

Final Project 1

Code: MGM 496-PMG496

Project Template

Faculty of Management
Midocean University

Midocean University

Faculty of Management

Department/ Specialization



Neglecting the Risk Management in Planning Phase

Student name

Murtadha Alfardan

Graduation Project – 1

Faculty of Management - Midocean University

Supervisor

Dr.

Faculty member- Faculty of management- Midocean University

Date of submission 7-Mar-25 – number of Semester

Table of Contents

1. Chapter 1: Introduction	3
1.1. Research Background.....	4
1.2. Research Problem.....	5
1.2.1. Theoretical Gaps	5
1.2.2. Practical Gaps	5
1.3. Research Significance	6
1.3.1. At the theoretical level	6
1.3.2. At the practical level	6
1.4. Research Questions	7
1.5. Research Objectives	7
1.6. Research Hypotheses.....	7
1.7. Research Model.....	7
1.8. Research Methodology.....	8
1.9. Scope of The Study	8
1.10. The Suggested Project Structure.....	8
2. Chapter 2: Literature Review	9
2.1. Introduction	10
2.2. The independent variable	10
2.3. The dependent variable	10
2.4. The relationship between the independent and the dependent variables	10
2.5. Conclusion.....	11
References.....	11

1. Chapter 1: Introduction

Project management is a complex process that requires careful planning, execution, and monitoring to ensure successful outcomes. One of the most critical aspects of project management is risk management, which involves identifying, assessing, and mitigating potential risks that could derail a project. Neglecting risk management during the planning phase—the foundation of any project, where objectives, timelines, and resources are defined—can lead to unforeseen challenges, cost overruns, and even project failure. Despite its importance, risk management is often overlooked or inadequately addressed during the planning phase, leading to significant negative consequences for projects.

This research aims to investigate the implications of neglecting risk management in the planning phase, identify the root causes of this neglect, and explore evidence-based strategies for improving risk management practices. The study will begin by defining the problem and reviewing relevant literature. It will then analyze the consequences of neglecting risk management and conclude with actionable recommendations for improving risk management practices in the planning phase.

1.1. Research Background

Risk management is a critical component of project management, enabling organizations to identify, assess, and mitigate potential risks that could impact project objectives. The planning phase, where project plans, schedules, and budgets are developed, is particularly crucial for effective risk management. By addressing risks early, organizations can minimize their impact and maximize opportunities for project success.

In today's dynamic project environments—characterized by increasing complexity, globalization, and rapid technological advancements—effective risk management is more important than ever. However, despite its critical role, risk management is often neglected or inadequately performed during the planning phase. This can be due to various reasons, including lack of resources, inadequate training, or insufficient expertise. As a result, projects may be exposed to unnecessary risks, leading to delays, cost overruns, or even project failure.

While there is a significant body of research on risk management in project management, there is a lack of studies specifically focusing on the neglect of risk management during the planning phase. This research aims to address this gap by exploring the consequences of neglecting risk management and identifying strategies for improving risk management practices.

1.2. Research Problem

The neglect of risk management in the planning phase of projects often leads to unidentified risks, poor decision-making, and ultimately project failure. Despite the availability of risk management frameworks and tools, many organizations fail to prioritize risk management during the planning phase, resulting in significant financial, temporal, and operational losses.

1.2.1. Theoretical Gaps

1.Lack of integrated risk management frameworks: Current risk management frameworks often focus on specific aspects of risk management, such as identification or mitigation. There is a need for more comprehensive frameworks that integrate multiple aspects of risk management. The lack of such frameworks limits the ability of organizations to address risks holistically, often resulting in fragmented or reactive risk management practices.

2.Insufficient consideration of contextual factors: Theoretical models of risk management often overlook the impact of contextual factors, such as organizational culture, project complexity, and stakeholder expectations. This oversight can lead to misaligned risk management strategies that fail to account for the unique challenges of specific projects.

1.2.2. Practical Gaps

- 1. Inadequate risk management training and education:** Many project managers and team members lack the necessary training and education to effectively manage risk, leading to inadequate risk identification, assessment, and mitigation.
- 2. Ineffective risk communication and stakeholder engagement:** Poor communication and stakeholder engagement can lead to misunderstandings, misaligned expectations, and inadequate risk management. These issues are frequently cited as contributing factors in project failures.

Main Question:

How can organizations improve risk management during project planning to address gaps in integration, context, training, and stakeholder engagement?

1.3. Research Significance

This research contributes to the existing body of knowledge on project management by highlighting the critical role of risk management in the planning phase and addressing both theoretical and practical gaps. By providing insights into the consequences of neglecting risk management and offering evidence-based recommendations, this study has the potential to improve project outcomes across industries, reduce financial losses, and enhance organizational resilience.

1.3.1. At the Theoretical Level

At the theoretical level, this research advances the understanding of risk management by proposing an integrated framework that addresses the limitations of existing models. It also highlights the importance of contextual factors, such as organizational culture and project complexity, in shaping effective risk management practices.

1.3.2. At the Practical Level

For project managers and organizations, this research provides actionable strategies for integrating risk management into the planning phase. By adopting these strategies, organizations can enhance risk identification, improve decision-making, and reduce the likelihood of project failures, ultimately saving costs and improving project performance.

1.4. Research Questions

1.5. Research Objectives

1.6. Research Hypotheses

1.7. Research Model

1.8. Research Methodology

1.9. Scope of The Study

1.10. The Suggested Project Structure

2.Chapter 2: Literature Review

2.1. Introduction

Brief introduction for the chapter

2.2. The independent variable

2.3. The dependent variable

2.4. The relationship between the independent and the dependent variables

2.5. Conclusion

References