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Assignment 3: Risk Management Workshop

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Introduction

There is always a positive relationship among organization and productivity; in fact whatever an organization does is merely to enhance their productivity (Damien McLoughlin, 2010). Different authors have come with different ideas regarding organizations and their objectives and most of the authors stated that, organization is basically a place, wherein people belong to different demographics, work together for the achievement of a single and pre-specified goal.. These employees of a company have been distributed into different departments, which mean that the real productivity of an entity lies in their departments (Damien McLoughlin, 2010).

Usually, there are numerous departments that work in an organization. The Risk management department is one of them. Risk management is basically a technique from which an organization or an individual could manage the associated risk effectively and accordingly. Organizations always try to minimize the level of risk, therefore they have to use different risk based strategies to cope up with different spots the main objective of this particular assignment is all about analyzing the risk-based workshop, along with their agendas and other important provisions. Apart from this provision, risk based strategies and different types of risks would be analyzed in this particular assignment. There are number of questions which have been divided into different sections to complete. Let's now move towards the same procedure to complete the work perfectly.

Identification of Pre-Workshop Activities

Risk is a phenomenon found in almost everything and every company. It is important for a company to decrease the level of risk accordingly. There are number of reasons behind the decisions of a company to mitigate the risk accordingly. Risk could derail the momentum of a company outrageously and resultantly decrease the financial belongings as well (Rob, 2008).

Work Shop activities are one of the major activities from which organizations do many activities, like managing risk and day to day activities, during their corporate moves. Work Shop activities are much more practical than theoretical in total. Organizations or individuals try to arrange or manage of workshop based activities as it is one of the important elements from which awareness could be spread among the employees of the company as far as managing risk is concerned (Rob, 2008).

Workshop means, to introduce new elements, take different views of people and discuss the plans how you can do better for that new elements (Rob, 2008). Most of the times, organizations arrange workshops to apprise their employees regarding all the pros and cons of a certain activities (Morgan & Stanley, 2007). Tests and evaluation would also be conducted in the workshops relating to the evaluation criteria for which the workshops have been arranged. Pre-Work Shops activities could be extremely important for an organization as a whole (Morgan & Stanley, 2007). There are certain activities which have to be considered by an organization along with the policy makers in arranging a sort of workshop accordingly and the same activities are mentioned below in the bullet points,

- Identification of the problems and issues which the company is facing

during their operations

- Identification and analysis of the alternatives which may or may not be effective for the company as far as managing the risk
- Carry out internal based analysis that which method would be effective for the company
- Check out from different alternatives that which method would bring positive economic and strategic change towards the company
- Review the strengths and weaknesses of specific alternative accordingly
- Give valuable and relevant feedbacks about specific alternative which are essential for the company's productivity along with its effectiveness and utilization

All of these activities would be commenced prior to/ the actual implementation and working on the workshop accordingly, because all of these provisions are some of the basics of the analysis in specific, as far as enhancing the productivity of an organization is concerned. With the help of utilizing the workshop, an organization becomes able to influence on a different decision-making stance by mitigating the risks as well (Morgan & Stanley, 2007). Pre-workshop activities, which are mentioned above, are extremely important for an organization to pursue accordingly as all of them are essential and effective for them to reach on an effective conclusion. All of these pre-workshop activities enable a company to apprise the individuals regarding the applicability of risk management accordingly and then analyze the importance relating to them as well.

Risk Workshop Agenda

In the business term and from the organizational viewpoint, an agenda is basically a sort of pinpoint device in a meeting (Morgan & Stanley, 2007). Usually, agenda have been mentioned and written after the completion of a meeting. There are number of risk workshop based agendas which have to be in line and furnished in front of the employees and other important individuals (Morgan & Stanley, 2007).

Figure B-8 of cases (Eric. McNulty 2008) reveals that there are certain elements which have to be there in a risk workshop based agenda in which the company has to analyze the level of risk accordingly (Steve &Maggy, 2008). All of the risks, duly mentioned in the figure have to be communicated in line with the employees of the company effectively, as this particular provision is essential for the long run productivity of an organization. Apart from this, there are some other agendas as well, which have to be in line with the company which is apprising the employees and in line managers regarding the applicability of every bit of standards and models to mitigate the level of risks from an organization (Steve &Maggy, 2008). The agenda also includes the proper recommendations, which may be taken into account to mitigate the level of risks from an organization. The agenda of the workshop is based on two different criteria, which predominantly are First Risk Assessment and Two Days Risk Workshop and the level of assessment, would remain in the same jurisdiction in each of the activities accordingly. Figure B-8 shows that organizations have to make special and effective agendas for their employees and other major stakeholders of their company because a company could not be in the line of

economic well being without having proper identification and mitigation techniques of risks.

Top Five Threat Risk

There are number of risks which specifically mentioned in the case study and in the figure-11 (Eric, McNulty, 2008). According to (Damien McLoughlin, D. A. A. 2010), if these five risks could be manage or mitigate accordingly, then it would certainly accelerate the pace of the earnings of the company and in other case it may derail the entire momentum of the company (Steve &Maggy, 2008). The names of the risks are

Market Risk: In which the company may lose the value of their stocks or in their investment. It is one of the most widely used types of risks found in almost every organizations of the world, especially in the financial institutions

Credit Risk: In which the creditors would not give the money back of the company. It is one of the most widely used types of risks found in almost every organizations of the world, especially in the financial institutions

Operational Risk: In which the employees commit a sort of mistake in the company. This particular risk could be mitigated easily by having effective measure

Business Risk: In which the company may not comply with the given standards and regulations

Disaster Risk: In which the company may encounter problems and certain issues merely due to the natural disasters and other devastating activities

Justification of Probability

There are number of concepts that come under the umbrella of statistics and statistical management (Steve &Maggy, 2008). The essence and utilization of statistics is extremely important from the viewpoint of a company. Among a/the number of concepts of statistics, the name of probability is one of them, which is one of the most devastating and dominating concepts that stride under the ambit of statistics (Steve &Maggy, 2008). Risk is the uncertainty to lose something or getting different provisions as far as expectation is concerned. Risk is involved in any action-taking place in this world. It is not limited to the businesses and its operation. Risk is the part of every moment in social life, however the only difference associate with it is the degree of risk exposed to individual is different(Steve &Maggy, 2008). The risk is measurable and easier to insure if proper study or research has been taken before implementing any investment (Steve &Maggy, 2008). Risk assessment is integrated in many disciplines and each one defines risk differently i. e. some study focus on the probability of event occurring and consequences of the event (Steve &Maggy, 2008). In some disciplines, risk is consider as threat while risk is different than threat because threat is low probability with large negative results and on other hand risk is high probability event with enough available information to analyze the results and chances of risk. In engineering, risk is viewed as uninvited and assessment of expected loss from event. In finance risk is the variability in expected and actual return of investments. In china there is a symbol of risk, which gives risk duality (Steve &Maggy, 2008).

In this particular section, it is required to analyze the probability of doing the

above-mentioned threats or risks accordingly. It is required to rank each and every alternative with a specific number of risk associations to analyze which type of risks is more crucial for a company as compared to others.

Justification of the probability lies on the fact that the level, as well as types of risks, varies from organization to organization and industry to industry.

Mentioned below is the table and graph of the probability mentioned in the case study (Eric, McNulty, 2008).

Opportunities in Risk Register

Productivity is a major activity from the viewpoint of an organization; hence it is vital for the companies to plan the provisions accordingly in order to increase the productivity of the business effectively. Planning, specifically operational planning is extremely important from the viewpoint of an organization as it gives a serious path to the companies to enhance their productivity from both strategic and financial based mediums (Steve &Maggy, 2008). There is always an opportunity that lies with the risk register (Steve &Maggy, 2008). The three most effective and influential opportunities of the risk register are mentioned below,

Market Risk would always being risky for a company but it may increase the opportunity of a company to earn higher amounts of money on the same as well. The chance of losing money may transform a person to become risk averse or to take higher amounts of risk in order to increase the opportunity of earning profit. Organizations also have a tendency to hire consultants to determine the scope of risk to be covered. A consultant in such a situation would carefully examine the benefits of retaining certain risks. For instance,

in basic terms, insurance would simply be a form of risk transfer from the organization to the insurance companies that could result in markup of nearly 60%, which would not be conducive to minimal risk. Furthermore, the more claims made by a company the higher the future cost of insurance since insurance companies would identify this as a trend

Credit Risk may enable a company to enhance the amount of creditors within the company, which may increase the financial belongings of the company.

Business Risk and its mitigation techniques may enable a company to become more cautious in managing their operations and day to day activities

Probability and Impact of Each opportunity

In this section, probability scoring, pertain to different types of risks would have been applied accordingly. Mentioned below is the table of the same,

Conclusion

An organization usually comprises on different departments, and every department is held responsible for the economic prosperity (Steve &Maggy, 2008). From an organizational viewpoint, every department has the propensity to enhance their productivity. Inevitably, every department of an organization is deemed important for the overall productivity and efficiency of an organization and no organization can increase their economical and financial belongings by leaning over the productivity rules and regulations (Steve &Maggy, 2008).

It is also important for the organizations to keep a vigilant eye over the performance of different prevailing departments of the company and select

every one for the sake of the company. It is important for an organization to keep watch over its risk management stance and practice accordingly and effectively as well (Steve & Maggy, 2008). The main objective of this particular assignment is all about analyzing the risk based workshop, along with their agendas and other important criteria's. From the entire analysis, it is found that the provision of risk management is extremely vital and important for an organization and it should be in the heart of an organization because it is important for the future growth of the company as a whole. All other types of risks could in the same line of business as well.

References

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