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## Risk Management In Telecommunication

Each company notices threat in managing risks and deploying the development process as major challenge. Business managers are always concerned about the uncertainty and dynamic change in the life cycle of the project. The effectiveness of risk management techniques matters the most for the telecom industry. As the whole idea of risk management is to ensure that firm only take that risks, which will help them accomplish their primary objective while considering all the risk and control scenarios. The telecommunication industry is facing challenge due to the transformational stage that is changing the nature of doing business. The companies have been struggling on how to get an insight on how to tackle risk that are due to ever evolving state of the telecom business and with the implementation of new technology. Many studies have been done to control the risk faced by the industries in telecommunication sector. But some of them stand out from the rest.

Project controlling in telecommunication industry is one of the major studies done in this field elaborating the challenges faced in the conventional project management technique. Since the modern market environment is filled with high uncertainty and constant inevitable change in technology, Project controlling system was developed to the serve the purpose of tracking the progress of the projects and suggesting remedies to overcome the raising challenges simultaneously. The basic idea behind this study was to bring balance between the financial and non-financial goals to cover all the prospective from technology to finance by using various risk management tools to find the weakness and threats both internally and externally and allocate resources to manage the potential losses given the exposure. It helps in building the system which links the gap between valuable technology along with value for money. The study further concludes that technology and finance sector are inter-related and extensive research needs to be done to get better understanding about risk management for telecommunication industries.

The second study has been taken from the research on development trend of Telecommunication industry. The key ideas of the study were to balance the technological progress speed to promote the transfer of the value. This was depicted from the example in the article, how IP technology changed the problem of fixed line network and reduce the network costs. Then, introduction of 3G technologies change the trend of traditional business of voice services to data related services that resulted in declining the voice revenue. The data consumed services like WhatsApp, Facebook messenger and skype are quickly replacing the voice and SMS, the primary source of communication for the customer. This explains that how the digital technology is changing the requirement of the business and assessing it soon will reduce the risk for the organization.

The next study is undertaken from BDO global on risk factor involved in the future earning telecom industry. The report trends illustrate that the mix of short-term risk and long-term risk are setting industry on pressure. Therefore, the winner in the telecom sector would be that companies which will proactively discover the ways of updating as well expanding their value proposition. The greatest risk identified BDO in report were:

- Increased competition: The report pointed out that competition is not restricted to only

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other telecom industry. The new player in the market (Technology sector) are also pushing the established player to change business model.

- **Fast Arrival of new technology:** New entrant offering digital products and services, which the industry is buying on the expense of traditional revenue generating services. This eventually threatens the company existing source of revenue. This dynamic trend is not showing any signs of slowing. The report suggests that to minimize the risk, cross-industry partnerships and increased connectivity can provide a lot of opportunities to capture the market. The main problem faced by the organization is how to create and encourage innovation, to bring the latest digital product and services, while at the same time to maintain their revenue and stability. The report suggest that their best bet is to change the organizations infrastructure to be able to adapt to the modern technologies.
- **Access to finance:** Generating the finance for large infrastructure project and megadeals such as rolling of 5G to grow the business operations, so finding the finance at the time when profit per customer is declining.
- **Exchange rates and foreign currency changes:** The political influence could be a big risk factor which need an assessment review for global telecommunication sector.

The important suggestions from the report on how to control the risk in increased competition environment was to adapt and moving towards integrating new services to the portfolio of the business. Finding ways to scale the new and existing offering together to enhance business through customer viewpoint.

In another study, Review of risk identification approaches in the telecommunication domain illustrate us the how to reduce complexity, where involvement of several stakeholder making it difficult to predict the emerging risks to the telecom operations. The idea of the paper was to emphasis on the important step, risk identification (RI) by investigating the research trends in the last 16 years on how the telecom risk are evolving and the effect on the telecom operators to predict the future research directions in the domain. The finding of the paper was to control the risks by investigation of specific problem and researching suitable approach, which will control the risk before occurring and preventing the damage to escalate beyond the control. This framework of RI will provide the insight on how technology is aligning with the needs of the business resulting in better decision making.