



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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Some risks that The National Commercial Bank might face are:

1- Bank does not follow proper regulatory standards

- Why is this a risk?

When a bank does not follow or comply proper regulatory standards, the bank will face financial and legal losses.

- What type of risk is it?

Compliance risk.

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

Likelihood is low and the impact is medium.

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

The banks should formulate, regulate, and manage all the regulations and compliance policies.

2- Invests in a risky business

- Why is this a risk?

When a bank invests in a risky business, and it backfires, then the taxpayers have to bear all the losses.

- What type of risk is it?

Hazard risk.

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

Likelihood is low and the impact is high

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

The bank should pay more attention to the activities of the banks to eliminate the losses caused by hazards. The banks should also not indulge in risky businesses and should follow the proper path.

3- Acquisitions of other banks

- Why is this a risk?

Although Banking is all about seeking profit and acquisitions can lead to tremendous growth opportunities, it is a major organizational change with a potential change, employees may not adapt to that change, and it puts so much value at risk investing in opportunities.

- What type of risk is it?

Opportunity risk

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

Likelihood is low and the impact is high

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

Developing and implementing detailed plan with managing and controlling the acquisitions.

4- Credit risk

- Why is this a risk?

When borrowers fail to pay the appropriate amount to the bank due to any financial crisis or inability of borrowers or counterparty to meet the contractual obligations, the bank will suffer huge losses.

- What type of risk is it?

Compliance risk

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

Likelihood is high and the impact is high

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

Banks should conduct proper research before allowing the loans and should only approve loans to individuals and businesses that are not likely to run out of their income during the payment period