



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

Everyone's Smart University

Project (Spring 2021)

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Section

Master

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Project Risk Management

Instructions:

- اخر موعد للتسليم هو يوم السبت 08-05-2021 في تمام الساعة 9 مساءً.
- الإجابة متاحة باللغة الإنجليزية أو اللغة العربية مع مراعاة أن تكون المصطلحات العلمية باللغة الانجليزية.
- يتم تسليم المشروع في صيغة ملف pdf مع الالتزام نموذج الجامعة ولن تقبل أي مستندات أخرى.
- يجب مراعاة أقسام البحث الرئيسية (مقدمة Introduction، دراسات علمية سابقة Literature Review، طريقة البحث Methodology، النتائج والمناقشة Results and Discussion، وأخيراً المراجع References. وان كان هناك ملحقات Appendices يتم إضافتها)
- يجب الالتزام بـ Theme موحد كما يلي:
- حجم الخط 12.
- نوع الخط Arial.
- لون الخط أسود.
- المسافة بين الأسطر line spacing 1.5
- عدد صفحات البحث (لا يقل عن ثلاث صفحات ولا يزيد عن ست صفحات).

Instructor's Name: Eng. Mosaab M. Hamed

ICE CREAM COFFEE SHOP

Introduction

The danger is an uncertain event for the target. Risk is the process that we try to treat the uncertainty of the handling of the action. The goal of the Risk selection of Process is therefore to ensure that these Deals can be reached.

Risk management, in general, is a process that matters to achieve an effective balance between reaching out of the lining and minimizing swimming and losses. It is an integrated part of the management practice style ratios and a substantial interest in good promotion. Risk management should be consisting an endlessly iterative process that is made up of the phases if properly applied for continuous improvement of decision and performance labor. **(D. van der Waal & V. Versluis, 2017)**

The aim of this research is to identify the risks surrounding one of the stages of the project under study by analyzing these selected risks and determining the appropriate risk management strategies for each risk separately.

A potential pitfall is that the controller is solely responsible for managing the risks within the organization. The reason for this is that the risks are expressed normally in terms of financial impact or damage and therefore perceived as the responsibility of the observer. However, if the risks are expressed on the basis of its case, it is likely to be the person responsible is the direct manager. Even if the cause of the danger lies outside the organization, the Director is responsible for the direct reference to him. Therefore, it can be said that the person who bears the explicit responsibility for managing one or more of the risks must be direct manager.

The objective of risk management is to create value and maintain through risk control and take responsibility for this process. In the short term, risk management transparency within and outside the organization by creating awareness of the potential developments and unexpected. Long-term, risk management will lead to better efficiency by avoiding losses, increasing the expected performance, and lower financing costs.

Literature review:

When pursuing a specific target, the Organization is potentially exposed to a variety of risks. To ensure that the target is met, a number of tasks must be carried out. The achievement of the target will be jeopardized if it is not achieved correctly. There would be positive consequences if the target is met in its entirety. These results, on the other hand, would be absent if the target is not met. A cause is a group of people who are working together to solve a problem. **(Aabo, Et al., 2005)**

Internal causes may be influenced, while external causes are uncontrollable: that is, they must be faced head-on. When a target isn't met, one looks for the root of the problem. Internal and external factors will be investigated. Internal factors are at the root of the failure to conduct the necessary tasks in this case.

And risks associated with things that are unknown at the beginning of the project, but must take into account the risks in the start-up phase and comparing the potential benefit to the success of the project in order to determine whether the project should be chosen or not.

If the project evolves from a concept sketched on a whiteboard to an initial plan and then into a full project management plan complete with a schedule and all the bells and whistles, threats will cluster around it like moths around a fire. Risks will surface at any point of the project. **(Dionne, G. 2013)**

Even the most well-prepared project manager in the most well-planned project will end up dealing with risks. However, how it affects the project is determined by how well the team deals with those risks.

This paper provides an identification of the risks of establishing a hot and iced coffee and ice cream shop. Where the project provides high-quality healthy food products. The target market for this project will be the middle and upper class residing in Riyadh, Kingdom of Saudi Arabia.

The main product line of the proposed business includes ice cream and various types of coffee. The proposed project will provide direct job opportunities for 3 people at the beginning.

There are numerous other forms of project threats to consider. These risks can lead to cost, schedule, or performance issues, as well as other negative consequences for the company. Consider the following scenario:

From a financial risk perspective, the owner company may not be able to break even (in the event that the amount spent on making coffee and ice cream exceeds the revenue that the company receives).

- According to the business model, a lower price of a competitor's product will ultimately affect our company's revenue and profits.
- When branches are increased, the owner company may fall short of a skilled and competent workforce.
- This may ultimately hinder the successful implementation of the company.

Methodology:

This study takes a descriptive approach. We collect data from previous research and the literature to address study risk management. In the discussion, we'll go over risk management in the context of a project.

Result and Discussion:

Risk management strategy

Speaking with stakeholders (interviewing) based on brainstorming and debate among the different employees was part of the ICE CREAM COFFEE SHOP company strategy to assess the overall risk that should be taken into consideration when completing the project plan. All risks have been identified and a strategy action for each risk has been established. Employees will do everything possible to ensure that the measures are followed taken to mitigate risks, should they arise.

To measure the risks, a risk matrix (likelihood / impact) was created. The matrix will contain at least three classifications (high / medium / low) of likelihood and impact.

Identifying risks:

Abbreviation: (L: low; M: medium; H: high)

Description	Risk			What can be done to eliminate and reduce the risk?
	P	S	P*S	
1- Fire damage to property and life	3	5	15	Conduct routine checks and tests to ensure that smoke alarms and fire extinguishers are in good working order. Staff must be trained in the event of a fire, including how to evacuate. Purchase insurance to adequately cover the harmful effects of fire on life and property
2- Suppliers amend their terms	2	3	6	Establish and maintain positive relationships with long-term vendors. Make sure you have a backup plan in case the suppliers' terms and conditions adjust.
3- Hygiene of food is not ensure or food is poisoning	2	4	8	Often use high-quality ingredients and have staff training to ensure that food preparation is safe. Timely management of inventory expiration dates is important
4- Suppliers do not fulfill their obligations of supplying	2	4	8	For more choices, list several resources. Alternative goods must also be taken into account
5- Disputes or agreements with the owner of the rented place	1	3	3	Developing and sustaining positive relationships with the property owner by properly using, maintaining, and paying the rent on time.

Risk probability	Risk severity								
		Catastrophic 5	Hazardous 4	Major 3	Minor 2	Negligible 1			
Frequent -5									
Occasional-4									
Remote -3		15							
Improbable-2			8 8		6	4			
Extremely improbable-1					3				

EMV:

No. risk	P	I	EMV
1	30%	5000	1500
2	20%	3000	600
3	20%	4000	800
4	20%	4000	800
5	10%	3000	300
6	20%	2000	400

Total EMV = 4400

Record the risk

The project manager and project committee released a statement on the event's continuity, as well as a basic analysis and suggestion on the possibility of setting a counter date. Taking advantage of the situation and keeping an eye on things. One of the four major options is time. The better answer comes at the right time. Both threats will be relayed to the project manager, who will inform stakeholders directly.

Risk and triggers:

risk	source	response	prevention	response
Fire	Unattended Coffee preparing	supervision	Fire alarm	Smoke inhalation and death
poisoning	Unhygienic workplace	Hygienic terms and conditions	Manage expiry dates	Stomached or Death
Insufficient materials	Suppliers do not fulfill their obligations of supplying	Make plan B or alternative list of suppliers	Use substitute products	It will stop working Profit reduction
Disputes	Land owner	negotiations	friendly relationship	Loss of the store
Key staff resigns	maternity leave	training	Train other key staff	shortage

Risk contingency plan:

Risk description	Grade	Mitigation action
Fire damage to property and life	A	Following fire loss, the coffee must repair and reopen as soon as possible while waiting for insurance payments.
Suppliers amend their terms and conditions of supply	C	Choose alternative suppliers or use personal cash reserves to boost working capital.
Hygiene of food is not ensure or food is poisoning	B	Investigate the cause of the food poisoning as soon as possible. As much as possible, assist the impacted customers. Enable the complaint management process to take place.
Suppliers do not fulfill their obligations of supplying	B	Make purchases from different vendors or choose items that are appropriate substitutes.
Disputes or agreements with the owner of the rented place.	D	Hire a lawyer for legal advice or to file a lawsuit.
Key staff resigns or takes maternity leave	D	Provide a contract for a suitable substitute on a short-term basis (until the permanent staff can do the job).

A= Mitigation actions, to reduce the likelihood and seriousness, to be identified and implemented as soon as the project commences as a priority.

B= Mitigation actions, to reduce the likelihood and seriousness, to be identified and appropriate actions implemented during project execution.

C= Mitigation actions, to reduce the likelihood and seriousness, to be identified, and cost for possible action if funds permit.

D= to be noted - no action is needed unless grading increases over time.

Summary and recommendations

Project risk analysis and management is a continuous process that can start at any point in the project cycle and last until the costs of using it outweigh the possible benefits. As the project progresses, the risks decrease, and therefore the efficacy of risk analysis and management decreases, so it's best to use it early in the project's life cycle. There is no such thing as a risk-free project; all projects have risks, and assessing these risks after finding them and then handling them is an essential part of project management; without it, the project would fail.

References

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