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**Q- Define Risk and Risk Management.**

**Risk**

Risk is anything that proves to be huddle in the way of achieving any target. Most importantly, it is something that is uncertain and anytime can occur. For example, If a company sets a goal to achieve any target it is more likely that it can face some uncertain and undesirable things which (if not managed) will let completely down.

For an organization risk can be of type.

1. Financial Risk
2. Operational Risk
3. Legal Risk
4. Political Risk

Etc.

**Risk Management**

Risk Management is a kind of process for any organization or individual to identify and know the risk that is going to happen in far future or near future. Risk management for an organization is really very important to prevent any loss or minimize the loss. After all, Risk Management is the part of organizational obligations.

**Q- How can we minimize the risk**

Risk can be minimized by having a proper plan and strategy to run an organization. It is better to predict the risk as early as possible because if the risk is not properly managed, the probability of failure will be quit high.

**For Example**

When Nokia signed the agreement with Microsoft, Nokia did not identify the risk and most importantly when they began to see the failure of their phones, they did not manage the risk and did not make a plan either. Hence, the result was miserable failure in the world of smartphones and definitely it cost them a lot.

**The earlier the risk is managed, the lesser the loss is.**