

# PROJECT RISK MANAGEMENT IMPACT ON THE PROJECT SUCCESS

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**Abstract:** *In this article the main focus is emphasized on management under risk i.e. Risk - management. This particular branch of management has a vital role at present in the world, Risk management is the order of the day to day in every management system. Due to fast growing economic development, management is facing extreme challenges to combat the demand situation efficiently.*

*My area of topic under risk management, deals with construction project; and how it is mongered successfully. Construction project is growing very rapidly in this age of fast development Never in the history of construction has ever seen such a vast scale of construction which is incredible and undoubtedly challenging. It has therefore, become essentially important to alleviate or mitigate risk especially in the construction undertaking or project.*

*The Risk - word mainly talk about a Bad result or detrimental to someone's health or to cause worry about due to some reason. Actually any business venture contains on element of risk. Therefore it is believed that any endeavor has a risk or a combination of risk and opportunity it is inevitable fact. In our topic of risk management in relation to construction project, risk is probable or likely to happen, may be during construction or even thereafter.*

*Risk, notwithstanding the most important factor to focus, for it involves lives of people money and reputation of the management Right decision expertise . and material used in the construction is highly recognizable factor. Its quality and solidity are highly demanded.*

**Keywords:** *Risk management, construction and mitigating risks.*

## I. INTRODUCTION

The risk management is present in both branches of management, private and public organizations alike and risk and management are parts of each rather in separable as for as joint responsibility is concerned, otherwise they hold their own importance. Risk management is therefore, team work and severed minds cooperatively at work to solve the futuristic elements of risk. Thus, only business organization can successfully operate. This concept gave birth to risk management Idea. Risk management although may be held that various departments in a business establishment have their own separate responsibility to function they work on divided areas to bring forth expected results. Nevertheless it is a unified action from this point of view risk management is a joint venture or correlative endeavour. For this very purpose the management divide and render to specialized personnel tasks so as to finish the construction probable risks.

For this to achieve the management under risk management has to be very cautious to allocate. Responsibilities for best operational results. In risk management financial issues are considered very important ones, human risk of like labor forces and engineers etc are of top priority and non the less the people who will be using the constructed buildings etc. It, unfortunately, this is overlooked, consequences will be detrimental to a great loss to like and finance.

## II. PROJECT RISK MANAGEMENT

Risk management is a very vital part of the management system it extremely important that there is a thoughtful planning pertaining to risk actor involved, secondly, careful study to consider the kinds of risks possible. Analysis of the results, response planning must be well studied, last but not the least, response implementation - take full precaution and probability of risks while the project is undertaken finally, it is highly mandatory to check and recheck all the connected factors on the project to be fully assured of the full safety of the projects success objectives of project risk management:

- To increase the probability or effects of risks
- To decrease its plausibility's or results caused negative risks to avoid any calamities.

The project risk management process mentioned as below:

It deals mainly with managing and conducting Risk management. It includes, identification of R.M. investigation, acknowledgement, activate and watching risks. Objectives : To increase the probability or its effects of positive risks or reduce it possibility or effects of negative risks and careful watching over, to accelerate towards sure success of the project.

## III. PROJECT RISK MANAGEMENT - PROCESSES

Make sure of Risks , It is most important along with all possible derivation of project risk and store all distinctive issues related qualitative Risks Analysis: Put personal project risks at first to provide advance study of the risks to evaluate future possible happening in case. Study carefully their effects and significances.

Activate quantitative Risk Analysis: The procedure adoption from numerical analysis and its impact on individual risks aspect and combining with other causes uncertain factors with reference to project's viewpoints.

Planning of risks feedback or reactions: Adopting after natives, finalizing them with positive agreement in the light of risk's possibility and matching with individual project risks.

Enact Risk acceptability options.

Monitor Risks: Working on agreeable risks factors, following the known risks finding out and studying new risks and considering their operative options.

Project risk management impact on the project success: -

- It is obviously necessary to make each and all concerned person involve in the planning operation, the team members of the risks management are already have knowledge of some project risks. All these must be well regarded as such acknowledgements will prove a great help avoiding some risks in the working process such issues must be taken care seriously because they can be useful in the risk operational process planning team must be divided into subgroups. Such groups may have a few triggers to alert probable risks. They act as preventive actors, warn ahead only possible mishaps to avoid for serious consequences, They groups prove suitable contingencies; these are must for risks management.
- There must be the owner of each risk already listed, to safeguard of possible triggers. Generally, such owner of the risk is the project manager. But it is also essentially important that all team members should look out for any warning.

Risk exists at two levels with in every project:

- As for as each project, it has always individual risks that can hinder the objectives of the project to achieve its target. There must be sincere effort put into project to have risk free project. The two level project, comprise of individual project risk that can have positive or negative risk bearing.
- Secondly, overall project risks, it comes up from all sources of uncertainty represent the exposure of stake - holders may affect possibly in the running of the project.

#### IV. BENEFITS OF PROJECT RISKS MANAGEMENT

Any project can be unique, interesting or complex in nature. They need resources, human resource, finance, facilities, materials and expertise. Projects are supposed to be guided with specific visions and goals with perfect guidance i.e. objectives of the project. The main aim of the project risks management to minimize the risks and eventually be successful in its endeavour taking full advantage of opportunities. In other words Risks management is to help project managers to identify priorities and possess them. Use of proper resources on time and ease the risk of the project and not necessarily to achieve its objectives. Risk management help provide better business and bring about projects results; for this purpose there must be right vision, expertise and self confidence and qualified decision - making ability especially in intelligent planning capacity; to safeguard from risks appropriate opportunities must be always in right contingency planning add success for dealing risks. Apart from there should be best also caution of resources. These steps if wisely implemented bring sure

success of the project and capably manage to minimize risks exposure. Such steps are to be applied at every steps in the project including, assessments of strategy to supply, maintenance, disposal of facilities etc. Risk management can be said as the soul of the project success. It provides better accountability and justification of decisions.

#### V. PREVENTING FUTURE RISKS

The main purpose of studying Risks Management is to be well aware of the part mistakes so that such will not be repeated future more. Although, risks management cannot be free from risks. It is advisable to write down all the failures in the project due to facing risks. It is aptly remarked that we learn from our part mistakes; and the wise learn to be careful not to repeat them. Project managers must maintain a separate file always ready at hand and refer should they at hand and refer should they come across in the future any such risks. This will save time and money; and increases his efficiency as a successful manager.

#### VI. CONCLUSION

Project risks management, should not be considered as difficult process, but as a matter of fact it should be taken as a challenge with a firm determination to prove it with the total devotion of each project member. The success of risks management is the result of team work continuous dealing with risks the professionals become quite acquainted with risks management, It must be in progressive process to achieve better performance. It must be final unexpected risks may arise due to the changes of situations and circumstances. The risks management at any stage be relaxed but ever ready for any even to be prepared to meet, negligent attitude may cause hagarious results to project and to human lives. Therefore it is advisable to risks management to continue research and related techniques to minimize the hazards arising from risks.

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