



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

Everyone's Smart University

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Project Risk Management

- **Introduction:**

Risk management is the identification, evaluation, and prioritization of risks (defined in ISO 31000 as the effect of uncertainty on objectives) followed by coordinated and economical application of resources to minimize, monitor, and control the probability or impact of unfortunate events or to maximize the realization of opportunities.

Risks can come from various sources including uncertainty in international markets, threats from project failures (at any phase in design, development, production, or sustaining of life-cycles), legal liabilities, credit risk, accidents, natural causes and disasters, deliberate attack from an adversary, or events of uncertain or unpredictable root-cause. There are two types of events i.e. negative events can be classified as risks while positive events are classified as opportunities. Risk management standards have been developed by various institutions, including the Project Management Institute, the National Institute of Standards and Technology, actuarial societies, and ISO standards.[2][3] Methods, definitions and goals vary widely according to whether the risk management method is in the context of project management, security, engineering, industrial processes, financial portfolios, actuarial assessments, or public health and safety.

Strategies to manage threats (uncertainties with negative consequences) typically include avoiding the threat, reducing the negative effect or probability of the threat, transferring all or part of the threat to another party, and even retaining some or all the potential or actual consequences of a particular threat. The opposite of these strategies can be used to respond to opportunities (uncertain future states with benefits).

Certain risk management standards have been criticized for having no measurable improvement on risk, whereas the confidence in estimates and decisions seems to increase.

This most common communication problems with the team as follows:

1- Cultural differences:

Modern workplaces are often more diverse than ever before, especially those businesses that work with international clients or employees. For successful cohesion and teamwork, managers devise new and engaging solutions to bring individuals of varying backgrounds together. opt for team building activities and organize each team with individuals who normally don't work together and those with different cultural backgrounds.

Additionally, host a cultural differences training session. This educates employees on how to be more sensitive to cultural differences in the workplace. Beyond behavior, other areas that impact cultural differences in the workplace include:

- Desktop wallpapers
- Newsletter and email copy
- Desk or office decorations

Consider what ideas, items or other non-essential objects within the workplace may be culturally offensive. Ensure all team members actively consider these differences as well.

2- Attitude:

An individual's ego and attitude often inhibit teamwork and other initiatives in the workplace if not properly addressed. For example, an individual might speak over another working in meetings or refuse to lose an argument when the other individual is right. Alleviating attitude and ego require more listening to those team members most affected by it.

Consider their experience and how it affects their work. If you see attitude and ego appear within a meeting, a conversation or other area of the workplace, stand firm against them and communicate that there is a better way to handle the situation than with their current attitude.

3- Lack of motivation

Some businesses experience a downturn in productivity due to a lack of motivation from their employees. A lack of general interest or motivation often stems from how strong communication with employees is or how they are treated by management. Talk to and engage with team members. Discover if any hidden problems impact their performance. Once you understand what the problem is, address it as needed or refer them to another member of the organization who can help.

4- Listening skills

Listening skills allow you to better understand or empathize with what someone said rather than simply hearing them. Stress the importance of active listening throughout the organization. If necessary, host a workshop in which employees learn more about the importance of listening and how to improve their listening skills.

5- Written communication quality

Organizations use a wide variety of communication methods and mediums to relay messages. Examples include newsletters, emails, corporate software and more. Ensure your copy is well-written and free of grammatical errors. Let other team members read all written correspondences before sending them. Allowing others to check your work increases the chances of finding and correcting even the smallest errors.

6- Appropriate communication tools

Depending on the message, in-person communication is often more effective than over the phone or through email. Understanding when to use those varying methods of communication is essential to the success of the overall communication of a business. Email works best for non-sensitive information. Video calls are often most effective in handling a complex situation that already caused the spread of misinformation. When delivering sensitive information, choose an in-person approach within a private setting such as an office.

7- Oversharing

While transparency works well for most organizations, the concept of oversharing still requires temper. Oversharing leads to gossip or the exchange of sensitive or inappropriate information. Consider the need and importance of confidentiality within the workplace. For example, hold meetings regarding sensitive information within a private and secure office, refrain from including confidential information within an email and discourage gossip or other inappropriate communication, as necessary.

- **Literature Review and Conceptual framework:**

The risk management framework followed at this framework which provides guidelines for:

- Continuous risk identification
- Risk evaluation
- Risk mitigation and contingency measure definition
- Risk monitoring and control
- Risk identification efficiency measurement

The risk management framework also provides templates and tools, such as:

- A risk registers for each project to track the risks and issues identified
- A risk checklist, which is a guideline to identify risks based on the project life cycle phases.
- A risk repository, which is all the risks identified across projects so far.

• Methodology:

- Risk Impact:

- A= High (Rating 100)
- B= Medium (Rating 50)
- C= Low (Rating 10)

- Probability & Impact Matrix:

		Probability			
		1 = high (80% ≤ x ≤ 100%)	2 = medium high (60% ≤ x < 80%)	3 = medium low (30% ≤ x < 60%)	4 = low (0% < x < 30%)
Impact	A=high (Rating 100)	(Exposure – Very High) (Score 100)	(Exposure – Very High) (Score 80)	(Exposure – High) (Score 60)	(Exposure – Moderate) (Score 30)
	B=medium (Rating 50)	(Exposure – High) (Score 50)	(Exposure – Moderate) (Score 40)	(Exposure – Moderate) (Score 30)	(Exposure – Low) (Score 15)
	C=low (Rating 10)	(Exposure – Low) (Score 10)	(Exposure – Low) (Score 8)	(Exposure – Low) (Score 6)	(Exposure – Low) (Score 3)

- Risk classification:

Risk	Probability	Impact Rating	Score
Due to working in different international offices in different countries, cultural difference delays the response of critical information	90	B	50
Two team members speak over each other in a meeting. This attitude and require more listening to those team members	70	C	8
lack of motivation from some employees. this often stems from how strong communication with employees should be monitored closely to understand and resolve this gab	50	B	30
Insufficient communication tools (E-Mail, conference, face to face, etc..)	20	C	3

- EMV Calculation:

Risk	Probability	Impact (Cost) (SAR)	Contingency Reserve
A	0.90	50,000	45,000
B	0.70	42,000	29,400
C	0.50	25,000	12,500
D	0.20	15,000	3000
Total Contingency Reserve (SAR)			89,900

- **Results and Discussion:**

Employers that invest time and energy into establishing clear methods of communication build trust among employees. Strong trust between employees and employers leads to increased morale and overall productivity. Teams work together more efficiently, and managers are more transparent about upcoming changes that impact their teams. Instead of working their way through the chain of command, when an employee needs an issue addressed, they send a direct message to the appropriate party, gaining a fast response.

- **References:**

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- ISO/IEC Guide 73:2009 (2009). Risk management — Vocabulary. International Organization for Standardization.
- ISO/DIS 31000 (2009). Risk management — Principles and guidelines on implementation. International Organization for Standardization.
- <https://www.pmi.org/learning/library/risk-analysis-project-management-7070>