty of providing new digital service, Hazard of providing new digital service and finally compliance requirement of providing new digital service, these are the risks types will be discussed in detail as the following.

- **Opportunity of providing new digital service.**
(Invest in new market online paying)

1- Why is this a risk?

By providing a new digital service the company is seeking to invest in new business model for a high return in the long term which mean they might fail as well. But according to their high appetite of embracing this risk it means they have the needed resource and potential strategy to take it.

2- What type of risk is it?

Opportunity Risk

3- What is the likelihood of the risk? How great is the impact?

Likelihood for this risk is low to medium as it will be happened once they enter the new market only but the magnitude of this risk is high as if they fail that's mean they will be financially impacted.

4- What strategy or policy does the company use to manage the risk?

Embrace the opportunity risk and manage the resource well, STC was brave to take the opportunity of entering this new market and proved this service.

- **Uncertainty of providing new digital service.**

- (Hacked the online system)**

- 1- Why is this a risk?

- Any new project implementation has its own control risk which mean the continues need of providing all the project's resources and maintain a well control to achieve the goal.

- 2- What type of risk is it?

- Control Risk

- 3- What is the likelihood of the risk? How great is the impact?

- Likelihood is medium to high as it is related to the operation but his impact is medium to low.

- 4- What strategy or policy does the company use to manage the risk?

- Manage the uncertainty risk, the organization must make the necessary resources available to identify the controls, implement the controls and respond to the consequences of any control risk materializing. They keep control the use of their app by implementing a very well firewall to protect their online system and customers information.

- **Hazard of providing new digital service.**

- (Fire on the company and servers' room)**

- 1- Why is this a risk?

- If the infrastructure, servers, and machines for this project has been damaged it will be a huge damaged on the whole project.

- 2- What type of risk is it?

- Hazard/pure Risk

- 3- What is the likelihood of the risk? How great is the impact?

- Likelihood of this risk is low, but the impact if happened is extremely high.

4- What strategy or policy does the company use to manage the risk?

Mitigate the hazard risk by accepting they might happen and prepare all the need to mitigate them in the future. STC have several servers in different places to run this project which helped them to mitigate any hazard risk.

- **Compliance requirement of providing new digital service.**
(Allowing illegal money transferring among people with out monitor that)

1- Why is this a risk?

Telecom company in an exceedingly high regulated industry so compliance requirement is needed and required and consider as a risk too, if this will happen that's mean the project is preach the law.

2- What type of risk is it?

Compliance Risk

3- What is the likelihood of the risk? How great is the impact?

Likelihood for this risk is low to medium, but the impact might be very high if it is not been compliance to rule and regulation and that failure might lead the project to be terminated.

4- What strategy or policy does the company use to manage the risk?

STC are following the regulation and rules of the telecom in KSA and keep enhancing the full compliance for these regulations when they establish the STC Pay they linked it with ABSHER System in MOI which mean they are manage this risk very well.