

(Question-8)

Project

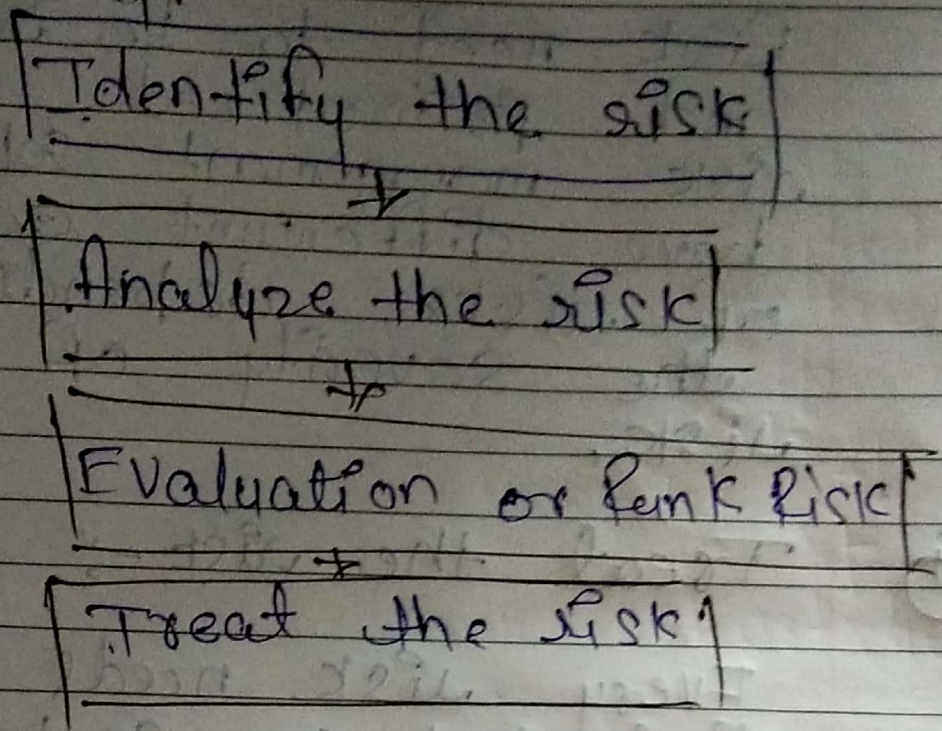
(A) Explain Risk management

Ans Risk refers to the probability of occurrence of specific unforeseen events. Technically the concept of risk is different from the concept of value and therefore an unforeseen event may be beneficial or adverse generally related to an uncertain outcome.

Qualitatively, risk is proportional to both the expected losses which may be caused by an event and to the probability of the event. Overall risk will be high if the probability of the event happening and risk of the event is high.

Risk can be defined as the change that the things may not turn on the way expected.

* Four stages of risk management planning.



① Stages :-

Identify the risk -> The first step is to identify the risk that the business is exposed to in its operating environment risk, market risk, regulatory risk and much more.

② Analyze the risk -> Once a risk has been identified it need to be analyzed. The scope of the risk must be determined.

③ Evaluation and Rank the Risk.

Risk need to be ranked and prioritized. Most risk management solution have different categories of risks, depending on the severity of the risk.

④ Treat the risk ->

Every risk needs to be eliminated or contained as much as possible. This is done by connecting with the experts of the field to which the risk might.