



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

Everyone's Smart University

Assignment 1 (Spring 2021)

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Section

Master of Project
Management

Date

18 / 02 / 2021

Course Code

(PMG510)

Project Risk Management

Instructions:

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The National Commercial Bank is considered one of the major banks in Saudi Arabia. However, like any type of business it faces various risks with its everyday operations. One of the risks the National Commercial Bank faces is credit risk. When banks like the National Commercial Bank lend money to people, the bank faces the risk of not receiving their money back. This is considered a high risk and may be the highest risk banks might face. When credit is not paid back, the bank must use debt collectors and might even need to take legal actions. All these actions are money consuming and might not be fruitful. The National Commercial Bank tries to lower this risk by loaning money to customers with good credit history and can provide collaterals in case of they can not pay the loan money back. It also uses insurance over all its transactions which pay them back if all other ways do not work. Another risk is complaints. Customers' complaints are considered a risk that National Commercial Bank faces on a daily basis. These complaints are mostly handled and resolved by the bank's customer service. However, some of the complaints lead to legal complications. Complaints risk level is medium at worst cases. However, if the National Commercial Bank does not handle these complaints, customers can take legal action which can cost the bank a lot of money. The National Commercial Bank has a strong customer service which strives to solve every complaint that comes their way. If the customer service can not resolve these problems, the legal team can handle the complaints. A different risk is fire hazard. Even though most banks use digital records, paper records and physical money notes can be consumed by fire and be lost. Risk from fire hazard is considered a high level. If the National Commercial Bank does not prepare for possible fire hazard, fires might breakout at any branch or even the bank's headquarters. This could lead to loss of lives, paper records and physical money notes present at the fire site. Fortunately, the National Commercial Bank has good fire safety rules. Every branch is built with the highest standards in fire safety and fire rescue practices, which lowers the fire risk and the possible consequences. The final risk is market control risk. The National

Commercial Bank like all banks worldwide, have diverse investments. These investments have the risk of failing. Investing in commodities for example, is influenced by many factors that the bank has little control over it. This type of risk is considered a high-level risk. If these investments fail, the bank money will be lost and jobs of many bank staff. The National Commercial Bank strategies to minimize this risk include diversifying these investments into many markets and different products. Also, the National Commercial Bank insures all these investments in case something goes wrong.