

Final Project 1
Code: MGM 496-PMG496
Project Template

Faculty of Management
Midocean University

Midocean University

Faculty of Management

Department/ Specialization General Administration



Project title

**An Assessment of the Impact of Project Risk Management
on Project Success**

Student name

Raghad Saeed Al-Shahrani

Graduation Project – 1

Faculty of Management - Midocean University

Supervisor

Dr. Abdulrahim Nader

Faculty member- Faculty of management- Midocean University

Date of submission – number of Semester

Table of Contents

1. Chapter 1: Introduction	3
1.1. Research Background	4
1.2. Research Problem.....	7
.....	7
.1.2.1 Theoretical Gaps	8
1.2.2. Practical Gaps.....	9
1.3. Research Significance.....	10
1.3.1. At the theoretical level	10
1.3.2. At the practical level	10
References.....	13

1. Chapter 1: Introduction

1.1. Research Background

In the modern business environment, organizations increasingly rely on projects as an essential tool to achieve strategic goals, implement innovation, and enhance organizational performance. Projects are widely used across various sectors, including construction, information technology, healthcare, humanitarian organizations, and public services. However, despite the growing importance of projects in achieving organizational objectives, many projects still face significant challenges that affect their successful completion. These challenges often arise from uncertainties and risks that may occur during different stages of the project lifecycle, such as planning, implementation, monitoring, and evaluation (Khan, 2025).

Project risks refer to uncertain events or conditions that may have positive or negative effects on project objectives. These risks can arise from several sources, including technical issues, financial constraints, environmental factors, organizational changes, and human-related factors. If not properly identified and managed, such risks can lead to project delays, budget overruns, poor quality outcomes, or even complete project failure. Therefore, risk management has become a critical component of modern project management practices, enabling organizations to anticipate potential problems and implement appropriate strategies to minimize their impact (Mandrah & Mishra, 2025).

Project risk management involves a structured and systematic process that aims to identify potential risks, analyze their likelihood and impact, and develop appropriate response strategies. This process typically includes several key stages such as risk identification, risk analysis, risk evaluation, risk mitigation, and continuous monitoring throughout the project lifecycle. Effective implementation of these processes helps project managers make informed decisions and respond proactively to uncertainties that may arise during project execution. As a result, organizations that apply structured risk management practices are better positioned

to control potential threats and enhance overall project performance (Wang et al., 2025).

Previous research has highlighted the strong relationship between risk management practices and project success. Effective risk management not only helps in minimizing negative consequences but also contributes to improving decision-making, communication, and coordination among project stakeholders. Carvalho and Rabechini (2015) emphasized that successful project risk management requires not only technical tools and methodologies but also strong managerial competencies and soft skills, such as leadership, communication, and teamwork. These skills play a crucial role in identifying potential risks, facilitating collaboration among project teams, and ensuring effective implementation of risk response strategies.

Furthermore, the effectiveness of risk management practices has been widely examined in various industries. In the construction sector, for instance, projects are often exposed to high levels of uncertainty due to complex project environments, multiple stakeholders, and changing project requirements. Research conducted by Kallow et al. (2022) found that risk transparency and the ability of organizations to cope with risks significantly influence project success. Their study demonstrated that organizations that actively identify and communicate risks are more capable of implementing appropriate mitigation strategies and improving project outcomes.

Similarly, several empirical studies conducted in different contexts have confirmed the positive role of risk management in enhancing project success. For example, a field study conducted by Aldeen and Sarhan (2024) in humanitarian organizations revealed that effective risk management practices significantly improved project performance by enabling organizations to anticipate potential challenges and implement proactive solutions. Likewise, Rufus and De Dieu Dushimimana (2025) found that the application of structured risk management processes contributed significantly to the successful implementation of road construction projects, particularly by minimizing delays and controlling project costs.

In addition, the growing complexity of modern projects has increased the importance of adopting data-driven approaches to risk assessment and management. Recent studies have highlighted the role of advanced analytical tools and systematic risk assessment methods in improving project decision-making. For instance, Goyal and Gupta (2025) emphasized that data-driven risk assessment techniques can enhance the accuracy of risk identification and help project managers develop more effective strategies to mitigate potential risks. Such approaches enable organizations to make more informed decisions and reduce uncertainties during project implementation.

Moreover, project success is often measured through multiple dimensions, including the ability to complete projects within the planned time, budget, and quality requirements. Effective risk management practices contribute significantly to achieving these dimensions by ensuring that potential threats are identified early and managed effectively throughout the project lifecycle. Studies have shown that organizations that integrate risk management into their project management frameworks are more likely to achieve successful project outcomes and maintain long-term organizational sustainability (Vianney & Amolo, 2025; Chevalier-Karfis, 2024).

Given the increasing uncertainty and complexity of modern projects, project risk management has become a key factor in achieving project success. Organizations are therefore encouraged to adopt systematic risk management frameworks that allow them to identify potential threats, evaluate their impact, and implement appropriate mitigation strategies. Understanding the relationship between project risk management and project success is essential for improving project outcomes and ensuring effective utilization of organizational resources.

Therefore, this study seeks to assess the impact of project risk management practices on project success by examining how different risk management processes contribute to improving project performance and achieving project objectives. The findings of this research may provide valuable insights for project

managers, organizations, and policymakers seeking to enhance project success through effective risk management practices

1.2. Research Problem

Despite the growing importance of project management in modern organizations, many projects still fail to achieve their planned objectives in terms of time, cost, and quality. Project environments are often characterized by uncertainty, complexity, and rapidly changing conditions, which increase the likelihood of risks occurring during different stages of the project lifecycle. If these risks are not properly identified, analyzed, and managed, they may significantly affect project performance and lead to project delays, cost overruns, or unsatisfactory outcomes (Mandrah & Mishra, 2025).

Project risk management has therefore become a critical component in modern project management practices. It provides a systematic approach to identifying potential risks, assessing their impact, and developing strategies to mitigate their negative consequences. Several studies have highlighted that organizations implementing effective risk management practices are more capable of improving project performance and increasing the probability of project success (Khan, 2025; Wang et al., 2025).

However, despite the increasing attention given to project risk management, many organizations still face difficulties in effectively integrating risk management practices into their project management processes. In some cases, risk management is applied in a limited or informal manner, which reduces its effectiveness in addressing project uncertainties. Additionally, the lack of systematic risk identification and assessment procedures may prevent project managers from effectively responding to emerging risks during project execution (Carvalho & Rabechini, 2015).

Furthermore, previous studies have demonstrated that ineffective risk management practices can negatively influence project outcomes, particularly in complex and dynamic project environments. Organizations that fail to establish clear risk management frameworks often struggle to manage uncertainties and ensure successful project delivery

(Kallow et al., 2022). Therefore, understanding how project risk management influences project success remains an important research issue that requires further investigation.

Based on the above discussion, this study aims to examine the impact of project risk management on project success and explore how effective risk management practices contribute to improving project performance and achieving project objectives.

1.2.1. Theoretical Gaps

Although numerous studies have investigated project risk management and its relationship with project performance, there is still a need for further theoretical understanding of how different risk management practices influence project success. Many existing studies have focused primarily on specific aspects of risk management, such as risk identification or risk assessment, without comprehensively examining the overall impact of integrated risk management processes on project success (Goyal & Gupta, 2025).

Additionally, some studies have emphasized technical tools and methodologies used in risk management, while giving less attention to other important factors such as managerial capabilities, communication, and organizational culture that may influence the effectiveness of risk management practices (Carvalho & Rabechini, 2015). This creates a gap in the theoretical understanding of how different organizational and managerial factors interact with risk management processes to influence project outcomes.

Moreover, the increasing complexity of modern projects requires more comprehensive theoretical frameworks that explain how risk management practices contribute to project success in different project environments and sectors. Therefore, further research is needed to better understand the relationship between project risk management and project success and to expand the theoretical knowledge in this area.

1.2.2. Practical Gaps

From a practical perspective, many organizations still face challenges in effectively implementing project risk management practices. Although risk management frameworks and tools are widely available, their application in real-world projects often remains limited or inconsistent. In many cases, project managers lack sufficient experience, resources, or organizational support to effectively identify and manage project risks (Khan, 2025).

Furthermore, empirical studies have indicated that inadequate risk assessment and weak risk mitigation strategies may negatively affect project performance and increase the likelihood of project failure (Mandrah & Mishra, 2025). In some organizations, risk management is treated as a formal requirement rather than an essential management process, which reduces its effectiveness in addressing project uncertainties.

Additionally, there is limited practical evidence on how risk management practices contribute to project success across different organizational contexts and project types. For example, studies conducted in construction, infrastructure, and humanitarian sectors have demonstrated the importance of structured risk management approaches in improving project outcomes (Aldeen & Sarhan, 2024; Rufus & De Dieu Dushimimana, 2025). However, further empirical investigation is needed to better understand how project risk management practices can be effectively implemented to enhance project success.

Therefore, addressing these practical challenges and examining the role of project risk management in improving project success remains an important area for research and practical application.

Main Research Question

Based on the identified theoretical and practical gaps, the main research question guiding this study is:

What is the impact of project risk management on project success?

1.3. Research Significance

Project risk management has become a critical aspect of modern project management due to the increasing complexity and uncertainty associated with contemporary projects. Organizations across various sectors rely on effective risk management practices to identify potential threats, reduce uncertainties, and improve project outcomes. As projects continue to grow in scale and complexity, understanding the relationship between project risk management and project success has become increasingly important for both researchers and practitioners (Khan, 2025).

The significance of this research lies in its contribution to expanding knowledge about how project risk management practices influence project success. By examining the role of risk identification, assessment, and mitigation strategies in project environments, this study seeks to provide a clearer understanding of how organizations can effectively manage risks to achieve project objectives related to time, cost, and quality (Mandrah & Mishra, 2025).

Furthermore, the findings of this study may contribute to enhancing project management practices by providing insights into the importance of structured risk management processes. Effective implementation of risk management practices has been shown to improve project performance, support better decision-making, and strengthen communication among project stakeholders (Carvalho & Rabechini, 2015). Therefore, this research is expected to provide both theoretical and practical value for project managers, organizations, and researchers interested in improving project success through effective risk management practices

1.3.1. At the theoretical level

From a theoretical perspective, this study contributes to the existing body of knowledge in the field of project management by exploring the relationship between project risk management and project success. Although previous studies have examined different aspects of risk management, there is still a need for further research that integrates various

risk management processes and evaluates their collective impact on project performance (Goyal & Gupta, 2025).

This study also contributes to expanding the theoretical understanding of how risk management practices influence project outcomes in different organizational contexts. By examining the role of systematic risk identification, analysis, and mitigation strategies, the research provides insights into how effective risk management frameworks can enhance project success and improve overall project performance (Wang et al., 2025).

In addition, this research supports the development of theoretical frameworks related to risk management in project environments. It highlights the importance of integrating managerial competencies, communication, and organizational support with technical risk management tools in order to effectively manage project uncertainties and achieve project objectives (Carvalho & Rabechini, 2015).

1.3.2. At the practical level

At the practical level, this research provides valuable insights for project managers and organizations seeking to improve project performance through effective risk management practices. By identifying the impact of risk management processes on project success, this study can help organizations better understand the importance of adopting structured risk management frameworks in project planning and implementation (Kallow et al., 2022).

The findings of this study may also assist project managers in developing more effective strategies for identifying potential risks, assessing their impact, and implementing appropriate mitigation measures. Effective risk management practices enable organizations to minimize project delays, control project costs, and ensure that project deliverables meet the required quality standards (Mandrah & Mishra, 2025).

Moreover, the study may support organizations in strengthening their project management capabilities by encouraging the adoption of proactive risk management approaches. This

can enhance organizational readiness to deal with uncertainties and improve the overall success rate of projects across different sectors (Aldeen & Sarhan, 2024; Rufus & De Dieu Dushimimana, 2025).

Therefore, this research is expected to provide practical recommendations that can assist organizations and project managers in improving project outcomes and achieving sustainable project success through effective risk management practices.

References

1. Aldeen, M., & Sarhan, N. (2024). The impact of risk management on project success: A field study at humanitarian organizations in Yemen. *University of Science and Technology Journal for Management and Human Sciences*. <https://doi.org/10.59222/ustjmhs.2.3.5>
2. Carvalho, M. M., & Rabechini, R. (2015). Impact of risk management on project performance: The importance of soft skills. *International Journal of Production Research*, 53(2), 321–340. <https://doi.org/10.1080/00207543.2014.919423>
3. Chevalier-Karfis, A. (2024). Understanding the impact of project risk management on project performance: A technical and empirical perspective. *Business & IT*. <https://doi.org/10.14311/bit.2024.02.04>
4. Goyal, A., & Gupta, S. (2025). The impact of risk assessment on project success based on a data-driven approach. In *2025 4th International Conference on Distributed Computing and Electrical Circuits and Electronics (ICDCECE)* (pp. 1–7). <https://doi.org/10.1109/icdcece65353.2025.11034967>
5. Kallow, M., Bodla, A., Ejaz, A., & Ishaq, R. (2022). How do risk management practices lead to project success in the construction industry? The mediated moderation of risk coping capacity and risk transparency. *International Journal of Construction Management*, 23, 2779–2787. <https://doi.org/10.1080/15623599.2022.2095719>
6. Khan, R. (2025). The role of risk management in project success: A comprehensive study of project management practices. *Texila International Journal of Management*. <https://doi.org/10.21522/tijmg.2015.11.01.art015>
7. Mandrah, B., & Mishra, R. (2025). Investigate the impact of risk management strategies on project success in terms of time, cost, and quality. *International Journal of Advanced Research in Science, Communication and Technology*. <https://doi.org/10.48175/ijarsct-28294>
8. Rufus, O., & De Dieu Dushimimana, J. (2025). Effect of project risk management on the success of the Itunda-Busanza road construction project in Kicukiro District, Rwanda. *African Quarterly Social Science Review*. <https://doi.org/10.51867/aqssr.2.1.21>

9. Vianney, U., & Amolo, A. (2025). Project success through risk management practices in organic pest control initiatives. *International Journal of Finance & Banking Studies*, 14(2). <https://doi.org/10.20525/ijfbs.v14i2.4024>
10. Wang, X., Hamid, R., Hashim, N., & Osman, L. (2025). Research on the importance of project risk management to project success. *Journal of Information Systems Engineering and Management*. <https://doi.org/10.52783/jisem.v10i33s.5542>