Risk Audits

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**Research Paper**

# PART 1

## Risk management audits

Risk management audits refer to the identification of risk elements in the particular project or plan to achieve the desired goals and objectives. The project team or the manager use different tools and techniques for improving the project feasibility by overcoming the risks. Risk audit aims to meet the expected outcome by reducing the cost and rework in the future. The risk audits are useful in enhancing the effectiveness of the project and profitability considering the different stages of operations. For example, in a construction project, different types of risk get involved that increases the cost and affect the safety of the working teams (Zeng, et al. 2015). For minimizing the incidents and negative impact on the quality of the project the project manager use different types of risk audits that help in determining the possible risk associated with the particular operations as well as strategies for mitigation.

Figure 1: Elements of risk audit

The risk management audits process involve various role and responsibilities for the manager and project team that supports in maintaining the control over the life cycle of the project. According to analysis, the manager of a project requires to follow the responsibilities like developing the risk registers, logging the risks and eliciting risk at different stages. Moreover, the manager is performing analysis of health and safety risk for team members and offer the guidelines to avoid them. This kind of approach is necessary for improving the quality as well the safety of the team members. The risk management responsibilities of the manager also involve reporting to the top management and tracking of the team members activities to maintain the contingency commensurate of the project (Mahmoudi, et al. 2014). The planning of a project manager for risk elements considers the scope, cost, and scheduling of the tasks that are essential for successful implementation of a project with required specification.

Figure 2: Steps of risk audit and management

The process of a risk audit includes various stages which need to be followed by the project team and manager. The steps are planning, identification, assessment, handling and control actions to achieve the goals and objectives. However, the manager and project team has the knowledge and understanding of these steps, but lack of timing and communication of plan lead to irrelevant identification and control over the project. These kinds of lacking are causing the failure of projects and increase the cost. In addition to this, reporting and tracking of the project plays the critical role in the planning and execution of the project with proper risk audits (Yildiz, et al. 2014). These steps are beneficial for project management organization for maintaining the better control, overcome the delayed in the scheduling of project and cost through incorporating the strategies to process the risk-free efforts for the specific project.

# PART 2

By undertaking the study of risk audit, I have learned about the approach of a project manager and team members while accomplishing the particular project. The knowledge about steps for minimizing the risk will be beneficial for me to undertake any project and completion of it without increasing the cost and delay. The analysis of risk in the project understanding of the role and responsibilities of a manager will help me to manage the project more professional manner with the consideration of different tools that one can use for overcoming the risk. Moreover, the analysis of risk will support me to develop the plan and policies for managing the risk to meet the proposed standard of a project

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