



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

Everyone's Smart University

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Project Risk Management

Risks Associated with Developing the Function of HR Dep. At Ganache Co.

Introduction

I have been hired as Business Analyst at Ganache Company, it is a sweet bakery business for Saudi's family used to be small till they grew up year ago by launching five more branches in Jeddah. Consequently, they figure out the need of having a good Human resource department which is the backbone of managing and investing in the employees to achieve the company's objectives. Based on that, my role was to establish a deep analysis work to demonstrate the main tasks needed to be start with for developing the function of the HR department. Therefore, the project was to improve the function of HR department to fulfill the company expands currently and in the future too. After done from the deep analytical work the initial tasks of the project have been figured out to start working on it, which are: draw a Functional organizational structure, write down jobs description for each employee's role in the company, and finally establish a clear processes flow between the departments. Therefore, all the employees and their leaders have to be involved in this project to be accomplished. Accordingly, the purpose of this project is to improve and develop the function of HR department, and scope & objectives are to add value to the HR department by enhancing the way of their work by the end of 2021. However, identifying, analyzing, evaluating, treating, monitoring risks which is the risk management will help to eliminate and minimize the unexpected events that might cause a negative impact and invest in any event might be an opportunity and generally it helps to achieve the best possible outcomes. Thus, in this research will discuss the risks associated in the initiating phase of identifying the purpose, scope and objectives of the projects and how this will affect the success and smooth the projects life cycle.

Literature Review

Building a Risk Management protocol into the culture of the company by creating template forms and standard tools for example, is considered as the first line of protection from the threats and simplify the process of capturing any unexpected event might occur. However, the uncertainty is high while starting the project as the available information is at the minimum level, involving all the stakeholders in the brainstorming session will enrich the information and raise the level of knowledge of the project. And lastly this will give a clear and overview vision of all expected risks.

Many methods can be used to identify the risks associated with project rather than the brainstorming session with stakeholders, conducting interview with selected stakeholders, Checklist and Assumption analysis every project manager can choose the method based on the project's nature and company's culture.

Methodology

The process will be used in this research is qualitative approach to identify the risks and its probabilities and impacts.

3.1 List of expected risks:

No.	Risks
1	Low level of commitment and cooperation from employees.
2	Collected fake information not reflecting the reality.
3	Losing the collected information.
4	Slow communication with stakeholders.
5	Increase the proficiency of work.
6	Key staff resigns or takes maternity leave.

3.2 Risk Matrix and Response Plan

		Impact Factor						
		Probability	Impact	Slight (1)	Minor (2)	Significant (3)	Severe (4)	Major (5)
Probability Factor	Very Likely (5)	5	10	15	20	25		
	Likely (4)	4	8	12	16	20		
	Possible (3)	3	6	9	12	15		
	Unlikely (2)	2	4	6	8	10		
	Very Unlikely (1)	1	2	3	4	5		

No.	Risk	Probability	Impact	Severity	Response plan and Mitigate Action
1	Low level of commitment and cooperation from employees	3	3	9	Set a meeting to discuss the importance of engage the employee in the project and what their roles & keep involving and motivating them by financial reward for example
2	Collected fake information not reflecting the reality.	2	3	6	Revise the collected information beside the observation and do a comparison to make sure they are compatible
3	Losing the collected information.	1	4	4	Save backup files of the collected information
4	Slow communication with stakeholders.	2	1	2	Find out an easily communication channel to

					simplify the communication process
5	Increase the proficiency of work.	4	4	16	Relate to the quality management and invest in the control process and tools of project
6	Key staff resigns or takes maternity leave.	2	4	8	- Observe the area where the Key staff was working and collecting as much information - Ask each key staff to assign a delegate

3.3 Contingency Plan

Calculating the EMV will help in estimating the needed cost in emergency cases

**All the cost of impact is approximate

No.	Risks	Probability	Cost Impact	Cost Contingency
1	Low level of commitment and cooperation from employees	30%	500 SR	150 SR
2	Collected fake information not reflecting the reality.	20%	500 SR	100 SR
3	Losing the collected information.	10%	2500 SR	250 SR
4	Slow communication with stakeholders	20%	500 SR	100 SR
5	Increase the proficiency of work.	40%	3500 SR	1400 SR
6	Key staff resigns or takes maternity leave.	20%	4000 SR	800 SR
Total:			11,500 SR	2800 SR

Result and Discussion

Based on the previous risk analysis methodology it is shown that the most of the risks fall into the medium category which is has a medium impact and medium likelihood, the second rank goes for the low category and for good the last rank goes for the high category

After conducting the risk analysis and calculating the contingency plan managing and controlling the risk throughout the project lifecycle will be easier, but it needs to be

updated as long the project is processed because other risks might come up during the executing. To sum up everything has been stated so far risk management ensure the success of the project within the time and budget.

References

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