

Everyone's Smart University

Project (Spring 2021)

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Project Risk Management

Project Risks:

The company's Agile Business Modeling project methodology needs to be tweaked, particularly at the first stage of the planning phase, where it must assess the project's expected expense, timeline, and staffing requirements. Both of these factors could put the project and the business at risk in the future (Nagalingam, Jayasena & Ranadewa, 2013). According to the planner, when planning a project, the project manager must take into account the entire project's planned and potential considerations, also known as risk factors.

If the Agile Business Modeling project fails in the future, or if more money is needed to develop it, the project will be considered a failure. Cost disagreements also jeopardize the project team's ability to meet the deadline. Such the factors raise the question of the capability, and fulfillment of expectations from the project, ultimately pose risks for the employees to save their jobs.

Risk Probability Matrix:

Agile Business Modeling is a highly competitive and risky project that is continuously exposed to predictable and unexpected risks. Risks will wreak havoc on the project's budget, efficiency, and timeliness. The Agile Business Modeling project's inability to handle risks has had an impact on its efficiency, as project parameters such as time, quality, and costs have all been impacted (Nagalingam, Jayasena & Ranadewa, 2013). There is a need to manage risks efficiently and effectively by implementing strong and rigorous risk reduction mechanisms that help to ensure that the project is completed on schedule, on budget, and to the company's quality standards.

The Risk Probability Matrix is presented below,

Identified Risk Factors	Probability	Impact	Expected Monetary Value (EMV) (Probability X Impact) \$
Communication Misunderstandings	4.0	5.0	20.0
Cultural Differences in Work Expectations	4.0	3.0	12.0
Cultural Perceptions	2.0	4.0	8.0
Multicultural Team Dynamics	4.0	3.0	12.0
Issues in Virtual Relationship Building	2.0	3.0	6.0
Time Zone Differences	3.0	2.0	6.0
Differences in Technologies	2.0	2.0	4.0

Analysis of the Risks:

Risk management mechanism aim at identifying implicit and explicit risks and categorize them on the level of their danger, identifying the main risks that can affect project cost, quality and time, employing risk mitigation strategies to minimize the impact of risks and identifying strategies to control uncertainties. Risk management mechanisms are also used to enhance the performance of the project and ensuring that the project members work in collaboration. It is evaluated that the project of Agile Business Modeling has high levels of risks. To avoid conflicts between the company and stakeholders and to ensure that the project is delivered before/on time, risk identification and risk reduction are needed early in the project (Zavadskas, Turskis, & Tamoaitiene, 2010). Failure to identify risks during the early stages of a project can have an impact on the project's quality and expense. According to Wao & Flood (2016), the management structure plays a critical role in establishing the project's initial budget.

Identified risk Factors	Risk mitigation	Risk Avoidance	Risk Transfer	Risk Acceptance	Actions
Communication Misunderstanding					It is necessary to eliminate misunderstandings in communication by providing adequate training to project team members. As a result, serious disagreements could be avoided, potentially delaying the project.
Cultural Difference in Job Expectations					This necessitates proper employee training and instruction, as well as induction, or sessions designed to introduce one another's actions, attitude,

					interests, and work practices.
Cultural Perceptions					Since various cultural perceptions can have an effect on job productivity, it is essential to match individual priorities and objectives with organizational goals in order to produce positive results.
Multicultural Team Dynamics					It's possible that the risk will be transferred in order to introduce creativity in the main project deliverables. To achieve positive results, however, it is necessary to establish good cooperation and communication among the various team members.
Conflicts in Virtual Relationship Building					The danger can be avoided in the short term, but not to a large degree, since the success of a good team leads to the project's success.

Time Zone Difference					Because of the time zone change, the other party becomes confused and loses confidence. It is possible that the project will be delayed; as a result, it must make every effort to complete the project before the deadline.
Difference in Technological understanding					The danger may be acknowledged because it has a minor effect on the project's results. If the risk does not have an effect on the quality of the product to be sold to the consumer, it may be acceptable.

Until applying for the Agile Business Modeling project's tender, this phase must be completed, which includes using cost planning methods to include value analysis, project life-cycle analysis, and investment assessment. Tendering criteria and methods must also be identified, as well as contract documentation and review, tender evaluation, and financial reporting and review (Nagalingam, Jayasena, & Ranadewa, 2013). Environmental factors have a significant impact on these work duties and procedures, which can influence the project's overall cost, efficiency, and timeline. As a result, Kulasekara, Jayasena, and Ranadewa (2013) concluded that risks associated with project cost must be managed effectively using risk management techniques. It is required for the resolution of conflicts between the parties concerned. Cost pressures and threats are well known to have a major effect on project completion timeliness and efficiency (Wao & Flood, 2016). Moreover, agility can use from understanding each

other emotions, like wisdom, excitement, and so forth. Thus, it cannot mismanage each project as well as not harm the use of technology.

References:

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