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Project Risk Management

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Risk One

The occurrence of an unprecedented change in operational banking policies is one of the risks likely to affect the National Commercial Bank (NCB). As a compliance type of a risk (Hopkin 107), the factor may determine the institution's profit margins and operation, hence dictate its performance. The risk likelihood of occurrence is relatively high, considering the frequent economic fluctuations in Saudi Arabia. As a precautionary measure, the institution has laid down anticipatory counter policies such as set ceilings to ensure that it limits the likelihood of the risky operational changes.

Risk Two

The occurrence of a fire incident is yet another risk. This hazard type of risk bears the potential of bringing harm to the institution and all individuals it facilitates (Hopkin 109). The problem has a huge likelihood of occurring, which makes its impacts potentially detrimental as it may cause extended destruction of property and loss of lives. NCB has strategies to manage this risk in case of its occurrence, including installation of fire extinguishers at designated points and an alarm system.

Risk Three

Introduction of a new service commodity such as insurance premiums also poses as a risk. The threat has a high likelihood of occurring and may initiate unanticipated financial losses that may lead to the institution's closure. Managing the risk entails partaking in pre-implementation survey before dedicating to such investment moves.

Risk Four

Lastly, the making of entry errors in financial transactions and financial statements qualifies as a risk as it is an event that may potentially harm the institution's operations, thus may lead to unprecedented losses. As a control type of risk (Hopkin 113), it has a great likelihood of occurrence, considering that human errors and systems failure in the banking industry are pretty common. It has a huge impact as it can cause problems between the institution and regulators, thus bears a possibility of closure. NCB has a

strategy in place that involves the testing and affirmation of its systems' functioning to assure correctness and evasion of this risk.

