
Dissertation submitted in part fulfilment of the requirements for the degree of Master of Business Administration in Project Management at Dublin Business School

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Declaration

Declaration: I, Sue Peng Tan, declare that this research is my original work and that it has never been presented to any institution or university for the award of Degree or Diploma. In addition, I have referenced correctly all literature and sources used in this work and this work is fully compliant with the Dublin Business School’s academic honestly polity.

Signed: Sue Peng Tan

Date: 22nd August 2016
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<tr>
<td>CAPM</td>
<td>Certified Associate in Project Management</td>
</tr>
<tr>
<td>CMSL</td>
<td>New Capital Markets Services Licence</td>
</tr>
<tr>
<td>CMSRL</td>
<td>New Capital Markets Services Representative’s Licence</td>
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<tr>
<td>EY</td>
<td>Ernst &amp; Young</td>
</tr>
<tr>
<td>IPO</td>
<td>Initial Public Offering</td>
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<tr>
<td>MBA</td>
<td>Master of Business Administration</td>
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<td>PMBOK</td>
<td>Project Management Body of Knowledge</td>
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<td>PMI</td>
<td>Project Management Institute</td>
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<td>PMP</td>
<td>Project Management Professional</td>
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<tr>
<td>PWC</td>
<td>PricewaterhouseCoopers</td>
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<tr>
<td>SC</td>
<td>Securities Commission Malaysia</td>
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ABSTRACT

In Malaysia, the initial public offering (IPO) market has seen some changes in 2016 due to poor economic conditions. Project risk management practices in IPO projects by investment bank are to be explored in this paper. This will be done to identify their positive impact on an IPO project in Malaysia to understand the significance of the role of project risk management in determining IPO success. The goal of the IPO is to obtain approval for it to be launched in the stock exchange market. The objectives of this paper are to identify the factors impacting on IPO processes and to understand the tools and techniques used in identifying and accessing the risks in an IPO project. In this case study, primary data was collected qualitatively with the corporate financiers in the investment bank. The findings show that the participants from the investment bank practice project risk management unsystematically as the participants lack project risk management knowledge. This study concluded that project risk management contributes to IPO success. Positive relationships are established between the corporate financiers and project risk management. Recommendations on involving a project manager in the IPO and implementing the best project risk management practices in an IPO through documentation are suggested by the researcher. Information on IPO project risk management and the management practices in investment banks are presented through this study and are able to lead to a more systematic way of handling risks in this industry.
CHAPTER 1: INTRODUCTION

Project management is defined as “the application of knowledge, skills, tools and techniques to project activities to meet the project’s requirements” (Project Management Institute, 2013, p. 5). Project management has to go hand-in-hand with risk management as project risks may cause positive or negative impacts on the project and affect the project goals. The initial public offering (IPO) of an organisation requires an investment bank to be one of its advisors. IPO is a project in the finance industry and it is a high-risk project. It is important if project risk management is applied to an IPO project to ensure its success. Each investment bank has different methods of handling project risk during an IPO planning. Although each appointed principal advisor of an investment bank comes from the different background, their goal is the same, which is to help any organisation (IPO issuer) to get approval from authorities and launch the share on the stock market. For academia, there is no study on how investment banks are successful in IPO planning for other organisations. This study would benefit the industry and organisation that intend to start IPO planning and understand how risk can impact on the IPO project.

1.1 Background

Malaysia’s stock market in 2016 is a challenging one compared to 2015 as the stock market has been hit by a drop in the world oil price fluctuation in Malaysia Ringgit over foreign currencies, state-linked financial scandals and a lacklustre international economic environment (Lee, 2016). The initial public offering market has seen some delays as companies hope to wait out the poor investor sentiment. An initial public offering (IPO) is an organisation first sale of stock by a private company and offered the stock to the public (Investopedia, 2016). IPOs are often issued by small companies to raise the capital in order to expand the business. However, large privately-owned companies are looking to become publicly traded. According to Duff & Phelps (2016), Malaysian IPOs in 2015 made up 38 percent of the deal value among the most developed financial markets in Southeast Asia. Bursa Malaysia’s listing statistics showed that Malaysia had listed 13 IPOs which raised almost $1 billion in 2015 (Figure 1.1). In Malaysia, an IPO is an important process for the organisation to pay attention to in order to successfully launch on the stock exchange. Companies which are successful going public can list their company share on Bursa Malaysia (formerly known as Kuala Lumpur Stock Exchange).
The main market is where the large established companies trade their shares while the ACE market is where the new and start-up companies with great potential development and growth list their shares (Sherman, 2015). The number of new listings and a total number of listed companies in Malaysia are influenced mainly by the economic conditions and regulatory authorities’ requirements for listings in the country. For example, the total number of listed companies in the main market is 822 in 2011, which has declined by 22 as compared to 2010 (Figure 1.1). The decline in the number, perhaps, is due to the increase in inflation, as the impact of an upward adjustment of petroleum products and sugar prices in 2011 (Bank Negara Malaysia, 2011, p.16). In 2015, Bursa Malaysia enhanced the clarity of listing requirements of the ACE market. The companies which meet certain qualitative requirements can still be listed even if they showed lower profitability (The Star Online, 2015b). This may be the reason for the increase in the number of listed companies in the ACE market in 2015 and 2016.

Prior to that, the organisation needs to get an approval from the Security Commission of Malaysia. The IPO process incurs the time, costs and resources which an organisation requires to invest to get approval from the regulator by submitting required documents for approval. This process involves the risk that might cause failure for the organisation. According to Barclays (2015), an organisation has to go through the processes as shown in Figure 1.2 and 1.3 before the organisation decides to go public. It takes approximately 50 days to obtain the approval from SC and a listing on Bursa Malaysia (Securities Commission Malaysia, 2016).
1.2 Problem Statement

The goal of the IPO is to obtain approval for it to be launched on the stock exchange market. Project risk management is one of the key knowledge areas in which a project manager must be competent, especially in applying it to an IPO as an IPO requires a long planning process which involves rules and regulations (Project Management Institute, 2013). The investment bank will be appointed by the organisation, and become the adviser for the IPO process. Throughout the assessment of an IPO application, there is vigorous internal challenge process in place to ensure thoroughness, consistency, transparency, and accountability within the process. Communication between the principal advisers and the Securities Commission of Malaysia is required and important, right from the pre-submission consultations stage through to the post-decision meetings (Securities Commission Malaysia, 2016). Project management is practiced by corporate finance in the investment banking industry in planning, controlling, monitoring, executing and closing of an IPO process to ensure the goal of an IPO is achieved. However, since an IPO possesses high risk, it is
impractical to eliminate all the risks, but it is possible to decide what is acceptable (UK Resilience, 2011, p. 4). Therefore, it is necessary to investigate the role of project risk management in influencing IPO success in Malaysia.

1.3 Research Question and Objectives

Research Question:
How Project Risk Management influences the IPO success in Malaysia?

This research intends to study the project risk management practices by investment bank by identifying their positive impact on an IPO project in Malaysia to understand the significance of the role of project risk management in determining IPO success.

Objectives:

i. To identify the factors impacting on an IPO process.

ii. To understand the tools and technique used in identifying and assessing the risks in an IPO project.

1.4 Importance of topic

This research is important because it benefits the investment banking industry to reduce and minimise its project risks, increase the success rate of an IPO project, and provide effective ways to handle an IPO project. The investment bank industry and project management field can refer to this paper if researchers are able to determine the success factors of the IPO project, which may contribute to the positive results of the research through the involvement of project risk management in the IPO project. The major contribution of this study is to identify the success factors that contribute to good IPO planning and reduce risk and neutralise the threat to opportunities that can increase the success rate for an IPO. This study helps the project manager to identify the risk factors that impact on the success rate of an IPO. This study contributes useful project risk management knowledge to the committee members from the investment banking industry. The researcher chose this topic to emphasise the importance of the role of project risk management in successfully launching an IPO as it involves planning, executing, controlling and monitoring of risks which are in line with their field of work (Project Management Institute, 2013, p. 5).
1.5 Approach

The researcher went to Malaysia to conduct the primary research. Primary data was collected at the investment bank based on the suitability and ability of interviewees to answer the research question. The researcher conducted the interviews in Malaysia as proposed in the time plan (Appendix 2). Secondary research was done by answering the research questions from the DBS library database, the Project Management Journal via PMI, Financial Journals, International Project Management Journals, books, and news.

1.6 Dissertation Roadmap

In this section, the organisation of this dissertation will be presented. Chapter 1 was an introduction to the issue, clarification of the research question and research objective. Chapter 2 covers the literature review, which is divided into three chapters: Initial Public Offering (IPO), Project Risk Management and Factors Contributing to Project Success. Chapter 3 explains the methodology applied in this research. Chapter 3 also explains the logic of the dissertation and method of data collection for the primary research which has been conducted in this dissertation. Chapter 4 is the data analysis which presents and identifies the primary research data collection. The findings of the literature review, if any new outcomes occur in the dissertation, are compared and discussed by the researcher in Chapter 5. The contributions and limitations of the study are also discussed in Chapter 5. Chapter 6 is the conclusion where the researcher concluded the dissertation in terms of the research question, objectives and outcome together with the recommendations for future studies and future practices of the investment bank are suggested in Chapter 6. Reflection of the researcher on her learning process of MBA was presented after Chapter 6. The bibliography can be found after reflection where the researcher provided the sources that have been used in the dissertation process, followed by the appendices.

1.7 Limitations

The limitation of this study is that it only involves an investment bank in Malaysia. This is because the researcher may lose focus if more than an investment bank is involved in this dissertation as different investments banks have a different style of management. It is time-consuming to get approval from investment banks and gather the information from the
respondents as the researcher intends to get information through the in-depth interview from the respondents of an investment bank. This research is too population-specific as the participants of this research are from a single department from an investment bank with different backgrounds and experience. However, the researcher believes that it is significant enough to gather data from this population as the participants are professional and able to provide useful and detailed data. This thesis may or may not be applicable to all of the investment banks in Malaysia and, similarly, to global investment banks and brokers. Therefore, this research might only be applicable to the selected investment bank only, as this research is based on the bank’s corporate financiers’ experiences, opinions, knowledge, and practices. It might cause insufficient data to be collected for interpretation, but it is helpful enough to provide understanding and awareness of the project risk management in an IPO project.

This research used a mono-method and this meant limited findings were obtained from qualitative findings via interviews. Since a master’s degree dissertation is shorter compared with a doctorate, therefore, a qualitative method is the best method for an interpretivist philosophy. Interviewing the people in the investment bank as an individual or in a group can build up different interpretations, understandings, opinions or point of views due to the social events and settings. At the end of the research, the bank might not change the tools and techniques in project risk management even after issues are identified. This is because it involves several stages of approval as the corporate finance handles the project based on the Bank Negara, Bursa Malaysia and Security Commission’s procedure.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

Literatures are reviewed in this section to help in analysing the research topic. Understanding of an Initial Public Offering (IPO) is needed. Then, the researcher goes on to determine how project risk management impacts on projects. Finally, factors contributing to project success are explored to determine whether there is a link with project risk management and an IPO project. Although the themes are presented in the literature in various contexts, the paper will only focus on the role of project risk management in IPO planning to increase its effectiveness based on the factors impact on it and the tools and techniques applied.
2.2 Initial Public Offering (IPO)

An Initial Public Offering (IPO) refers to the first time a company offers its shares of capital stock to the general public. An initial public offering is a process where the stock first launches on the stock exchange by the company which decides to go public. Going public from private means that the company wants to sell the stock share to the public (Koba, 2013). The purpose of the company going public is to raise equity capital and to enter the public market (Ritter and Welch, 2002). Investment banks will be hired by the company to form a group that spreads around the funding and the risks of the IPO (Koba, 2013). The company has to follow disclosure rules by regulatory authorities after it has gone public (Koba, 2013).

A company with a good reputation and structure is able to list the company’s shares on the main market of the Bursa Malaysia. According to PWC (2016), project management is involved in the IPO process (Figure 2.1). Businesses operate as usual when the project management is performed in IPO process. Figure 2.1 shows that both pre-IPO and post-IPO involves project management. However, PWC (2015) proposed that an IPO issuer needs to plan early as the IPO process spend at least 2 years preparing for an IPO before launching the shares on the stock exchange. The organisation has to make a decision to exit the existing strategy and commit to the IPO strategy before it starts planning and doing preparation of the IPO project. IPO is a milestone for an organisation to go from private to public. Sometimes it will be hard for the stakeholder to accept the changes of the existing practice. For example, the reporting system of a company needs to be documented in the computer and be transparent. The researcher found that as the IPO process is long and PWC (2016) only mentions that project management involves in pre and post IPO and it does not show the detailed process of project management in IPO project.
An IPO is unique for each company as it can determine the potential of the company on the stock market. The organisation must understand the factors that cause risks to an IPO. Mousa, Bierly and Wales, (2014) concluded that the planning of an IPO has to consider the effect of risk factors that are able to affect the investor’s perspective and the opportunity of the company for long-term survival. Their study proved that external and internal factors showed a negative relationship to IPO success, in which external risks are referred to government regulations while internal risks are operational and managerial risks. This study did not mention how the risks can be handled and managed, the researcher was motivated to explore how the risks can be managed and handled to ensure IPO success.

2.3 Project Risk Management

Project risk management encompasses “the processes of conducting risk management planning, identification, analysis, response planning, and controlling risk on a project” (Project Management Institute, 2013, p. 308) with the objectives “to increase the likelihood and impact of positive events and decrease the likelihood and impact of negative events in the
project” (Project Management Institute, 2013, p. 308). Risks are outside of project manager’s immediate control (Cervone, 2006). According to EY (2013), project managers should develop integrated risk approaches, assess resource requirements and monitor progress against plans, foster coordination, elevate issues for resolution and communication results before and after an IPO. In terms of risk management, project managers need to evaluate enterprise risk management frameworks, define risk appetites and tolerance levels, build risk identification, assessment, monitoring metrics and reporting plans, establish policies and procedures based on risk tolerance levels, coordinate risk management inputs into strategic planning processes and updates.

2.3.1 Risk Management Processes

This section describes and compares two risk management processes to investigate how these risk management processes contribute to the project success. This section is important to justify the tools and techniques applied in an IPO project that is related to project risk management.

2.3.1.1 Project Management Institute

According to Project Management Institute (2013, p. 309), the six processes, which are shown in Figure 2.2, interact with one another. The ways to handle risk management activities of a project are defined in the risk management process plan. In the risk identification process, the factors that can impact on the project are determined and their characteristics are documented. Qualitative risk analysis is performed to prioritize the risks that supposed to be concentrated on by assessing and integrating the probability of occurrence and impact for further analysis or action. Quantitative risk analysis allows the impact of the identified risks on the overall project to be analysed numerically. Plan risk response is conducted to develop a plan in responding to the risks to increase opportunity and minimize threats to the project objectives. Control risks allow the process of executing risk response, following up known risks, monitoring residual risk, identifying new risks and evaluating the productiveness of risk process throughout the project.
Figure 2.2: Project Risk Management Process (Project Management Institute, 2013, p. 309)
The risk management process described by Larson and Gray involves four steps (Figure 2.3). The first step, which is risk identification, is carried out by inspecting projects to identify the causes of risks. After that, the risk assessment process is conducted to evaluate the known risks in terms of severity of the effects, likelihood of occurring and controllability. Step 3 requires risk response development to be performed. In this step, a strategy and contingency plan have to be developed to decrease potential damage. Risk response control is step 4 where the process of implementation of risk strategy, monitoring and modifying plans for new risks and changing management are conducted. These four steps are repeated if new risks are identified.
2.3.1.3 Comparison between Project Management Institute and Larson and Gray’s Risk Management Process

The Project Management Institute’s and Larson and Gray’s risk management process are similar. Both of these risk management processes involve similar steps, which are risk identification, risk assessment, risk response planning and risk control.

Although these two risk management processes are similar, however, there are also differences. For the Project Management Institute’s risk management process, it involves six processes that interact with one another, which is different from Larson and Gray’s that involves four steps. Besides that, the process of identifying new risks is conducted in every step of Larson and Gray’s risk management process and all the steps have to be repeated if new risks are identified, while for the Project Management Institute as mentioned in PMBOK’s, new risks are only identified in the control risk process and the new risks would be updated in the project document.

According to Larson and Gray (2011), risks can be identified by generating a list of potential risks through brainstorming, problem identification and risk profiling, in which macro risk is prioritized and followed by specific events. Macro risk are potential macro economy and political issues that can affect the success of a project, such as the foreign exchange rate, while specific events are risks due to unforeseen events in the overall project, such as natural disaster. PMBOK’s risk identification process is different from Larson and Gray’s as the risks are identified through documentation review, information gathering, checklist analysis, assumption analysis, diagramming, SWOT (strengths, weaknesses, opportunities, and threats) analysis and expert judgement (Project Management Institute, 2013, p. 319).

The process of risk assessment of the PMBOK guide is split into two processes, which are performing qualitative risk analysis and performing quantitative risk analysis, while Larson and Gray’s is carried out in step 2 where the risks are assessed based on the severity of the effects, likelihood of occurring and controllability. The tools and techniques used to access risks for the Project Management Institute and Larson and Gray’s are listed in Table 2.1. Although Larson and Gray do not split risk assessment process into qualitative nor does quantitative risk analysis as per the PMBOK guide, but it incorporates both qualitative and quantitative risk assessment’s tools and techniques in the process of assessing risk.
Table 2.1: Tools and Techniques used for the risk assessment process in PMBOK and Larson and Gray’s risk management process (PMI, 2013, p. 312; Larson and Gray, 2011, p. 216-218).

2.3.2 Risk Breakdown Structure

Risk breakdown structure is defined as “a hierarchical representation of risks according to their risk categories” (Project Management Institute, 2013, p. 317). The risk breakdown structure is a part of the plan risk management which includes methodology, roles and responsibilities, budgeting and timing (Project Management Institute, 2013, p. 316). Risk breakdown structure is an effective way to identify risk as it can act as guidance to identify and assess risks overall. It can be updated continually following the evolution of a project. Research by Zacharias, Panopoulos and Askounis (2008), proposed the large scale program risk analysis using risk breakdown structure, concluded that a risk breakdown structure helps in arranging information and understanding the risks and it is also general enough to be implemented with similar management and organisation. This research shows that risk breakdown structure can be the foundation at the beginning of the risk management process. The outcomes of this research provide evidence that the implementation of a risk breakdown structure is applicable and useful in project risk management of an IPO project. Therefore, it can be suggested as one of the best practices of project risk management to drive IPO project towards success. It can increase the efficiency and reduce the time to identify and manage a risk as the potential risks are presented in a more organized risk breakdown structure.
2.3.3 Lesson Learned

The lesson learned process could provide guidance in managing projects and risk. Neef (2005) said that a company has to manage its knowledge in order to manage its risks. The knowledge mentioned by Neef (2005) is the lesson learned system in an organisation.

Figure 2.4 shows the outline of the lesson learned process according to Pharhi (2009). The researcher describes the lesson learned process as proposed by Pharhi (2009) based on figure 2.4. At the planning stage of the lesson learned process, the goals of the process have to be set, project team members have to be notified and a moderator has to be appointed. The project manager has to prepare and create the lesson learned questionnaires. After the questionnaires are approved by moderator, the questionnaires are then distributed to the project team members at the later stages of the project. When the deadline to complete the questionnaires is due, the lesson learned questionnaires are collected. The project manager is responsible to analyse the questionnaires and prepare a lessons learned meeting. Lessons learned meeting has to be held by project manager to discuss project events openly and honestly to produce lists of causes and their effects and identify factors that can prevent failures and ensure success of a project which help in the decision making process in future projects. A lessons learned summary document or report has to be prepared by the project manager and well documented so that it can be retrieved during the planning stage of the future project. Then, it is distributed to the participants of the project, stakeholders and
organisation management. At the last stage is the monitoring process, which is the responsible for organisation management instead of project manager. At this stage, organisation management needs to make sure that the project manager that handles the future project applies the lessons learned. The lesson learned process covers both positive and negative events (Pharhi, 2009). The summary document or report is the organisational process assets which are categorized into two categories, which are processes and procedures, and a corporate knowledge base. This information would be shared among the members in the project and is usually required in the project closing stage (Project Management Institute, 2013, p. 28). Lesson learned is recommended for individuals that handle the IPO project because it can effectively help in reducing project risks by learning and absorbing the positive and negative traits of previous IPO projects and the knowledge can be utilized by the individuals in future.

2.3.4 Acceptance Levels of Risk Management in Asia

Porananond and Thawesaengskulthai (2014) claim that project risk management provides a guideline for decision making in new product development projects (NDP), reducing uncertainty and increasing success rates. Authors found that only 9% of NDP projects in Thailand used a systematic approach for managing risk. 61% of the projects realised the importance of risk management and the remaining 30% did not involve risk management in the NDP project. 182 academic papers published between January 2002 and August 2012 were used and the study of the international standard and PMBOK guide related to project risks show a well-established theory and alignment of project and risk management. However, the results showed that most of the interviewees and experts practiced non-systematic risk management in which the risk assessment may be conducted during some steps in a high risk project but systematic risk management tools and techniques were not used in these steps.

The value of risk management is investigated in an Asian-based survey conducted by Yingtao Ren, Khim Teck Yeo and Yingju Ren (2014). The results showed that systematic capabilities to implement a risk management process in an Asian project is not sufficient as it has to be complemented with strong leadership, organisation structures and risk awareness culture (Yingtao Ren, Khim Teck Yeo and Yingju Ren, 2014). The authors suggested one way to improve the overall risk management capability, which was to foster an open culture to discuss risk and promote a formal risk process (Yingtao Ren, Khim Teck Yeo and Yingju Ren, 2014). The researcher found that as the IPO process is long and PWC (2016) only
mentions that project management involves in pre and post IPO and it does not show the
detailed process of project management in IPO project.

China has high uncertainty avoidance and the Chinese people are comfortable with
unknown situations (China - Geert Hofstede, no date). This means they have a low awareness
of the events that might place the project in a high risk situation (Sanders, 2014). Research
done by Tang et al. (2007) proves that the rate of participants that implemented project risk
management in the Chinese construction industry is moderate. Most of the applications of
project risk management are informal, which is not effective enough to manage risks, as
qualitative techniques are more frequently used than quantitative techniques. More
improvements have to be made to promote systematic project risk management.

These studies showed that in Asian-based projects, there is still a lack of systematic
project risk management applied. The acceptance levels of risk management are still low,
despite the awareness of project risk management on the rise. Therefore, it is significant to
conduct project risk management related research in Asia, in which the researcher chose
Malaysia as the location to study the implementation of project risk management in an IPO
project.

2.4 Factors Contribute to Project Success

Project risk is the potential negative outcome and project opportunity is the potential
positive outcome (Kähkönen, 2000). Hillson (2002) proposed that there are two varieties of
“risk”, which are “opportunity” that refers to risk with a positive effect and “threat” that
refers to risks with negative effects. The management of opportunity can become a
fundamental of risk management and opportunity has to be managed equally with threats and
proactively for the benefits of the organisation and project (Hillson, 2002). It is hard to define
what project success is as it seems to be an elusive concept (Prabhakar, 2008). Prabhakar
(2008, p. 7) states that “the factors that contribute to the success of projects are called success
factors and the success of projects is judged by success criteria”. Factors that contribute to
project success have to be reviewed because these factors are closely related to risks, threats
and opportunities that may affect the completion of a project. In terms of an IPO project,
factors that contribute to project success need to be handled with precaution to prevent
potential project risks.
2.4.1 Senior Management’s Decision

Zwikael (2008) found that the higher level of project success can be achieved by more involvement of top management support. Attarzadeh and Ow (2008) mentioned that executive management support is one of the top four factors that lead a project to success. Executive management support is essential as it could impact on the flow of the project and prevent the project to be in a risky situation (Attarzadeh and Ow, 2008).

In year 2003, the Space Shuttle Columbia disintegrated over Texas when entering the Earth’s atmosphere and killed seven crew members (Shore, 2008). The unstable design of the space shuttle made it break apart. This was a very serious technical error as it caused deaths and it was considered as a project failure. One of the reasons for the project failure is the ignorance of senior management over data from a previous flight. They were being too optimistic and believed that the system was operating properly (Shore, 2008). The failure of Columbia project proves that the significance of involvement of senior management in determining the project success. The actions of senior management of being overconfident and unaware of risks that caused death to the crew members show that decision-making of senior management is crucial to avoid unexpected risks and uncertainties.

In terms of an IPO, senior management decision may cause the IPO to be unsuccessful. In recent IPO, Ranhill Holdings Berhad has delayed its proposed listing on the main market of Bursa Malaysia from Feb 18 to March 16, specifying that institutional investors wanted more time to deliberate even the organisation has completed the pre-IPO planning process (The Star Online, 2016). IPO delays or postpone sometimes might not be because of the pre-IPO planning by the project team, but it could be the decision of senior management or the organisation failing to maintain the regulatory requirement by authorities. Another example of a senior management decision was an IPO pull out right before listing on the stock exchange by Denis O’ Brien, who owns Digicel Group. He decided not to proceed with its planned IPO (Irish billionaire O’Brien yanks planned Digicel IPO, no date). However, this does not categorize as the project manager’s failure in the pre-IPO process. Despite, the project manager has delivered the project on time, achieved the project scope, goal and closed the project with a high quality standard. Decision of senior management is unpredictable, however, this factor should have been listed in the risk breakdown structure and considered as a project risk during the communication stage with the senior management in the early part of the IPO project.
2.4.2 Role of Project Risk Management

Adopting project risk management shows positive impacts on project success (Rabechini Junior, Junior and Carvalho, 2013). Research found that adopting risk management practices and presence of risk encountered by project managers in 415 projects in Brazil resulted in significant positive impacts on project success (Rabechini Junior, Junior and Carvalho, 2013). Toader et al. (2016) concluded that efficient risk management was able to increase the success changes of the project. Allen et al. (2015) stated that project risk management minimises cost increases, limits cost and usually reduces cost due to the constraint of resources. His study recommends organisations minimise project cost through effective risk management as the project does not have unlimited funding and cost drives risk decisions. Nguyen and Liu (2014) assert that the benefit of risk management is not only a function, but it was also effective in reducing risk exposure to an economically and statistically insignificant level. This literature shows that project risk management could impact on the success rate of the project.

2.4.2.1 Ability of Project Manager

Prabhakar (2008) claims that project manager is the success factor of a project. In order to achieve the project’s objectives, the project manager must be ready to take risks and face uncertainties as there must be risks and uncertainties that could challenge the ability of project managers (Koleczko, 2012). Effective decision making is associated with the capability of the project manager to identify, access and manage the risks. A project manager has to be alert on responding to different risks to prevent the potential risks to turn into problems (Koleczko, 2012).

Brady and Davies (2014) compared two successful UK construction megaprojects: Heathrow Terminal 5 and London 2012 Olympic Park. The authors mentioned that previous research suggested complexity may be a significant factor in a project’s failure to achieve cost, time and quality objectives. These two projects had different approaches to managing the risk associated with dynamic complexity. Authors also compared the method of risk mitigation, layers of assurance and reporting. The role of the project manager was highlighted in Heathrow Terminal 5 project as the project manager mitigated the risks from the supply chain by “taking out a novel insurance policy to cover the project and the supply chain” (Brady and Davies, 2014, p. 34). Both of the mega projects had successfully delivered on
Brady and Davies (2014) concluded that both projects exhibited strong client leadership and capability, collaborative behaviours, the ability to be adaptive and responsive, innovative approaches, the use of digital technologies and an outcome driven approach. By comparing the success projects and failed projects handled by the project manager, the ability of handling project risk management is crucial for project manager to ensure the high success rate of the project. Sometimes, even though the project is a success, in the eye of professionals looking at the time and cost of the project spent during the project completion, the ability of the project manager might be judged by the client.

2.4.3 Timeliness

Timeliness is one of the most important client requirements in project as time determines the efficiency of the project. Gaturu and Mutari (2014, p. 2) stated: “the completion of projects in a timely manner is often a critical factor and measure of project success.” The authors mentioned that the timeliness of the project from start to delivery of result is closely related to project success. Ineffective planning and scheduling of a project is one of the causes of delay of project (Assaf and AL-Hejji, 2006). In an IPO, the delay of obtaining the approval by regulatory authorities would cause high costs to be incurred, delay fundraising of the organisation and damage the investment bank’s reputation. For example, a public holiday has to be considered during the planning stage of the IPO. A leading travel search site in the Asia Pacific and the Middle East, Wego, revealed that there are 15 days of public holidays in Malaysia (The Star Online, 2015a). The public holiday may affect the timeliness of an IPO because delays seem to pose a risk as the public holidays may delay the submission to and approval by regulatory authorities (The Star Online, 2015a). Scheduling can ensure the timeliness of the project and there are many factors that have to be considered during the scheduling of the project. Therefore, the potential risks are better to be identified before the scheduling of the project.

2.4.4 Communication

Communication is one of the factors that contribute to the project success. Project deadlines and limited costs are the biggest fears during project management. Communication helps to transfer information from one to another (Lakatosné Szuhai, 2015). The movement of information and knowledge need to be disclosed and shared to the right person at the right time. This is to reduce the risk of disclosing confidential information to the third party. Thus, during project planning, key stakeholders need to be identified by the project team.
Knowledge can be transferred during the project. This may increase the risk of brain drain. Therefore, in a project, the project manager is the person in charge of the information.

Communication between the project team and the organisation is crucial to determine the success or failure of the project. Ineffective communication leads to the increase of project risks and failure to achieve the project goals (PMI White Paper, 2013, p. 2). Cervone (2006) states that effective communication has to be established between the project team and the organisation as communication acts as the best strategy to avoid risk. The lack of communication between the project team and the organisation often leads to project failure (Cervone, 2006). Cervone, (2006) proposed a good project tracking system as an effective communication tool, in which the concerned parties can track the records of risks and plans of past projects.

The project manager plays an important role as he is the project leader in the project, while leadership communication impacts on the effectiveness of the team members (Zulch, 2014). Zulch (2014) mentioned that effective communication in the project results in the effective management of resources of the project such as labour, time and budget. Through effective communication, the relationship between the project manager and client is built. Communication encourages people to talk about risks, this can help the project team to clarify the idea, problem and other challenges to achieve the project goal (Muszynska, 2015). Communication is the fastest way for the project manager to identify the risk and issues in the project and can save the time and costs to find the problems that occur during the project (Zulch, 2014). Therefore, choosing the right method for communication is important as it can influence the project success. Communication is crucial to reducing the risk of conflict and increase the organizational efficiency (Spaho, 2013). The role of project manager in communication is highlighted acts as the leader to conduct regular meetings with the IPO issuer. Project manager oversees the project and acts as the bridge between the IPO issuer and responsible parties.

As IPO project is a high-risk project, submission of the documents to the Bursa Malaysia is crucial to determine whether the IPO preparation is successful or fail. Thus, communication between the principal adviser and IPO issuer in the early stage is important. Trust needs to be developed between these parties with openness of communication (Anantatmula, 2010). In the IPO process, principle adviser needs to communicate with Securities Commission. Documentation and information submit to the Bursa need to be complete and accurate. In an IPO project, IPO issuer will provide all the information to the
principle bank, which is the investment bank. Therefore, communication plays an important role in building the bridge between the IPO issuer and the investment bank.

2.4.5 Changes cause risk

Fabricius and Büttgen (2015, p. 239) stated that “when judging the success of a project, project managers only consider the probability of risk occurring; they do not factor in the impact of said risks on project success should the risks arise.” Changes are seen as the disruption of a project as it may affect the project performance and the outcome of the project activity.

Organising project integrating risk involves seven basic steps, which are customer requirement, risk breakdown structure, task list with estimated duration, linkages and resources, risk matrix, network diagram, time-based network diagram and Gantt chart (scheduling) (Barkley, 2004, p. 37). Changes in these seven steps can increase the rate of delaying the project and the cost for pre-IPO planning. According to Hillson (2009, p. 14), there are other factors that cause inherent risk: uniqueness, complexity, assumptions and constraints, people, stakeholders and change. Changes in project impact cost, time and quality. Cost, time, and human resource are needed when the company decides to go public. Each decision and procedure incurs time and cost. Changes in these two variables can impact on project success. Project should be on time, budget and of good quality. Barkley (2004) and Hillson (2009) mentioned that ‘change’ is one of the factors that impact on project outcome. We can see that any changes during the project planning process can lead to negative impact on project and these changes contribute to the factor of influencing the success rate of it.

Economic factor imposes changes to the project plan and thus poses risks. Project change caused by economic factors challenge the project, such as the delay of project, as economy condition is uncertain overtime. This may cause changes to be incurred to the project’s schedule and cost. For example, in the case of construction project, Al-Momani (2000) identified that economic factors are one of the factors that cause the delay of the project; a study conducted by Maina and Gathenya (2014) shows that the success rate of project management among petroleum market firms is generally low, attributed to the various economic factors. Project manager has to be proactive in ensuring that the organisation is financially viable within the period of economic downturn (Odeh and Battaineh, 2002).
2.5 Conclusion

The reviewed literatures mostly only highlight the importance of project management in various projects but not in an IPO. In this research, the researcher would focus on the involvement of project risk management in an IPO project and provide a more detailed approach on the role of project manager. PMBOK and Larson and Gray’s Risk Management Process are reviewed and these risk management processes are useful in identifying whether the individuals handling IPO success practice systematic project risk management. Risk breakdown structure and lessons learned reports are useful in risk management practice and the researcher will find out whether these practices were carried out by the individuals handling an IPO.

There are literatures (Porananond and Thawesaengskulthai, 2014; Yingtao Ren, Khim Teck Yeo and Yingju Ren, 2014; Tang et al., 2007) that reinforced the importance of researchers to conduct project risk management research in Asia as there is a lack of systematic project risk management applied in Asian-based projects and it is necessary to increase the awareness of the application of project risk management to Asians. In this paper, Malaysia is selected by researcher to investigate the involvement of project management in project, specifically in IPO process.

Factors contributing to project success are also identified from literature. Senior management’s decision is one of the factors that bring impact to the project success. Senior management’s decision is considered a challenge for a project manager in ensuring project success as senior management acts as the client can make decisions, even if the decision may pose risks to the project success. Literature shows that the roles of project managers in project risk management are useful in ensuring project success. The goal of the project manager is to handle a project successfully and be responsive to manage the risks. Project manager has to have the ability to adapt to any changes during the project and bridging the communication gaps of the project team to increase the effectiveness and efficiency of project management. In this research, researcher would clarify whether the mentioned factors are related to the factors that impact on the IPO.

There is no literature review that studies about the project risk management in an IPO as an IPO is a financial term and familiar to the finance industry. The researcher found that, most of the journals mentioned the price, performance of the stock, investor perspectives to the stock and etc., which is not about project risk management. Project management mentioned in the IPO process by PWC (2016), PWC (2015) and EY (2013) provided the idea
of the formulation of this topic. Therefore, this research might contribute new knowledge to the scholar. Besides that, it might also benefit the project management and finance industry as they might have never been aware before.

CHAPTER 3: METHODOLOGY

3.1 Methodology Introduction

Methodology is the framework of how research should be undertaken (Saunders, Lewis and Thornhill, 2009). In this chapter, the reader expects to know about the research design, data collection instruments, data analysis procedures, research ethics and limitation of methodology of this research. The researcher used the research ‘onion’ (Figure 3.1) by Saunders, Lewis and Thornhill (2009, p. 108) as a guideline for methodology. This section explains the reason that the researcher has chosen interpretivism, inductive, qualitative constructions in the form of case study. The proposed methodology was aimed to answer the research question of this research. In order to answer research question and achieve research objectives stated in section 1.3, exploratory approach was necessary. Therefore, the research question and objectives were answered and achieved by using one-to-one, semi-structured interviews, which acted as the best method to collect primary data in this research. The proposed time plan for the completion can be found in Appendix 2.
3.2 Research Design

In this section, the reader can find the overall strategy chosen by the researcher. The researcher will discuss research philosophy, research approach, research strategy and sampling of this research in this section.

3.2.1 Research Philosophy

Research philosophy is the outer most layer of the research onion as shown in Figure 3.1. There are four research philosophies in management research, which are positivism, realism, interpretivism and pragmatism that researcher might adopt in the research (Saunders, Lewis and Thornhill, 2009, p. 119). Positivism and interpretivism are highlighted by researchers in this section.

3.2.1.1 Positivism

Positivism is the scientific approach that uses existing theory to develop hypotheses, which are then tested and either accepted or rejected. This philosophy concerned with facts.
instead of impression or feelings (Saunders, Lewis and Thornhill, 2009, p. 113). This research philosophy can lead to the gathering of facts that provide the basis for subsequent hypothesis testing. However, the researcher did not apply this philosophy because the researcher collected data by interviewing the individuals from the investment bank in Malaysia. Data in the form of facts was not collected. Instead, the interviewees tended to propose different feelings and impressions on describing their experiences in handling projects and the researcher would then interpret the answers provided by the interviewees. It was not possible to obtain consistent data in this research.

3.2.1.2 Interpretivism

According to Blaxter, Hughes and Tight (2010, p. 61), the interpretivist approach in regards to interpretations of the social worlds are “culturally derived and historically situated”. This approach maintains that the social sciences should be concerned with understanding rather than explaining, which is the basis for the positivistic approach. Interpretivism was classified as a subjectivist approach (Saunders, Lewis and Thornhill, 2009). It is opposed to positivism. Interpretivism allowed different aspects of data to be collected through interviews or observation, which would produce qualitative data instead of quantitative data as the researcher would interpret every responses of the interviewees.

The research philosophy chosen by the researcher was interpretivism since the researcher chose to use a qualitative method in collecting data. The epistemology, which was the researcher’s view regarding what constituted acceptable knowledge in this research, consisted of subjective meanings and social phenomena. Researcher believed that interpretivism was appropriate to the qualitative method. Based on the reviewed literature, we could know that each IPO project undertaken by the investment banker was unique because each organisation had a unique business. Besides that, the team and organisation for each IPO had different roles to help in a successful IPO project. Researchers identified that this research might be biased because people in the investment bank had different backgrounds that might influence their interpretation on answering the research question. Corporate finance in an IPO project might face different levels of risk that needed to be overcome during decision-making. Interpretivist philosophy was relevant to the proposed topic as this topic was concerned with subjective shared meanings. These philosophical positions were interested in how people, as individuals or as a group, interpret and understand social events.
and settings. As most of the qualitative research focused on human action and understanding, interpretation is an important part of any analysis of qualitative materials (Eriksson and Kovalainen, 2007, p. 19). The nature of reality assumption by interpretivism was socially constructed and multiple. The goal of research assumptions was for understanding and weak prediction. The researcher would interview and analyse the existing texts. These methods ensured an adequate dialog between the researchers and the interviewees.

### 3.2.2 Research Approach

There are two types of research approach that can be adopted in the research as shown in the second layer of the research onion, which are deduction and induction (Saunders, Lewis and Thornhill, 2009).

Deduction aimed at testing theory. The deduction approach was the first source of knowledge, research proceeds from theory, through hypothesis, to empirical analysis. This approach begins with a hypothesis and examines ways to reach a specific, logical conclusion to prove or reject the hypothesis. Generalisation is the characteristic of deduction (Saunders, Lewis and Thornhill, 2009, p. 124). This approach is typically for quantitative studies as it tends to be stricter in methodology. Facts have to be measured quantitatively for adopting a deduction approach. The variables for testing have to be clear and the researcher has to take an objective stance. Therefore, a large sample is more appropriate for the deductive approach. Hence, the deductive approach typically corresponds with a positivism philosophy.

Next, an induction approach aimed at building theory. This approach aims to gain an understanding of the meanings of human attached to events. An induction method is more suitable for exploratory research. Small sample of subject is preferable for inductive approach.

This research did not have any hypothesis to answer the research question. Therefore, the deductive approach was not applicable in this research. However, this research adopted an inductive approach as the researcher interviewed the corporate finance staff of the selected investment bank. They had been subjected to an IPO project. The researcher believed that this research approach would have less concerns with the need to generalise. The factors that influence the success of an IPO required different approaches on handling the project and each project was unique for the investment bank. Therefore, inductive approach was the most suitable approach for this study as this research presented the collection of qualitative data. The researcher was interested in the participants’ experiences in handling an IPO project, especially in how they identified and managed the risk during the project and what were the
project risk management’s tools and techniques that helped them to ensure the success of the IPO.

This approach might yield valuable data for the research. It depended on the openness of the participants in the interview process. This research critically analysed all the information collected from the interview and drew tentative ideas and elaborated as well as refined these ideas. The researcher investigated the relationship between these ideas and the reviewed literature as well as elaborating and refining these ideas based on the literature (Saunders, Lewis and Thornhill, 2009, p.125).

3.2.3 Research Strategy

There are three types of research purpose, which are descriptive, explanatory and exploratory (Saunders, Lewis and Thornhill, 2009, p. 139). Saunders, Lewis and Thornhill (2009, p. 139) described that the descriptive study requires the researcher to understand the problem clearly prior to conducting the study and to analyse through describing the data by evaluating the data and drawing conclusions, while for explanatory research, the relationships between the variables have to be compared and explained quantitatively. This research was not a descriptive nor explanatory research. The researcher did not propose to analyse the data statically through a quantitative method in this study as the quantitative data was not suitable to answer the research questions since the researcher would like to know more about the experiences and opinions of the participants. The research that the researcher carried out was exploratory research. This is because the researcher was unsure about the problem of this research, which was the research question, and would like to clarify and enhance the understanding of the problem through carrying out this research.

Saunders, Lewis and Thornhill (2009, p. 141) have identified research strategies that are used in research, including experiment, survey, case study, action research, grounded theory, ethnography and archival research. Research strategy should be guided by research question objectives, the extent of existing knowledge, the amount of time and other resources that the researchers have and relate with philosophy and approach (Saunders, Lewis and Thornhill, 2009, p. 141). The researcher was interested in how corporate financiers within the organisation managed the project risk which impacts on the IPO project.

Survey strategy is usually associated with the deductive approach (Saunders, Lewis and Thornhill, 2009, p.144). This strategy is frequently used to answer who, what, will, what, where, how much and how many type questions. Large amount of data is required to conduct a survey. Survey allows the large amount of data to be measured, compared and analysed in
the way of statistic. In this research, researcher did not collect quantitative data, which can be analysed and presented statically and numerically.

A case study has considerable ability to provide answers to the question ‘why, what and how?’ questions, even though ‘what?’ and ‘how?’ questions are more relevant to the survey strategy (Saunders, Lewis and Thornhill, 2009, p. 146). However, in the researcher’s opinion, a ‘why’ question is the question that might be avoided by the respondent as people from the bank might think the researcher is questioning their work. Therefore, in the interview questions for this case study design are based on ‘what’ and ‘how’ questions as the interviewees might feel comfortable to provide the information (Appendix 1). For this reason, case study strategy is most often used in explanatory and exploratory research. This strategy can be applied in quantitative and qualitative methods. The researcher adopted a case study strategy using an investment bank in Malaysia as a single case within which the corporate financiers from managerial and executive level were embedded cases. As the researcher proposed to apply exploratory research and qualitative method, therefore, case study strategy is most suitable in topic. Case study strategy did not require huge data. The researcher was able to control the data, monitor the process and stay focus. As the researcher has contact in the investment bank, this can ease the progress of primary research.

3.2.3.1 Research Choice

Having the right choice of strategy to answer the given research question is important. Quantitative data is predominantly used as synonym for any data collection technique (such as a questionnaire) or data analysis procedure that generates or uses numerical data. In contrast, qualitative is used predominantly as a synonym for any data collection technique such as an interview or data analysis procedure that categorising data that generates or uses non-numerical data (Saunders, Lewis and Thornhill, 2009, p. 151).

A quantitative method was not applicable in this research because there was no theory tested nor hypothesis built up in this research. There would be limited respondents that have time to do surveys or answer the questionnaire. The data might be inadequate for analysis if a quantitative method was adopted.

The researcher used a single data collection technique and corresponding analysis procedures (mono-method) in this research because the researcher focused on qualitative data collection and data analysis. This matched the researcher’s choices of research philosophy
and research approach, which are an interpretivism and inductive approach (Saunders, Lewis and Thornhill, 2009, p. 151). To answer the research question, a qualitative method was used in this research as it was carried out by interviewing five corporate financiers of an investment bank in Malaysia. Conducting interviews was the best choice to collect the opinions and experiences of interviewees who handled the IPO. Each of the interviewees had a unique way to handle an IPO project and, thus, this research choice aimed to identify the most significant project risk management in an IPO project. However, this choice might be biased and might not be applicable to other investment bank in Malaysia.

3.2.4 Sampling - Selecting Respondents

![Sampling techniques](image)

Figure 3.2: Sampling techniques (Saunders, Lewis and Thornhill, 2009, p. 213)

Sampling is a process where the researcher selects the participants partially from the population to take part in the research instead of a whole population. Sampling is important as the participants are the “providers” of data for the research. The amount of samples can affect the results and findings of the research. For example, quantitative research requires a large amount of samples to ensure the accuracy of the data. Based on Figure 3.2, we can see that there are two types of sampling techniques, which are probability and non-probability. Probability sampling can be applied if the researcher can identify everyone in the population, while non-probability sampling is applied if the researcher cannot list all members in the population.
Researcher decided to proceed with the sampling from the corporate finance department in the case of the investment bank as the researcher proposed. From Figure 3.3, the researcher identified that the data cannot be collected from the entire population because there were too many staff in the department. Next, the researcher identified that no inferences be made from the sample, hence this research proceeded to use a non-probability sampling technique. The selected samples were based on researcher subjective judgement as a selected sample aimed to answer the research question where interviews were conducted.
As proposed in the proposal, the researcher adopted non-probability sampling. As shown in Figure 3.4, the researcher was unable to collect data from the entire population, no statistical inferences would be made from the sample and thus, the sample was not likely representative and the purpose could be just exploratory which meant this research used self-selection sampling. The researcher also sent the email invitation through LinkedIn account but no one responded. The researcher assumed that the interviewees might not check the LinkedIn account as much as Facebook account. Therefore, the researcher selected samples through email invitation to the potential interviewees’ email address, in which the researcher got help from an ex-colleague in the investment bank to send invitation and ask them to respond to the researcher’s email. The researcher collected data from those who responded. Another non-probability sampling applied in this research is snowball sampling. In case, the purpose might not just exploratory and the individual might be difficult to identify. The researcher made contact with one or two cases in the population, asked these cases to identify further cases, asked these new cases to identify further new cases and stop when either no new cases were given or the sample was as large as was manageable.
The researcher presumed that there would be at least 10 participants interested to be the interviewees of this study. However, there were employees of the department that resigned and caused the total number of possible participants to reduce. Besides that, there was an upcoming IPO to be launched around the corner. Therefore, most of the corporate financiers were too busy for interviews. As a result, only 5 participants were interested for interviews, which was lesser than expected number of participants.

3.2.5 Time Horizons

According to Saunders, Lewis and Thornhill (2009, p. 155), there were two types of time horizons shown in the Figure 3.1, which are cross-sectional and longitudinal. Cross-sectional study was a snap shot of a research while longitudinal study was a diary of the research. Longitudinal studies were conducted for longer time period, in which the changes in variables were able to keep track, whereas for cross-sectional studies were conducted for shorter time period. Cross-sectional study was embedded in this study since the time frame to collect primary data through was constrained to 10 days, in which researcher went to Malaysia to meet the interviewee in persons (Appendix 2).

3.3 Data Collection

The researcher intended to collect valid and reliable data based on the credibility of the data (Qualitative Validity, no date) to prevent bias of results which will be presented in Chapter 4. This is to ensure that the collected data can answer the research question and achieve the research objectives of this research by gathering good quality data. The data collection instruments used in this research were primary data collection and secondary data collection. Qualitative method is the most appropriate method to be used in exploratory studies (Creswell, 2007). Therefore, researcher chose interview for primary data collection.
3.3.1 Primary Data Collection

Figure 3.5: Forms of interview (Saunders, Lewis and Thornhill, 2009, p. 321)

Primary data was collected mainly through interviews for qualitative study. There are two types of interviews that can be applied which are standardised and non-standardised interviews. The purpose for this research in which researcher asked in research question was for exploratory studies to seek what, how and exploring why the organisation emphasized for example, quantitative or qualitative risk assessment in an IPO (Saunders, Lewis and Thornhill, 2009, p. 321). Due to the research strategy for this research was case study in an investment bank, thus, based on figure 3.5 (Saunders, Lewis and Thornhill, 2009, p. 321), the researcher conducted a non-standardised interview, which was a semi-structured interview, to gather data because the interview involved people from different levels, experience and background. All interviews were conducted in the form of one-to-one and semi-structured. Due to the advances in computer technology, the researcher used Computer Mediated Communication (CMC) tools to interview besides face-to-face interviews. CMC is defined as a “process where messages are electronically transferred from a sender to one or more recipient(s), both in synchronous (in real time) and in asynchronous (independent from time and place) setting” (Opdenakker, 2006, p. 1). The CMC tools used in this research were Skype and chat box (Facebook Messenger). Therefore, raw information was collected through Facebook Messenger, Skype and face-to-face interviews. The interviews were conducted in a semi-structured way as researcher sent the expected questions that might be asked by her one week before the interview so that the interviewees were prepared and to ensure the interviews run smoothly. This is because English is not the first language of Malaysians. Therefore, the questions were sent earlier to enable the interviewees to question
the researcher if they did not understand the questions. The researcher would then explain the questions arose by the interviewees by using mother tongue languages, such as Bahasa Malaysia, Mandarin or Cantonese through WhatsApp. The interview was conducted mainly in English, however it also included other language like Bahasa Malaysia when the names of Malaysian companies were mentioned due to the multi-lingual culture in Malaysia. Data collected from the interview was transferred to the transcript and analysed.

Five members from the corporate finance department who have experience in handling IPO projects were selected for interviews. The researcher identified the respondents through personal contacts in an investment bank in Malaysia. These respondents have involved temporarily or throughout the whole IPO project previously, and therefore were selected to answer the research question.

This research quality of this research was dependent on the interview questions were designed based on the objectives of this research in order to answer the research question. The interview questions for this research were designed to be open-ended questions as the researcher conducted qualitative data collection and analysis. 9 open-ended interview questions were designed by the researcher to achieve the research objectives. The researcher chose to do open-ended qualitative interview because the researcher wanted to gather opinions regarding the project risks management practice in IPO from the interviewees and obtain more than yes or no answers. The advantage of open-ended interview was that the researcher can avoid bias to occur from the answers of the interviewees (Reja et al., 2003, p.161).

Observation is not used in this research as the researcher wanted the corporate financiers to talk about their past experience. Next, questionnaire was also not suitable for this research because the researcher looked for qualitative data instead of quantitative data. Questions may be left unanswered as well which can cause the incompleteness of the questionnaire and impact data analysis later in Chapter 4.

3.3.1.1 Face-to-face interview

The researcher invited the interviewees for a face-to-face interview by sending invitation emails to employees of the corporate finance department of an investment bank. There were only 2 interviewees volunteered for a face-to-face interview because most of the employees in the corporate finance department of the investment bank were involved in an
upcoming IPO and it was inconvenient for a face-to-face interview. Face-to-face interviews were then conducted by meeting the interviewee at a fixed place and time. As mentioned in consent form (Appendix 5), the interviews were expected to conduct within 20 to 30 minutes. However, most of the interviews were finished within 10 to 15 minutes as the interviewees answered the interview questions asked by referring to the answers prepared by themselves earlier and the interviewees were too busy as lunch time was chosen to conduct the interviews. The advantage of this interview is that the researcher could obtain information from the interviewee through spontaneous communication. Although the researcher had to jot down the interview questions and answers, but the interview was also recorded by using smart phone as a reference for data analysis of this research.

3.3.1.2 Electronic Interviews

Researcher conducted electronic interviews for interviewees who were unavailable to do face-to-face interviews. There are two sub-categories of electronic interview, which are asynchronous and synchronous (Figure 3.6). Asynchronous interview is the interview undertaken in real time while synchronous interview is the interview undertaken offline (Saunders, Lewis and Thornhill, 2009, p. 349). In this research, electronic interviews in the form of Skype interviews and chat room (Facebook messenger) interviews were used. Email interview is categorised under asynchronous while chat room interview is categorized under synchronous. However, the researcher chose to not conduct email interviewed as proposed.
Email interview is a form of asynchronous communication, in which the time and place of interview between the researcher and the interviewee were not the same. Researcher suggested email interview to the interviewees who were unable to participate in face-to-face interviews. The advantage of this interview is there was time to allow the researcher and interviewees to reflect and respond to the questions as well as giving the interviewees’ convenience to answer the questions. The disadvantage is the researcher has to send reminders to remind the interviewees to answer the interview questions, in case that the interviewees did not check their email. However, the researcher chose to not conduct email interview because it was time consuming as the researcher needed to wait for the reply from the interviewees and reminded the interviewees if they forgot to answer the questions. Incomplete answers might be collected from the interviewees and it would be a challenge for the researcher to follow up the interviews.

Skype interviews are a form of synchronous communication, in which the place of interview between the researcher and the interviewee were not the same but the time was same. Skype interview is similar to a face-to-face interview. A Skype interview is suitable for qualitative research and Skype enabled the interviewees who faced limitations of time and place for face-to-face interviews (Janghorban, Roudsari and Taghipour, 2014). There were 2 interviewees willing to take part in Skype interviews. The researcher made appointments with the interviewees 1 week before the interviews. Consent form and interview questions are sent to the participants to enable the interviewees to do preparation before the interview. The researcher asked questions and received feedbacks spontaneously through Skype interviews. The conversation was recorded. The researcher and the interviewees could choose quieter places for the interview and therefore, the quality of recording was good.

Chat room interviews are a form of synchronous communication. Researcher suggested a Facebook Messenger interview for the interviewees who did not check their emails often but spending most of their spare time on Facebook. Facebook is a social networking website and its chat box is known as Facebook Messenger. There was an interviewee agreed to participate in Facebook Messenger interview. The researcher interviewed the interviewee in virtual cyberspace. There were 2 sessions of Facebook Messenger interview conducted with the same interviewee to obtain more information. The researcher sent the interview questions in the first session and the interviewee replied by sending the answers to the researcher. Then in the second session, the researcher clarified the
answers by the interviewee as the answers were slightly confusing. The interviewee was able to reply the researcher immediately to clarify the answers. It was not necessary to take note as the interview was in written form.

3.3.2 Secondary Data Collection

Literature that consisted of journal articles, research studies, books, reports from consultancy companies such as PWC, PMI, Bursa Malaysia, Security Commission Malaysia etc. were reviewed to enable the researcher to understand the background of the research question. To carry out this research, the researcher used a library database to search the appropriate database, accessible over the internet. Peer-reviewed academic journals in this topic area were the Project Management Journal, International Journal of Project Management and Journal of Business, Finance and Accounting. Secondary data was collected to reinforce the conclusion made in this research.

3.4 Data Analysis Procedures

The primary data and secondary data were integrated to build theories and critical thinking in data analysis procedures as an inductive approach was used in this research. The qualitative interview data was analysed on the same day of the interview (Appendix 4). This was to ensure that no information was missed out as the data collected was still fresh in the researcher’s mind for analysis. However, the interviewees’ response was biased because each person has different roles and shared different perspectives and experiences on the IPO project. Semi-structured interviews were analysed according to themes suggested by the design for target. Moreover, the researcher prepared a list of themes and questions to be covered, although these varied from interview to interview and it depended on the flow of the conversation. The interview was recorded and kept for reference.

The researcher used simple coding to identify and group the responses. Next, data coding, the process of examining the data for themes, categories and keywords, and marking identified chunks (words, phrases, sentences, paragraphs) in the text with a code so that researcher could be retrieved and collated later for comparison and analysis. Irrelevant conversation or text was not used for the analysis. For qualitative analysis: dealing with non-standardised and abstract data, data reduction and display, coding and theming and iterations therein, various means of presenting qualitative data analysis output, drawing and verification
of conclusions. Narrative analysis was also done as the interviewees would talk about their experiences and opinions regarding project risk management in an IPO project. The researcher would then arrange and interpret their answers by using narrative analysis to give a deeper understanding about the problems. Researcher believed that interview can build up confidence on talking to the professionals in the industry, demonstrating of attentive listening skills, scoping to test understanding in research and create a good network with the respondent.

3.5 Research Ethics

Ethical issues for this research might be the disclosure of information about the IPO project by the interviewees as the investment bank might not disclose the information due to confidentiality between the investment bank and client. Besides that, the investment bank might be suspicious of the intention to interview the participants. For example, they might think that the researcher intended to steal the client data or to sell their ‘secret of successes’ to third party. Therefore, understanding research ethic is important for researchers.

The researcher obtained consent from the participant and based on all information about participation rights and use of data before the interview started. The researcher emailed the participant’s consent form prior to the interview (Appendix 6). The researcher informed the participants that the information was used for dissertation purposes and the participants can withdraw anytime if they felt uncomfortable with the interviews through consent form. The interviewees mentioned in this research consisted of participants who were willing to be interviewed and had signed the consent form. Information sheets of participants were prepared only for supervisors or examiners to inform the participants involved (Appendix 5). The information would remain private and confidential from the public. Moreover, the researcher also informed the participant that the conversation between researcher and participant would be recorded through voice recording, which would be only disclosed to the researcher, supervisor and participants as participant in the investment bank might feel concerned and will not provide the information openly. Therefore, as the researcher had been authorized by the participants to use the information provided to complete this research, the researcher had to be responsible and be professional in handling and constructing the given information.
CHAPTER 4: DATA ANALYSIS

The data analysis in this chapter was based on one-to-one, semi-structured interviews between the researchers and the interviewees. All 5 interviewees work in corporate finance with experience in handling IPO of an investment bank in Malaysia. Qualitative data analysis was used to analyse the responses of the interviewees. There are six themes in this chapter that provide a logical flow of findings to enable the research question to be answered. The six themes are the following:

4.1 Involvement of Project Manager in Project Risk Management of IPO,
4.2 Involvement of Project Risk Management in IPO Project
4.3 Risk Management Process in IPO
4.4 IPO Success
4.5 IPO Success Factors
4.6 Project Risks Management Practices.

4.1 Involvement of Project Manager in Project Risk Management of IPO

All participants were questioned about their opinions on the involvement of project manager in project risk management of an IPO. This importance of this question is to understand the perspective of corporate financier on the involvement of project manager in an IPO project to manage risks and what they expect from a project manager in project risk management.

<table>
<thead>
<tr>
<th>Experiences in IPO (Times)</th>
<th>Stance</th>
<th>Summary of responses</th>
</tr>
</thead>
</table>
| Corporate financier 1    | 1      | Agree                | “Based on my experiences, there are companies which have little corporate governance in place, where the two co-
founders (CEO and Executive Director) make all the decisions. Most of our time was spent on putting in place the necessary framework to comply with local listing regulations. The good thing for us was that another consulting firm was hired to assist them in the process. I can tell from experience that it's often easier to make things happen if the sponsors know what to do, and usually with the help of a consultant, that will make life much easier. I believe it is important to have a project manager working hand-in-hand with the IPO issuer. As part of an investment bank, I do believe that we do not have the resources to go through the project risk management process with the IPO issuer. IPO issuer, on the other hand, may not have the necessary skills or knowledge to do it on their own.”

<table>
<thead>
<tr>
<th>Corporate financier 2</th>
<th>1</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>“A project manager in risk management projects would be beneficial for accountability purposes. This is from the bank’s perspective, assuming that there is a project risk management team in the bank with an independent project manager hired to lead the assessment and to contribute to advisory.”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Corporate financier 3</th>
<th>4</th>
<th>Agree</th>
</tr>
</thead>
</table>
|                       |   | “Risk management is important to a certain extent. IPO deals involve millions of dollars and the risk involved is high. Besides that, IPO normally takes at least 6 months to be...
completed. In fact, the timeframe is not short term and within the period, there are numerous reasons that will cause the deal to fail. By having project manager, risk assessment can be performed and the team can be guided and subsequently, the critical issues that will lead the project to failure can be avoided as well.”

<table>
<thead>
<tr>
<th>Corporate financier 4</th>
<th>1</th>
<th>Disagree</th>
<th>“The Principal Adviser is responsible to oversee the process of making applications to the Securities Commission Malaysia and Bursa Securities, including assessing and managing the risks (including but not limited to financial and legal risks). Hence, the involvement of a project manager would likely not be required.”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate financier 5</td>
<td>3</td>
<td>Agree</td>
<td>“We are the project managers and the executioners of the IPO. However, there are also companies which hire external consultants to make sure internal company procedure is set up in order for them to prepare for an IPO. The external consultants are normally from audit firms. The external consultant will give advice on internal control process. The audit firm would hold the hand of the company towards listing. I am fine with it but hire an external adviser is costly for some companies.”</td>
</tr>
</tbody>
</table>

Table 4.1: Perspectives about Involvement of a Project Manager in Project Risk Management.

Table 4.1 shows the summary perspective of the participants about project risk management. The average experience of the participants in handling the IPO projects is
twice. Out of 5 participants, 80% agree that a project manager should be involved to handle project risk management in IPO project to assess and reduce the risk while 20% disagree.

4.2 Involvement of Project Risk Management in IPO Project

It is important to get to know in which stage of an IPO that the project risk management should be started as the researcher would like to discover that the corporate financier applied the project risks management during the planning stage of the IPO or after a risk has arisen during the IPO. The participants were asked to describe the involvement of project risk management in the IPO project based on their experiences. According to their answers, they were concerned about the risk management process before submitting the documents to regulatory authorities.

Corporate financier 1:
I believe risk management starts from day one. The goal is to work towards ensuring all requirements are met so that a submission can be made.

Corporate financier 3:
Project risk management has to be involved during the IPO transaction. The project team has to ensure that the company that is going to be listed is complying the rules and regulation and at this stage, project risk management plays an important role by outlining the potential risks and advising the project team so that the mistakes can be managed and this ensure that the IPO process is always on the right track.

Corporate financier 4:
Project risk management should be involved prior to the submission of the applications, while the applications are being processed by the relevant authorities, and until the day of listing.

Corporate financier 5:
From A to Z. Firstly, we need to evaluate the suitability of the company to listing to determine it is suitable to be listed in main market or ACE market. Secondly, we will look into the company inside out to check on the company’s background, directors’ backgrounds and financial status. After that, a working group is formed. Roles and responsibilities of each
member are set out. There are members who are in charge in risks management. IPO may not be a success. Authorities are responsible for the IPO success. If authorities do not approve the application, it will cause problem in term of time and finance to the company.

4.3 Risk Management Process in IPO

Risk management processes that were practiced by corporate financiers in an IPO were explored by asking the participants on how they identify, prevent and assess risks. The importance of this section is to find out what are the methods used by the participants in reducing risks in the IPO project from their practices in identifying, assessing and preventing the risks.

4.3.1 Risks Identification

The risks have to be identified to overlook what the factors are that may affect the smoothness and success of IPO project prior to the execution of the IPO.

Risks are mostly identified through experiences of the corporate financier. Corporate financier 1 states that “the biggest risk to me is unable to obtain approval from the regulators for an IPO.” To identify risk, they need to understand what the regulators want. While regulators have a list of requirements to comply with, but different industry may have different requirements. Based on their experiences, they believe that if it was an industry that the regulators are familiar with, the process would be easier in the sense that they know what is expected. For a niche industry, they would often set up dialogues with them to see how to move things forward. For corporate financier 3, he mentioned that their practice is to gain knowledge by referring to both successfully and unsuccessfully listed projects and identifying which part is the risk active section and more caution should be taken. He emphasizes that experience is essential to identify the risk as some of the mistakes can be learnt from failure as the IPO involves a broad field of business knowledge including Companies Act, accounting standard, financial modelling and business process and risks can be appeared in any parts of the IPO.

One of the risk identification methods is through SWOT (strength, weaknesses, opportunities and threats) analysis. Corporate financier 2 believes that during IPO project, risks are identified mainly by addressing the company’s weaknesses and also threats as well as questioning the strengths of the companies and to assess the validity of its supposed strengths and opportunities. Corporate financier 5 also mentioned SWOT analysis as one the
way of identifying risks. He said that the corporate financiers use SWOT analysis to identify strength, weakness, opportunities and threats to determine the internal and external influence. Strength and opportunities are capitalised while weakness and threats are eliminated. Strength and opportunities bring success to the IPO but weakness and threats harm it and then cause risks. They will list out the SWOTs and consider the factors that can bring big impacts to the IPO.

Risks are also identified through assumption analysis. Corporate financier 2 has given example of assumption analysis on identifying financial risks. She said that financial risks were identified by using existing cash flows and projected cash flows with realistic assumptions. The cash flows were then sensitized to various scenarios and in the worst case scenario, one would be able to assess how can the company fare during bad times (i.e. economic downturn) and whether they would be able to still meet their payment obligations.

### 4.3.2 Risks Prevention

Risks can be prevented if precautions were taken before a decision was made.

According to corporate financier 3, common risks such as the submission of the applications to the regulators can be prevented by complying with the rules and regulations. Corporate financier 1 also shares the same opinion by stating “the risks can be prevented by ensuring all areas are covered and that all requirements are met before a submission of documents.” Corporate financier 2 thinks that information, documents and financials of the company have to be thoroughly assessed to see whether the company’s business plans are viable, from an investor and also lender’s point of view. Failure to address this and plenty of disclaimers in the prospectus arising from “grey situations” would affect the submission process.

There must be some unique risks that may arise during the project. From participants’ responses, the researcher found that the unique risks are identified through lessons learned and expert judgement. Corporate financier 3 held an opinion that the risks may arise from a different industry. Making comparison with the previous successfully listed company in the same industry is the best way to prevent the same risk happening again on the current project. Corporate financier 4 thinks that risks can be avoided by ensuring that the terms of references of the relevant professionals appointed by the Company are sufficient for the IPO success, and ensuring that all professionals undertake the tasks delegated to them.
4.3.3 Risk Assessment

Communication between the project team is the main risk assessment method. Corporate financier 3 practices expert judgement as he states that they access risks by having meetings with the professional parties to exchange the knowledge to ensure that the professionals in different fields can contribute their point of view towards the matter and a plan can be drafted to overcome the potential risk. Corporate financier 4 assesses risk through determining the likelihood of occurrence of the risks by saying that their practice in accessing risks is to determining how likely the risk would affect or delay the submission and/or the listing through discussions with the members of the management team.

4.4 IPO Success

There was no clear definition about IPO success. Based on data collected, all of the participants held different opinions on IPO success although they are working in the same investment bank. For the participants, IPO success is the listing of the IPO, enhancement to the reputation of the investment bank and successful fund raising through IPO.

Corporate financier 2:

*IPO success brings benefits to banks as it enhances a bank’s track record in successful IPO listings and helps to strengthen a bank’s reputation.*

Corporate financier 3:

*IPO success is when the IPO issuer successfully listed on the market and able to raise capital from the public and raise awareness of the public towards the company. The IPO is also a success when the benefit from the IPO is more than the cost incurred.*

Corporate financier 4:

*IPO success is the success of the listing, which is a combination of efforts from the Company and the relevant professionals appointed by the Company.*
4.5 IPO Success Factors

The participants were asked about the IPO project success factors. The most common answer from the participants about IPO success factors are economic factors or market conditions. Corporate financier 2 mentioned that awhile corporate financier 3 stated that having a macro or sector economic downturn would definitely affect the related companies that are going to be listed. Corporate financier 1 underlined that market outlook is a factor beyond control of the investment bank. However, as an investment bank, they would often put in extra hours to ensure documents are submitted to the regulators and approval is obtained. They try to “strike it while it’s hot”. In a bright market outlook, it is often easy to contribute to IPO success. Corporate financier 5 gave examples on Qualitas Healthcare Group Berhad which pulled out from IPO due to unfavourable market conditions.

IPO success factors also included the communication between the members of the project team, which matches with the reviewed literature. For corporate financier 2, it is crucial for the existence of trust between the management team’s capabilities, experience and track record to execute the plans. Corporate financier 3 also highlighted the importance of knowledge and integrity between the members of the management team. Company and professional parties played a vital role in having experience and fully mastering the listing rules and act to ensure the success of the IPO. Besides that, he also held an opinion that companies and professional parties have to act honestly to ensure that everything is transparent and there is no hiding information as it might be crucial point to the success of the IPO.

IPO success is also dependent on the company’s readiness to be listed. In the opinion of corporate financier 5, the company may pull out from IPO anytime if it is not ready to be listed in the market or it is not satisfied with the project team. The company is ‘naked’ after it is listed as it is bounded to the disclosure obligations contained in listing requirement in Bursa Malaysia Securities Berhad.

4.6 Project Risks Management Practices

All participants were asked about what the practices are that they apply in handling an IPO project and their opinions on risk management practice. Researcher had given examples of good project risk management practices during the interview, such as a lessons learned
report and risks breakdown structure. There are participants who responded to lesson learned but none of the participants mentioned the risks breakdown structure. Based on Table 4.2, 100% of the participants agree that there is still room to improve the project risks management procedure in the IPO project.

<table>
<thead>
<tr>
<th>Participants</th>
<th>Summary of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate financier 1</td>
<td>“Risks may not be properly documented after the IPO project, but having good practices of project risk management is important to effectively manage the project risk. This often would come from experience.”</td>
</tr>
<tr>
<td>Corporate financier 2</td>
<td>“Project risks management practices should be in place for the benefit of all parties. The client may or may not be aware of the risks in their own company and business and they should be advised so that they can plan to address current or potential risks. The banks providing advisory should also assist the clients to list and to not miss out on any risks by adopting good practices or a checklist template to cover all angles that will help with the approval process from regulatory bodies.”</td>
</tr>
<tr>
<td>Corporate financier 3</td>
<td>“I agree with the practices and it will definitely improve the chances of success of the IPO project. Risk may be break down into controllable and inevitable risk. By having good risk management system, it helps to prevent the controllable risks. By doing so, it will increase the percentage of success dramatically. “</td>
</tr>
</tbody>
</table>
Corporate financier 4  
“Projects involving applications to the authorities, which include applications for listing on a stock exchange, are typically structured to minimise project risk. Nonetheless, there is always room for improving risk management practices.”

Corporate financier 5  
“We did our own internal report, which is similar to lessons learned report, but it is not disclosed to public. Each IPO is unique because they have their own issues and their way of doing things, but it is good to have good practice in managing risks.”

Table 4.2: Summary of Responses about Project Risks Management Practice

CHAPTER 5: DISCUSSION

In this chapter, the findings are reviewed and interpreted. Researcher compares the findings with the literature review and links with the research question and research objectives stated in chapter 1. The contributions and limitations of the study will also be discussed in this chapter.

The findings show the grey area between the role of corporate financier and project manager. There are “external consultants” who are involved in certain IPO projects. The external consultant that they mentioned is a project manager with PMP, CAPM or any relevant project management qualification which none of the corporate financiers mentioned above have. In Malaysia, the corporate financier needs to have CMSL. The corporate financiers are unclear about the roles of the project manager in the IPO and therefore, the corporate financiers accused that they are the project manager in IPO project. This has led to confusion between the role of corporate financier and project manager. 80% of the participants agree with the involvement of project manager in IPO project. This finding contradicts with the literature review that shows that the acceptance level of project management in Asian-based project but agree with the literature review as well that they lack systematic project management knowledge. Findings show that the corporate financiers are
not exposed to project management in their working routine. The companies normally do not hire a project manager in an IPO project but depend on principal advisers, which is usually the corporate financier from an investment bank. However, there are also certain companies hiring project managers or external consultants which are usually from audit firms that have experience in handling IPO projects such as Ernst and Young and PWC. The practice of involving a project manager for project risks management in IPO project is still rare in Malaysia.

Project risks management is essential in an IPO project to ensure the procedure of achieving the project goal is smooth. The corporate financiers lack knowledge in systematic project risk management to handle the risks in the IPO project. Therefore, it is necessary to have a project manager to perform systematic project risk management, oversee the IPO and provide advisory to the IPO issuers and the working team to enhance the decision-making and planning process, rather than only depend on the principal adviser.

5.1 Risks and Factors that Impact on IPO

The IPO project is said to be failed if the IPO is not successful for listing. The findings on the risks and factors that impact on the IPO is significant to ensure there is a link between the project risk management and the success of the IPO. A project is constrained by time, quality and cost. The success of a project is dependent on the balances between these 3 elements (Stojčetović et al., 2014).

The factors that impact on IPO project and pose risks to it are IPO issuer’s decisions, uncertain economic factor, delay in IPO, disapproval of application by regulatory authorities and communication process. These findings agree with the identified factors that influence the project success in chapter 2, which are senior management’s decisions, changes, timeliness and communication.

The unexpected finding is that the IPO issuer may pull out from listing if it is not satisfied with the project team or it is not ready to be listed, or in another word, the IPO issuer is not satisfied with the quality of the team. This factor is similar to the literature review mentioned in section 2.4.1 which stated that senior management decision is one of the factors that contribute to IPO success. The project is considered a success if the outcome of the IPO project is equivalent to the expected outcome of the project team. The IPO issuer may decide to back out from listing if the working team does not meet their requirements. Changes during the IPO project as highlighted in literature review do pose risks to the IPO success.
Economic factors impact on an IPO. Market conditions are uncertain and may bring “surprise” to the project. The “surprise” may give positive or negative impact on the IPO. In case there is a market downturn, the IPO issuer may doubt the success of the IPO. Then, the IPO application process may be delayed as the IPO project incurs high costs while the IPO issuer would not take this risk if they are not confident in the IPO success. The findings show that the success rate of the IPO is higher in favourable market conditions but the IPO issuer may pull out in unfavourable market conditions, which coincide with the literature review in section 2.4.5 which states that economic factors may cause project change and pose risks.

IPO is about investment of the IPO issuer to increase the capital or fund of the company. IPO issuer that is not confident nor given confidence to launch the IPO due to the lack of readiness of listing would not take risks as it may lead to financial risks to the company. The example of the company who pulled back from listing is Ranhill Holdings Bhd as stated in section 2.4.1 in this research paper.

The main risks of IPO project are not getting approval from the regulatory authorities as the management and project team cannot proceed to the next stage of the IPO if the IPO issuer failed to be approved by the regulatory authorities. It takes a longer time for the completion of the IPO project as the project team need to wait for 40 to 60 working days for the approval after they have submitted the applications (Securities Commission Malaysia, 2016). In case of disapproval of the application, the project team needs to revise the documents and applications to ensure the success of next submission. This would affect the timeliness of the IPO project as it may not be delivered on time. This agrees with Assaf and Al-Hejji (2006) which stated that the delay of IPO is due to ineffective planning and scheduling of the project. Delay of IPO incurs high cost and it may bring financial risks to the IPO issuer.

The quality and efficiency of IPO project is closely related to the communication process. The finding shows that communication processes can bring positive effects to the IPO. This finding agrees with the research done by Zulch (2014) and Lakatosné Szuhai (2015) which underlined the importance of communication process in reducing the risks in a project. Besides that, trust and transparency among the IPO issuer, regulatory authorities and the working team have to be emphasized at every stages of an IPO, which reinforce Anantatmula’s (2010) statement that trust can lead to project success. This is important to increase the confidence of the IPO issuer, reducing conflicts between the parties and to enhance the process of managing risks which could then lead to the IPO success. Project risk management would not be efficient if the communication process within the relevant parties
fails. From the findings, the researcher discovers that the corporate financier may not have sufficient resources from IPO issuer to manage the risks. Therefore, the project manager is needed to become the bridge between the IPO issuer and the working team.

5.2 Tools and technique used in identifying and accessing the risks in IPO project

Tools and techniques that the corporate financiers used to identify and assess the risks are important for researchers to understand their practices in risk management and to achieve one of the objectives of this paper. Risk management process in the IPO practiced by corporate financiers in the investment bank contradicts with the processes described in PMBOK and by Larson and Gray. They only practice partial tools and techniques of PMBOK and Larson and Gray’s risk management processes and apply combinations of both of these risk management processes. The risks management process of IPO in the case bank is not consistent as different corporate financiers gave different answers on their practices in risk management although they are working in the same department.

The corporate financiers identified risks through SWOT analysis and assumption analysis in the IPO, correspond to the tools and techniques to the process of identifying risks based on the PMBOK’s risk management process. Besides that, they also apply expert judgement as their tools and techniques to identify risks. Corporate financiers, who act as the experts that have experiences in the IPO project, identify risks based on their experiences. Their experiences in driving the IPO towards success include the criteria to meet the requirements of regulators and the knowledge that they have gained from past IPO.

To assess risks, they emphasize the communication process between the working team and the IPO issuer. At this stage, they practice expert judgement proposed by PMBOK as they exchange knowledge through meeting and assess the risks based on Larson and Gray’s risk management process by determining the likelihood of a risk occurring. The knowledge exchange between the experts in the working group is a communication process that plays a vital role to manage the resources and information in the project team (Zulch, 2014). Risks assessed through meetings can improve the efficiency of the IPO project team to achieve their project goal as the issues or problems are highlighted and brought to discussion on the spot during the meetings. This is supported by Zulch (2014) who said that communication is the “fastest way” to reduce the risks of a project. Besides that, the participants practice lessons learned as a way to assess risks. 20% of the participants practice
lessons learned. They manage IPO project risks based on their experiences but not based on the more systematic documentation. This shows that the corporate financiers do not have proper project risk management because they do not have the knowledge of the risk management processes. This contradicts with the suggestion of Cervone that proposed good tracking system as an effective communication tools (2006). The gap can be filled if the tracking system is introduced by project manager to increase the efficiency of communication process to ensure the IPO success.

5.3 Contribution of the Study

This research contributes to the understanding of the role of project risk management in an IPO project. The involvement of project manager in project risk management is not popular among the IPO issuer but largely dependent on the principal adviser, which is, commonly, the investment bank. Project risk management study is conducted among the corporate financiers in the selected investment banks to explore their practices in project risk management. The findings provide the information of IPO project risk management and explain the management practices in an investment bank. This study can lead to a more systematic way of handling and reducing the risks in these high risk projects. It is perceived that this study can increase the awareness of the investment bank and corporate financiers in project risk management of the IPO project.

5.4 Limitation of Study

There are limitations to this research. IPO might be a confidential project in which the interviewee might find difficulty in disclosing certain aspects of information to the researcher. The participants could not commit fully in terms of time as they were too busy with the upcoming IPO project. Consequently, there were individuals that backed out from participating in the interviews and caused the number of interviewees to be less than the proposed numbers. To overcome this limitation, the researcher had designed Skype and Facebook Messenger interviews to enable the interviewees to answer the research question at the least amount of time. However, the respondent might not share all information with the researcher due to their professional ethics in handling the IPO project. The opinion and suggestion might be biased and practiced in the investment bank only. To overcome this
limitation, research ethic plays an important role in this research and researcher need to encourage the interviewee to provide more open and honest information.

CHAPTER 6: CONCLUSION AND RECOMMENDATION

6.1 Introduction

The purpose of this chapter is to draw conclusions and recommendations based on the findings of this research. This dissertation is completed by primary research through qualitative interviews and by secondary research through critically review literatures. The research question of this research is “How Project Risk Management influences the IPO success in Malaysia?”

6.2 Conclusion

Objective 1 is achieved by successfully identifying the risks and factors that can influence the IPO project success, including the pulling out of the IPO issuer during the IPO project, disapproval of IPO applications by regulatory authorities, economic factors and communication process. These factors are closely related to cost, quality and time of the project. The failure of IPO project can pose financial risks to the IPO issuer.

Objective 2 is reached as tools and techniques used by corporate financiers for identifying and assessing risks are identified. The tools and techniques used are from the combination of PMBOK and Larson and Gray’s risks management processes, which are SWOT analysis, assumption analysis and expert judgement for risk identification process and communication through expert judgement and determine the likelihood of occurring of risks for risks assessment process.

To answer the research question, this study concluded that project risk management is a part that contributes to IPO success. A positive relationship is developed between the corporate financiers and project risk management. There is grey area that exists between the role of project manager and corporate financier in IPO project. Corporate financiers of the investment bank practices project risk management in an IPO project, however, in an unsystematic way as their lack of project management knowledge which can be applied in their working routine. The responses from participants are different even though they are from the same department of the same investment bank because they are from different backgrounds and do not have proper and standardised project risks management system.
Their project risks management practices only partially correspond to the risk management processes proposed by PMBOK and Larson and Gray and they have applied combinations of both of these risk management practices. Corporate financier practices project risk management mainly through their experiences in handling past IPO without proper documentation. Although the participants think their practices are sufficient to bring the IPO towards success, but they also agree that there are still rooms for improvement in project risks management process of IPO project.

6.3 Recommendations

6.3.1 Researchers for Future Works

This research is a case study focusing on only an investment bank in Malaysia but this dissertation can be the basis for future studies of the related area. This study can be extended by selecting more investment banks from different countries for project risks management research in IPO. Larger sample size can be used to enhance the validity of the research if more investment banks are being selected for it. This enables comparison can be made between the practice of the investment bank in handling IPO project considering the cultural diversity between the investment banks from different countries.

The grey area between the role of the corporate financier and project manager has to be polished to enhance the decision making process in project risk management of IPO. This grey area has caused confusion between the roles of corporate financier and project manager and consequently, most of the decision making processes fall on the shoulder of corporate finance. Therefore, the mentioned grey area is suggested to be identified in the future study to ensure the roles of every member of the working group are clear to avoid confusion and conflicts that will leave a negative impact on the IPO project.

6.3.2 Investment Bank

Involvement of project manager is suggested in the IPO project. The investment bank, as the principal adviser, can suggest the IPO issuer to hire a project manager or form a project management office to oversee the project and provide professional advice to enhance the smoothness of the IPO project. As 80% of the participants of this research agree that the project manager should be involved in the IPO project, the investment bank can consider this recommendation as it can lighten the burden put on the shoulders of the corporate financier. It
is significant that the IPO issuer involves project manager in its IPO project, or that the investment bank exposes the corporate financiers with the knowledge of project risks management in IPO project to provide a new but more systematic approach of risks management in the industry.

Best practices such as risk breakdown structure and lessons learned report are recommended to be introduced to the corporate finance department. Proper documentation system for project risks management in IPO project within the corporate finance department can bring positive impact to the performance of the members in the department. A proper documentation system can ensure the project risks management of previous IPO project can be retrieved easily and reduce the practices of corporate financiers in handling IPO project to be solely dependent on their experiences. Through proper documentation system, the existing corporate financier in the department can refer to previous IPO project if they meet difficulties or risks in the future IPO project while the new corporate financier with lesser experiences in handling IPO project can learn from project risks management of previous IPO project and help in their future practices in the industry.

The researcher also suggests that the investment bank should send the corporate financier to attend project risk management course and training as this additional skills and knowledge might help the investment bank in handling current and future IPO project. Researcher believes that this can smoothen and help to improve the effectiveness of proceeding a success IPO project. Exposure of project risk management course to the corporate financier is a ‘win-win’ suggestion to the corporate financier and investment bank. Researcher believes that investment bank will obtain benefit as more clients might select this investment bank for handling it IPO project as compare with other investment bank in Malaysia with the rise in the reputation of the reputation of the investment bank. Client might think that the corporate financier in this investment bank is more capable as compare with other investment bank.

REFLECTION ON LEARNING

Introduction

In this chapter, the researcher assessed her one-year course in Dublin Business School. The purpose of this chapter is to record and appraise how the Master of Business administration in Project Management and this dissertation have added value to the
researcher and the case organisation. This is the opportunities to reflect on her strength and weakness during her course and dissertation. Enrolling in this master programme is an escape plan for the researcher as she has been working in the investment bank industry in Malaysia for the past five years. Researcher perceived that this topic can be a stepping stone for her to pursue her future career as a project manager in IPO.

**Self-Appraisal**

(I) Engagement

The researcher spent 7 years working in the bank industry after graduating with a Bachelor’s Degree in Economy in Malaysia. Pursuing an MBA is her educational goal to improve her knowledge and to advance her career. A Master’s programme is a commitment for the researcher as she needs to resign from her career and become a full-time student with no income, which is different from the self-appraisal in working environment that aims to get promoted, bonus and increase in salary. The researcher saves money for 7 years to pursue her goal to study MBA in Ireland. This is a challenge to the researcher as she never goes to and lives in European countries. Luckily, she has a friend who guides her to adapt to the life in Ireland.

The Researcher commits the most in terms of time during her MBA study. To reduce living costs, the researcher lives in Mullingar, which is one and half hours away from Dublin. The researcher commits to attend the classes and group meeting by taking public transport to Dublin Business School as early as 6 o’clock in the morning. As a result, she achieves 90 percent attendance.

Besides that, each module throughout two semesters demonstrates clear learning objective and each learning process was assessed through assignments and examinations to demonstrate researcher’s understanding in the materials that presented in the class, which cause the researcher to feel stressful as she has left university for 7 years. However, researcher works hard with the belief that taking a master programme is highly rewarding and demanding in the labour market in the futures. The researcher believes that taking an MBA is a fast track for her career path and continuous learning in enhancing knowledge and skills which she is lack of during her past working experiences.
The researcher also understands that some of the employers or companies might not be looking at the certificates and the achievement, whether first class honour, second class honour or just a pass, of the candidates. Despite that, for the researcher, having an MBA is a milestone in her life, in which she strongly believes that when she has completed MBA in Project Management stream graduate, she can be distinguished from people that have only bachelor degree, diploma or other qualifications. Even though MBA does not include Management in the course module, however, in project management and international management, there are ‘hidden’ management skills that researcher gained from reading and teaching in the class to complete the assignments given by the lecturers. Waiting for the result to commence is stressful for the researcher as it was a mentally and physically torture. The goal for the researcher is to complete the MBA course within one year as she wants to show her commitment and ability to her family that she is able to graduate from a Master degree after she has left her study life seven years ago.

The researcher undertook the dissertation which is the most important assessment for her MBA study. The process is interesting yet challenging for her. In the beginning of the dissertation, she is told by her supervisor to treat this dissertation as a project. All the steps were taken by researcher need to be cautious and the goal sets by the researcher need to be achievable and logic as it may impact on the dissertation outcome. Each stage of the dissertation process is challenges and struggle for the researcher because the researcher is a lack of experience in writing academic dissertation before enrolling in Dublin Business School. Therefore, researcher applies all her experiences in completing the assignments throughout her MBA course in writing this dissertation.

The supervisor is very helpful as he gives useful suggestions to researcher throughout this Dissertation. The supervisor advises the researcher to conduct the interview by presenting herself to her interviewees can show sincerity and seriousness of the researcher. It is hard for researcher to make the decision to personally meet the participants because she is a person who lacks self-confidence, but the researcher makes the decision to go to Malaysia in July in order to gather sufficient and quality primary data for analysis. The cost is high as researcher buys the flight ticket 2 weeks before heading to Malaysia. The process of collecting primary data has boosted the researcher’s confidence and courage to communicate with the participants, which are strangers to the researcher. The researcher takes a big step to contact the interviewees, by email, face to face meeting and social media (Facebook and WhatsApp) chat room. Researcher realizes that having contacts in the case company is helpful for researcher as this can smoothen the whole process of the dissertation. Even though
it is hard for researcher to do a favour from ex-colleague to help to remind the potential interviewee(s) to respond the email, surprisingly it is faster than researcher that asking around through email invitation. Therefore, researcher understands that, not every problem can be settled by a person and sometimes asking for help is not a bad thing.

(II) Skills Developed

(a) Teamwork

The researcher has been improving her teamwork skill continuously from before she enrolled in an MBA in Dublin Business School. However, her teamwork skill is improved drastically during her study as compared with her working life.

Group assignment is one of the assessments throughout the MBA course. Students are assessed through group assignments in certain courses such as Financial Analysis, Performance Driven Marketing Strategy, Project Management, Business Strategy courses. Forming a group is always easy, however, to manage and communicate in the group are always a challenges task for the researcher. It is difficult to ensure everyone in the team member contributes the same amount of effort to a group assignment. Poor commitment from any of the team members could give a negative impact on the group task. In both semesters of MBA courses, researcher faces hardships. There is team member who withdraws from taking the MBA course without informing the other team members. The remaining team members are informed just before the group presentation. Researcher also has been working in a team that one of the members is not committed to the work as the team member tends to plagiarised the information and is found out by another team members. Researcher and the other team members helps and guides each other in resolving these issues instead of feeling frustrated, in which positive teamwork skills are demonstrated in solving problems.

During her first semester in Personal Professional Development Course and Project Management Course, one of the class activities is to do the Belbin Team Test. Researcher refers back to her result in portfolio and it shows that her role in the team is implementer and team worker as she gains the highest scores for both roles. However, after eight months of the test, she is still categorised as implementer. This shows that researcher is practical and action-oriented in completing a group assignment, in which researcher regards it as an improvement as it brings positive impact to the tasks given.

(b) Learning Process

Apart from strong Asian cultural background, the researcher does not easily express herself as she is feeling uneasy to ask questions in the class. To solve this problem, she will
ask around the classmate and get the answer from internet or books before she seeks help from her lecturer as there are peers who have their own methods to understand a topic which is applicable to improve the understanding of the researcher. Therefore, peers assistance plays an important role to enhance the learning process of the researcher throughout the MBA course.

Researcher found that by using a mind map concept that suggested by supervisor is helpful as this helps her to narrow down her topic and formulates the theme for each of the topic in the literature review. This works well and present clear idea for researcher to present her thought and idea in the research. Besides that, breaking down the sources that she found during secondary data research, which is also suggested by supervisor during meeting helps the researcher in refining the sub-topic in each theme (Appendix 3). This worked well for researcher as concepts are well structure and defines within the time plan (Appendix 2). Therefore, mind mapping and breaking down the idea is useful that researcher will apply this in the futures.

(c) Flexibility

The downside of being an implementer is researcher is inflexible and hard to change her minds. This can be seen when researcher are looking for participants for taking part in her dissertation. However, researcher works progressively to conquer her weakness and attempt to think out of the box and flexibly to ensure the success of her dissertation.

Researcher contacted the potential participants for interview in Ireland through social media. Ironically, there are potential interviewees decide to pull out after researcher meets them in their department in Malaysia as some of them are busy with the upcoming IPO. There is only a participant willing to take part in the face-to-face interview. Researcher is disappointed and frustrated as the original plan of conducting qualitative face-to-face interview is no longer executable. To solve this problem, researcher decides to change the original plan by persuading and asking her friends’ helps to persuade the potential participants to undergo electronic interviews, which include Skype, Facebook Messenger and E-mail. As a result, 4 interviewees agree to take part in electronic interview. As researcher only stays in Malaysia to 10 days, the researcher has to be flexible in solving problems and stimulating alternative decisions to ensure the time constraint does not affect the quality of data.

(d) Time Management
The researcher is not satisfied with her performance in time management for completing the assignments in MBA course, but the researcher has improved her skills in time management through this dissertation. In order to complete the dissertation in August, the researcher has to follow the time plan set to complete the dissertation ideally. However, researcher struggles in every chapter of the dissertation as she spends too much time on clarifying the accuracy of the sources and digesting the comments of supervisors before she proceeds to the next chapter. She needs to speed up to ensure that she is following the ideal time plan (Appendix 2) and to complete the dissertation on time. Therefore, she develops the skills to organise the important contents through mind maps before she starts to write as this is a more systematic way to manage the sources and to save the time for being stuck in her own confusion. Time plan template was applied by a researcher in controlling and managing the dissertation time. This helps the researcher to monitor her progress and list down the task that she needs to complete. The template brings benefit to the researcher as she can always be reminded and look back her plan when she is lost during dissertation. Besides that, she sets and works hard to achieve daily goals in her writing and managing sources every day to complete a particular section. Through this dissertation, researcher appreciates the importance to manage the time wisely.

**Problem-Solving**

If the opportunity to tackle the problem faced in the process of undertaking the MBA course is afforded again, the researcher would like to apply the practices that she learned from this process to overcome the problems. Techniques such as mind map and Gantt chart would be practiced by researcher in organising the problems and ideas. The researcher would not be hesitating to ask for helps from friends and lecturers and be open minded in accepting advices and suggestions. Besides that, researcher would include slack time in her time plan to ensure there is time for researcher to settle the “surprises” when conducting research to make sure the ideal time plan is not delayed or affected. This is important as researcher has felt the pressure of time constraint during the completion of this dissertation and she does not want to face the same pressure in the future practice. The backup plan would be developed before the execution of plan as there are many uncertainties that may arise and researcher has to save the time from struggling about the destruction of plan caused by the problems arise.

**Summary of Added Value**
This research has added value to the researcher. As mentioned earlier, she is interested in becoming a project manager in IPO. By conducting this research, it provides an insight to the researcher about her field of interest that she may be working on in the future. This research enables the researcher to understand the current practice of project risks management in IPO and she intends to introduce and apply a better practice of project risk management in IPO in the future.

The researcher has learned to communicate with the individuals from professional fields, specifically in an IPO. Researcher improves her communication skills through interviewing the participants by persuading the interviewees to take part in the interview and leading the participants to answer her questions during the interview instead of letting the participants dominate the conversations. Effective communication yields quality results. Effective communication is effective listening (Cohn, 2007). Not only speaking skills, the researcher has to be aware in enhancing listening skills as a researcher has to develop understanding or to identify confusion during the interview process to ensure the clarification of information can be done on the spot.

**Plans to apply/sustain the learning**

As researcher is one of the members of PMI, she is able to get to know about the update from the PMI and PMI Chapter in Ireland. The researcher plans to attend the conferences and becomes the volunteer of PMI after she completes her dissertation. Researcher intends to enhance her knowledge continuously in project management through reading and analysing articles of interest from the research skills she has developed during the dissertation and assignments. Researcher intends to take CAPM exam after she completed her MBA in Project Management Stream course with the courage that she obtained from MBA to continue learning and self-improvement while waiting for the graduation. Therefore, as she still has a fresh mind about what she had learned in the year, CAPM is one of the options for her to familiarise her knowledge in project management field. The researcher hopes that CAPM can open more opportunities for her as she is unable to take PMP exam right after MBA course due to her lack of experience in leading a team or project.
BIBLIOGRAPHY


APPENDICES

APPENDIX 1: Interview Questions

1) What is your experience in IPO project?
2) What is your opinion about involving project manager especially in project risk management in IPO project?
3) Please describe which stages in the IPO process require project risk management, which is the process of identifying, managing and responding to the risk?
4) How do you identify risk?
5) How do you prevent and avoid risk to happen during IPO project?
6) How do you access/evaluate risk and stimulate a plan to overcome it?
7) What is your opinion about IPO success?
8) What is the factors that influence IPO success?
9) Based on my study, having good practices of project risk management (lesson learned report, Risk breakdown structure, scheduling) can effectively manage the project risk. What do you think about applying these best practices in IPO project?

<table>
<thead>
<tr>
<th>THEMES</th>
<th>QUESTIONS</th>
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<tbody>
<tr>
<td>Involvement of Project Risk Management in IPO Project</td>
<td>What is your experience in IPO project?</td>
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<td>What is your opinion about involving project manager especially in project risk management in IPO project?</td>
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<td>Risk Management Process in IPO</td>
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<td>How do you prevent and avoid risk to happen during IPO project?</td>
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<td>IPO Success</td>
<td>How do you access/evaluate risk and stimulate a plan to overcome it?</td>
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<td>IPO Success Factors</td>
<td>What is your opinion about IPO success?</td>
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<td>Project Risks Management Practices.</td>
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APPENDIX 2: Time Plan

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Research and finalise focus and research question (inc. hypotheses if relevant)
Conduct literature search
Write and finalise literature chapter
Research and decide on methodology strategy
Construct qualitative and/or quantitative instruments
Write / finalise method chapter
Contact suitable respondents for research investigation
Conduct primary data collection
Conduct data analysis phase
Write / finalise results chapter
Write / finalise discussion, conclusions & abstract
Compile first overall draft (inc. References, appendices, etc.)
Go back to Malaysia for data collection
Going back to Ireland
Meeting with supervisor
Editing and editing and more editing
Final proof reading
APPENDIX 3: Dissertation Meeting /Progress Monitoring Report:

Dissertation Meeting /Progress Monitoring Report:

<table>
<thead>
<tr>
<th>Name of Student:</th>
<th>Sue Peng Tan</th>
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<tbody>
<tr>
<td>Student No</td>
<td>10313703</td>
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<tr>
<td>Name of Supervisor:</td>
<td>John Hewson</td>
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<tr>
<td>Meeting Number:</td>
<td>1</td>
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<tr>
<td>Date:</td>
<td>8 June 2016</td>
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<td>Location of Meeting:</td>
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</table>

Review/Comment on Progress made since the last meeting

n/a

Topics/Issues discussed/address at meeting: Action agreed/Progress expected before next meeting

Summary of topics covered were:

Dissertation Handbook was briefly reviewed – Student is to ensure she is familiar with contents – particular focus on understanding the marking scheme.
The role of student discussed regarding responsibility for initiating contact and help requests.
The time/effort commitment required was emphasised. Recommended that dissertation is treated as a critical project with tight work planning and adherence to agreed timelines.

Dissertation Proposal was reviewed:
It is noted that no feedback has been received from examiner to date – student to proceed while waiting for any feedback

The student had planned to travel to Malaysia to complete research and interviews but was concerned that sufficient interviewees may not be available to her or there may be issues releasing commercially sensitive material. A number of options were considered to circumvent the problem including “anonymising” the subject company, extending the scope of the study somewhat etc

The research questions and case study based qualitative approach was discussed and challenged somewhat – however, no significant issues were identified at the meeting.
There was a discussion about the investigation of the literature exploring relationships between PMO and the other research topics – as current literature identified in the research proposal does not appear to reference links.

The value of reading as much high standard research and peer-reviewed academic papers as possible was emphasised to the student (as a means to identify good practice in the writing of academic research)
For the Literature Review—"Project Management Journal" and "International journal of project management" were discussed as other potential sources of peer-reviewed research.

Plan was reviewed – no issues arising

Student to consider the value of securing a competent person for proofreading and sanity checking of final drafts.

As the student is based in Mullingar it was agreed that future meetings will use Skype or WhatsApp.

Overall Summary/Conclusion of Meeting

Good progress to date and research proposal work to date appears to be a sound base (but good self – monitoring of progress will be required to keep on track)

Writing of drafts of the literature chapter should be the next step in the plan while continuing with further well-focused literature search and analysis review.

Good luck

Date of next meeting: It was recommended that next meeting takes place when writing of literature chapter is at an advanced stage (ideally before end June) Student to confirm date/time and contact arrangements in advance (along with any known agenda topics/issues for discussion)

Signed (Supervisor): John Hewson

Signed (Student): Sue Peng Tan
Dissertation Meeting /Progress Monitoring Report:

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Review/Comment on Progress made since the last meeting

Draft of chapter 1 and 2 has been reviewed and feedback sent through email. However, there were parts that student needs to amend and look back.

Topics/Issues discussed/address at meeting: Action agreed/Progress expected before next meeting

Summary of topics covered were:

Feedback on the draft of introduction and literature review. Student clarifies on the references issue that arises on the email by the supervisor. Literature review needs more clarification, the flow of the topic to be logic and arrange in the dissertation. The contents that not make sense to a supervisor was suggested to remove or explain more.
The particular sentence needs to be organised as student talk different thing in the same heading and each paragraph needs to be structure. The supervisor suggested that material needs to break it down to as it might help the student in understanding on what she try to express.

Source and information need to carefully reference, checked and listed. Need to be aware of plagiarism issue.

Reviewed student time plan as she going back to Malaysia for data collection on 11/7/2016. Interview questions reviewed and some tips and guide provided by the supervisor as she is facing the difficulties of getting the respondents on providing the information for the data collection.

Overall Summary/Conclusion of Meeting
Be confident and prepared well for the upcoming interview. Good self-monitoring as the progress goes on, a lot of work will need to do at the same times.

Writing of drafts of the methodology and findings should be the next step in the plan while continuing with further well focused on data collection and analysis.

Date of next meeting: **It was recommended that next meeting takes place when writing of methodology chapter and findings are at an advanced stage (ideally before the final meeting at the end of July). Student to confirm date/time and contact arrangements in advance (along with any known agenda topics/issues for discussion).**

Signed (Supervisor): John Hewson

Signed (Student): Sue Peng Tan
Dissertation Meeting /Progress Monitoring Report:

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Review/Comment on Progress made since the last meeting

N/A.

Topics/Issues discussed/address at meeting: Action agreed/Progress expected before next meeting

Summary of topics covered were:

Run through the checklist on the final stage of the dissertation. Reviewing the dissertation guidelines and marking scheme with the student. Ensure the student is on the right track.
The hardest part of the dissertation process discussed and shared by the student. Supervisor provides some useful tips for a student in writing reflection chapter. Learning and value need to be considered and reflected in the reflection chapter.
Plan for final write-up and editing that student need to consider was discussed and advised by supervisor.
Supervisor ensures that the student is happy with the work, no doubt and no issue arising before submission.
Some future work was suggested to include in the final chapter and the importance of this section was discussed.

Overall Summary/Conclusion of Meeting

Suggested the student to continue editing the works. Email the supervisor if any issue arises.
Spared sometimes looking on the dissertation guidelines on the fail criteria of the dissertation and reflecting on the learning process.
Date of next meeting/Comments:

It was recommended that student keeps editing and manage the time for proofreading the work. Good luck and reminded to submit the dissertation latest by 22/8/2016.

Signed (Supervisor): John Hewson
Signed (Student): Sue Peng Tan
APPENDIX 4: Transcript for four interviewees through face to face interviews and one interviewee through Facebook Messenger interview.

Transcription Details 1
Corporate financier 2: VF (Executive)
Date: 14/7/2016
Time: 1pm
Location: Researcher – House, Participant - Office
Medium: Skype
Speakers in the audio file interview 1
A: Researcher
B: Participant

Transcript
A: Hi. Thanks for allowing me to interview you. You can call me Sue Peng.
B: Ah, hello. I am VF. I had read about your project through the consent form and the interview questions that you sent before. But for me, your question is too open-ended and, and I don’t think my team has time to think or take part on your interview. Even though for me, the question is too specific and I think I will share whatever within in control to avoid, you know like P&C issue.
A: Thank you for reviewing my project. Yeah, I did receive feedback from my ex-colleague as well and they do inform me about that. However, as my research is intended collect data base on interviewee’s experience sharing, perception and opinions, therefore, my question is more open-ended. I hope that you can be comfortable in sharing your thought as this conversion will between you, me and my supervisor as I mentioned in the consent form that you signed earlier.
B: I will try my best on helping you but I hope this interview can be shorter as I need to rush for meeting after lunch time.
A: Ok. I will try my best to complete within 30 minutes. So, let’s start. I will be straight to the point. What is your experience in IPO?
B: I have gone through 1 IPO before and it took few months to complete it.
A: Ah I see. In the IPO, is project manager involved?
B: No.
A: Why?
B: I think usually we are the project manager. I know what you are trying to ask, external project manager usually hired by the IPO issuer and it depends on the budget and you know, those company intended to save the cost. Therefore, in my first project there is no project manager involve.

A: Ok. What is your opinion to involve project manager in the project risk management of IPO project?

B: I think having a project manager is good for accountability purposes. Well, this is from the bank’s perspective, we assume that there is a project risk management team in the bank with an independent project manager hired to lead the assessment and to contribute to the advisory.

A: Meaning that you agree with the involvement of project manager right?

B: Yes, sure.

A: As a corporate financier, do you practice project risks management in doing IPO?

B: Yes, of course! We are doing it.

A: Why? Then can you please describe in which stage of IPO do you apply Project Risk Management?

B: I think it is during the initial stage of advisory, or maybe the initial stage of guiding the company to unlock its value through the IPO. At these stages, risk management is required to assess the company’s fundamentals, which are, for example the financial capacity and planning, creditworthiness, the company’s management capabilities and industry or market conditions.

A: Ok, I am interested in the way you practice risks management at this stage. Firstly, may I know how do you identify risks?

B: Risks are identified mainly by addressing the company’s weaknesses and also threats. And also risks are identified by questioning the strengths of the companies and to assess the validity of its supposed strengths and opportunities.

A: Which means you using SWOT analysis to identify the risk? As you mentioned earlier, by identifying the risks, the organisation strengths, weaknesses, threats and opportunities will be listed down for the risk assessment?

B: Yes, you are right. We are doing SWOT analysis

A: Ok next, how do you prevent risks in IPO?

B: For me, risks of the company have to be clearly identified and addressed. As like, information, documents and financials of the company have to be thoroughly assessed to see whether the company’s business plans are viable, from an investor and also lender’s point of
view. The failure to address this and plenty of disclaimers in the prospectus arising from “grey situations” will not bode well for investor confidence.

A: So, if there is a risk, how do you assess or evaluate it? Or do you stimulate a plan to overcome it?

B: I want to say that, not all risks can be overcome in IPO but I can also tell you that one of the core risks - financial risks are assessed by using existing cash flows and projected cash flows with realistic assumptions. The cash flows are then sensitized to various scenarios and in the worst case scenario, one would be able to assess how the company can fare during bad times. For example, during economic downturn and whether they would be able to still meet their payment obligations.

A: For you, what is your opinion about IPO success?

B: Well I think IPO success is great for banks as it enhances a bank’s track record in successful IPO listings and helps to strengthen a bank’s reputation. I think IPO is good for the bank.

A: In your opinion, what are the factors that can impact an IPO?

B: I think is market conditions and general market sentiments of the said company’s prospects and fundamentals. The financial standing of a company plays an important role and the plans for the company in the future using the funds rose from the IPO. Beside that, The trust in the management team’s capabilities, experience and track record to execute the plans are also crucial to ensure the success of IPO.

A: Alright. This is my last question. Based on my study, having good practices of project risk management like lesson learned report, Risk breakdown structure, scheduling can help in effectively manage the project risk. What do you think about applying these best practices in IPO project?

B: Yes. The practice should be in place for the benefit of all parties. The client may or may not be aware of the risks in their own company and business and they should be advised so that they can plan to address current or potential risks. The banks providing advisory should also conduct due diligence on the company that they are assisting to list and to not miss out on any risks by adopting the good practices or a checklist template to cover all angles. That will help with the approval process from the regulatory bodies.

A: So you will practice it in your future IPO project?

B: Yes if I have a chance to have a try.

A: Thank you very much. I appreciate your help in my dissertation.
Transcription Details 2
Corporate financier 3: MY (Senior Manager)
Date: 22/7/2016
Time: 1230 pm
Location: Office Room
Speakers in the audio file Interview 2
A: Researcher
B: Participant

Transcript
A: Hi. Nice to meet you.
B: Hi.
A: My name is Sue Peng. Thanks for willing to take part in this interview. Just to inform you again regarding the info consent form that you asked me through WhatsApp call. Just to let you know that this conversation will be recorded and the information will be disclosed between you, me and my supervisor. So just be comfortable in sharing your experience later.
B: Not a big deal. I like your enthusiasm in doing your project. So, where should I sign?
A: Just sign here. Thank you. Let’s start our first question.
B: Sure.
A: May I know your experience in IPO project?
B: Sure. I have been involved in 4 IPOs. My roles in those project include support senior members along the IPO deal. Acting as a project manager, investment banker has to get the quotation from professional parties who will be involved in the deal, and participating in the kick-off meeting. I have been involved in the due diligence process both for quantitative and qualitative.
A: So what do you mean by due diligence process for quantitative and qualitative?
B: Quantitative would be analysing company’s financial statement such as breaking down the revenue in order to be disclosed in the prospectus, while for qualitative, I have been instructed to carry out preliminary checking on directors’ background and any issues that against the laws and which are related to the company. Last but not least, drafting on prospectus and having verification checking on each of the sentence that appeared in the prospectus to ensure that every information is correct.
A: So you are the project manager in IPO project?
B: Yes.
A: What do you think if an external project manager is involved to handle the project risks management in IPO?
B: Those things are no problem at all. Risk management is important to certain extent. IPO tend to deal involve millions of dollars and the risk involved is high. Besides, IPO normally takes at least 6 months to be completed. In fact, the timeframe is not short term and within the period, there are numerous reasons that will cause the deal to fail. By having project manager, risk assessment can be performed and the team can be guided and subsequently, the critical issues that will lead the project to failure can be avoided as well.
A: Since you mentioned you are the project manager, can you please describe which stages of IPO involve project risk management?
B: During the IPO transaction and during the IPO process, due diligence, valuation and prospectus drafting might be involved. This is a critical stage as the outcomes are going to show to the regulators and follows by potential investors. Hence, the project team has to ensure that the company that is going to be listed is complying the rules and regulation and at this stage, risk management plays an important role by outlining the potential risks and advising the project team so that the mistakes can be managed and this ensure that the IPO process is always on the right track.
A: I see. Before the IPO transaction, how do you identify risks?
B: IPO involves board field of business knowledge including Companies Act, accounting standard, financial modelling and business process. Risks can be appeared in any parts of the IPO. Our practice is to gain knowledge by referring to the both successfully and unsuccessfully listed projects and identify which part is the risk active section and we will be more cautious about it and pay more attention to it. Furthermore, experience is essential to identify the risk as some of the mistakes can be learnt from failure.
A: In term of risks prevention, how do you avoid potential risks?
B: There are some common risks while there are unique ones. For the former ones, comply with the rules and regulations is the best way to prevent and avoid the risk as it may be stated in the rules and we do not go against the rules will ensure that the risk can be avoided. For the unique ones, it may arise from different industry. By making comparison with the previous successfully listed company in the same industry, it is the best way to prevent the same risk to happen again on the current project.
A: How about risks assessment? Is there any practice that you applied to evaluate risk?
B: So again we refer to the previous projects. There will be problems that faced by other companies and it encourages critical thinking to solve the raising issues. By leveraging the experience gained, it helps to succeed the current project. We can also have meeting with the professional parties to exchange the knowledge to ensure that the professional in different fields can contribute their point of views towards the matter and plan and it can be drafted to overcome the potential risk.

A: Alright. The project risks management practices are to ensure the IPO success. What is your opinion about IPO success?

B: For IPO to be successful, firstly, successfully listed on the market and able to raise capital from the public. That is the goal of the IPO Secondly, successfully raise awareness of the public towards the company. Then is the benefit from the IPO is more than the cost incurred.

A: Then what are the factors that influence the IPO success?

B: Definitely the economic factor. Having a macro or sector economic downturn will definitely affect the related companies that are going to be listed. Reputation and image is also a factor. A sudden incident will largely affect the listing of that company. Company has to prove that it did not involve in any wrongdoing even though it might be rumours. Next will definitely be knowledge. Company and professional parties played a vital role in order to ensure that the IPO can be successful. Having experience and fully mastery the listing rules and Act will increase the chances to succeed the IPO. And the last one is having integrity. Companies and professional parties have to act honestly to ensure that everything is transparent and there is no hiding information as it might be crucial point to the success of the IPO.

A: Based on my study, having good practices of project risk management like lesson learned report, Risk breakdown structure, scheduling can effectively manage the project risk. What do you think about applying these practices in IPO project?

B: I agree with the practices and it would definitely improve the chances of success of the IPO success. Risk may be break down into controllable and inevitable risk. By having good risk management system, it helps to prevent the controllable risks. By doing so, it will increase the percentage of success dramatically.

A: Alright. Thank you for your sharing today. I think the information is good enough.

B: You are welcome. Yet. Do you have any more questions that you want to know?

A: For now, no. If I do, I will email you through Facebook Messenger for clarification.

B: Sure. Let me know if you need anything and good luck.

A: Thank you.
**Transcription Details 3**
Corporate financier 4: S (Assistant Manager)
Date: 19/7/2016
Time: 1220pm
Location: Coffee Bean, Pavilion
Speakers in the audio file interview 3
A: Researcher
B: Participant

**Transcript**
A: Hi S.
B: Hi.
A: Thanks for willing to help me in my dissertation. So, before we start, I just want to ensure you are comfortable with the interview and had read about the consent form that I email to you with the interview questions a couple weeks ago.
B: Yeah, You are welcome. Yes, here you go, I had signed and read it. Just let you know that I cannot released too much of information as your questions is too open-ended and to avoid getting in trouble I will just briefly shared based on my personal experience. I hope that this interview can be done in not more than 20 minutes as I have things to do.
A: Sure, I will try to speed up. So, shall we start our first question?
B: Yes.
A: So, May I know what is your experience in IPO?
B: I was involved in 1 IPO, which was the reverse take-over of Hume Industries (Malaysia) Sdn Bhd and Hume Cement Sdn Bhd by Narra Industries Berhad in 2004, which had resulted in the backdoor listing of the Target Companies on the Main Market of Bursa Malaysia Securities Berhad.
A: So, well, as you know that I am doing a research on project risks management, so, may I know about your opinion on involving a project manager for project risks management of IPO project?
B: Yeah sure, the Principal Adviser is responsible to oversee the process of the making applications to the Securities Commission Malaysia and Bursa, including assessing and
managing the risks. Take note that the risks including but not limited to financial and legal risks. Hence, the involvement of a project manager would likely not be required.

A: Ok, I see. Do you practice project risks management in IPO project?
B: Yes. As we need to ensure the IPO is successful.

A: so, Then I would like to ask about some elements of project risks management.
B: Sure.
A: Firstly, how do you identify risks? You know, how do you identify those problems in your project?
B: This question is too open. I think for me, Due diligence is undertaken on the Company to ensure that all agreements or contracts entered into is valid, and the business has been conducted in an orderly manner. Through this process, any risks will be highlighted to the working group for discussion and resolution.
A: Alright, so, due diligence working group is from the principal adviser? Or somewhere or whoever else?
B: Yes. It is responsible in the legal issue.
A: Alright, Is there any steps taken to prevent the risks in IPO?
B: I will say by ensuring that the terms of references of the relevant professionals appointed by the Company are sufficient for the purpose of the due diligence, and ensuring that all professionals undertake the tasks delegated to them.
A: So then how do you evaluate the risks identified?
B: By determining how likely the risk will affect or delay the submission or the listing, and through discussions with the members of the working group. That’s all I can shared.
A: For you, what is IPO success mean for you? I mean in your opinion.
B: I think it is the success of the listing, which is a combination of efforts from the Company and the relevant professionals appointed by the Company.
A: Based on your experience, what are the factors that may affect the IPO from success?
B: Through due diligence and complete understanding of the Company seeking listing. In additional, statements made to the SC and Bursa Securities must be factually correct and without any material omissions thereto.
A: Alright. Based on my study, having good practices of project risk management like lesson learned report, Risk breakdown structure, scheduling can effectively manage the project risk. So, what do you think about applying these best practices in IPO project?
B: Projects involving applications to the authorities, which includes applications for listing on a stock exchange, are typically structured to minimise project risk. Nonetheless, there is always room for improving risk management practices.

A: Alright, ok, I think that’s all for my questions. Thank you for spending your time to answer my questions.

B: I hope that my information will help and thanks for the coffee.

A: It does! Thank you once again.

B: You are welcome!
Transcription Details 4

Corporate financier 5: AL (Assistant Manager)
Date: 21/7/2016
Time: 9pm
Location: Researcher – House, Participant – House
Medium: Skype
Speakers in the audio file interview 4
A: Researcher
B: Participant

Transcript
A: Hi AL! How are u? Long-time no see!
B: Hi! Welcome back to Malaysia!
A: Thanks for helping me in my dissertation.
B: You are welcome. I received your consent form and I have some issue on it. Because your question is too privacy and I think is hard for me to answer them. I would say having more reading on the SC website or Bursa Malaysia will help you to get some answers. But it seems your question focus on project risk management and I only know about risk management in finance. I suggest you to get another department such as client relationship manager for interview because they are very close with the client and I believe that might be helpful.
A: Yes. I read up the material in Bursa Malaysia and Securities Malaysia about the rules and regulations. However, my research is focusing project risk management where it was one of the topics in project management course that I intend to master it. According to PWC and EY, they had mentioned about project management in IPO project and the IPO process is about 12 to 18months which I assumed is pretty much time needed to commit. And based on their study they do not mention like which stage project management involve. Therefore, I am taking this advantage to do research on it. And I understand that your expertise is in finance area, however, I think you will be the most suitable candidate for my research, as I know expert from corporate finance work closely in IPO project. I do not need exact answer
and in the nature of this research, I can say that each of the sharing during interview is dependent on your personal experiences. Thank you for your suggestion. I will have a look if I have the opportunities to interview the mentioned department as you said just now. As your time is precious, Shall we start the first question?

B: Yes, please.
A: May I know your experience in IPO project?
B: For me, I was involved in 3 IPOs.
A: If a project manager is involved in IPO, specifically in project risks management, what is your point of view?

B: We are the project manager and the executioner of the IPO. However, there are also companies which hire external consultant to make sure internal company procedure is set up in order for them to prepare for an IPO. The external consultants are normally from audit firm. The external consultant will give advices on internal control process. The audit firm would hold the hand of the company towards listing. I am fine with involving a project manager but hire an external adviser is costly for some companies.

A: Since all the members in the group has different group. When you execute IPO, which stages do you involve project risk management?

B: A to Z actually. Firstly, we need to evaluate the suitability of the company to listing to determine it is suitable to be listed in main market or ACE market. Secondly, we will look into the company’s inside out to check on the company’s background, directors’ backgrounds and financial status. After that, a working group is formed. Roles and responsibilities of each member are set out. There are members who are in charge in risks management.

A: Ah I see. To manage the risks right, how do you firstly identify the risks?

B: We use SWOT analysis to identify strength, weakness, opportunities and threats to determine the internal and external influence. Strength and opportunities are capitalised while weakness and threats are eliminated. Strength and opportunities bring success to IPO but weakness and threats bring harm to IPO and then cause risks. We list out the SWOT and consider the factors that can bring big impacts for the IPO.

A: Other than SWOT analysis, is there any other methods to identify risks?

B: For me, I think SWOT is sufficient enough to identify risks.

A: Ok. In term of risks prevention, how do you do?

B: The process of determining the suitability of company for IPO needs to be very careful. The working group will need to submit a review report after that. They will refer to the report in handling the risks.
A: If there is risk identified, how do you assess it?
B: The working group will check on and resolve the issues. If the issue could not be resolved, we might highlight to the authorities for consideration and find out the reason behind it. If the issue is detrimental, most probably the IPO will not be approved. Therefore, it is important during the SWOT analysis.
A: What is IPO success for you?
B: For me, IPO success is the company is listed.
A: Alright, then what are the factors that may influence IPO of the company?
B: IPO may not success. Authorities are responsible for the IPO success. If authorities do not approve the application, it will cause problem in term of time and finance to the company. The company may be pulling out from IPO anytime if it is not ready to be listed in the market or it is not satisfied with the project team.
A: What do you mean by not ready to be listed?
B: The Company is ‘naked’ after it is listed. The requirements are all about disclosure as Malaysia emphasizes on disclosure basis. If they are hiding anything, they will not meet the requirement. Market condition is important. For example, Qualitas Healthcare Group Berhad pulled out from IPO due to unfavourable market condition.
A: Understood. Based on my study, having good practices of project risk management such as lesson learned report, Risk breakdown structure, scheduling can effectively manage the project risk. So, what is your opinion about applying these practices in IPO project?
B: Actually we have our own practice. We did our own internal report, which is similar to lessons learned report, but it is not disclosed to public. Each IPO is unique because they have their own issues and their way of doing things, but it is good to have good practice in managing risks.
A: That’s all for today. Thanks you very much.
B: You are welcome. Please call me if you come back to Malaysia again.
A: Oh! Sure, no problem. See you and thank you very much.
Transcription Details
Corporate financier 1: LR (Executive)
Date: 18/7/2016 and 19/7/2016
Location: Researcher and participant-in Malaysia
Medium: Facebook Messenger
Text Message via social media chat room
A: Researcher
B: Participant

Transcript
A: Hey LR, need your help, are you working in X investment bank corporate finance department?
B: Yes, How can I help you?
A: I need your help to answer my thesis interview question. Regarding IPO project risk management. I intend to interview the people but all not available. Send you the question and have a look? Can?
B: Yeah possible, I will answer based on my experience and what I have gone through.
A: great to heard about this good news, sure no problem, thank you LR.
B: I have just gone through the questions. Just want to let you know that in Malaysia is still pretty much driven by regulators, i.e. compliance based. I believe in UK or the US, or other developed markets, it is often disclosure based rather than compliance based where the set of risks are very different. I think in Malaysia, there are mainly two sets of key risks - one is market outlook (it is almost impossible to list an oil and gas company at this juncture for example) and second - would be getting an approval from the regulators. My answers will focus a lot of regulators.

Below are the replied by LR through Facebook Messenger replied on 18/7/2016, 5:32am via Microsoft Word file with the consent form.

1) What is your experience in IPO project?
   I have gone through one IPO myself, assisting a senior and a Vice President. This company has a revenue of ~100m and is in the industry of machineries. The whole IPO process took more than 2 years with a lot of restructuring and “cleaning up” required. As with any China-man company, this company has little control/corporate governance in place, where the two co-founders (CEO and Executive Director) make
all the decisions. Most of the time were spent on putting in place the necessary framework (to comply with local listing regulations). The good thing for us was that another consulting firm was hired to assist them in the process.

2) What is your opinion about involving project manager especially in project risk management in IPO project?
I believe it is important to have a project manager on the ground working hand-in-hand with the sponsors (owners of the business). As part of an investment bank, I do believe that we do not have the resources on the ground to go through the project risk management process with the sponsors. Sponsors, on the other hand, may not have the necessary skills or knowledge to do it on their own.

3) Please describe which stages in the IPO process require project risk management, which is the process of identifying, managing and responding to the risk?
I believe risk management starts from day one. The goal is to work towards ensuring all requirements are met so that a submission can be made.

4) How do you identify risk?
From an investment bank point of view, the role is to ensure a successful IPO which depends pretty much on a few things 1) market outlook 2) obtain approval from the regulators.
Market outlook is a factor beyond control of the investment bank. However, as an investment bank, we would often put in extra hours to ensure documents are submitted to the regulators and approval is obtained. We try to “strike it while it’s hot”. In a bright market outlook, it is often easy to build up a list of investors/cornerstone investors to take up the shares.
On regulators end, there is a list of requirements to comply. In my opinion, this is mainly to ensure minority shareholders are protected. Some of the requirements would include transparency of information, appointment of independent directors, third party valuation for assets to ensure fair value reflected, independent market researcher to verify the outlook.
Biggest risk to me is therefore unable to obtain approval from the regulators for an IPO. To identify risk, is to understand what the regulators want. While regulators have a list of requirements to comply with, but different industry may have different requirements. More often than not, what we have seen is that if it’s an industry that the regulators is familiar with, the process would be easier in the sense that we know
what is expected. For a niche market/industry, we would often set up dialogues with them to see how to move things forward.

5) How do you prevent and avoid risk to happen during IPO project?
   The obvious one would be to ensure all areas are covered and that all requirements are met before a submission of documents.

6) How do you access/evaluate risk and stimulate a plan to overcome it?
   Understand who the processing officers behind your submission are. Look at what are the key areas that they look at.

7) What is your opinion about IPO success?
   A successful IPO is one that managed to raise sufficient funds to bring the company to next stage at a particular pricing yet at that pricing, some profits are leave on the table for the new shareholders.

8) What is the factors that influence IPO success?
   Getting approval. Once approval obtained, it is pretty much depends on market outlook and also track record of the company/management.

9) Based on my study, having good practices of project risk management (lesson learned report, Risk breakdown structure, scheduling) can effectively manage the project risk. What do you think about applying these best practices in IPO project?
   While I believe that it may not be properly documented, but yes having good practices of project risk management is important to effectively manage the project risk. This often would come from experience.

B: I also think that a more suitable department to check on IPO would be the Client Relationship team as they deal with the clients from day one to listing, while CF often starts from preparation of documents to getting approval.

A: base on your experience, how much is the involvement of project management in ipo?
B: What do you define project management as? We work (as an investment bank) pretty much like a project manager. We make sure the audit firm do what they need to do, the lawyers do what they need to do, the researcher do what need to do. Valuer, if needed, do what they do. Our job is to make sure everybody delivers what they are supposed to within certain timeline. We put them together, then we put in a submission to regulators.

19/7/2016, 430am
A: Hi LR, sorry for the late reply because I’m analysing the information that you replied yesterday. Thanks for your time to participate in the interview process and I really appreciate your help.
Below are the definition of project management, “Project Management is the application of knowledge, skills, tools & techniques to project activities to meet the project requirements” PMBOK 2013:5 “Project management is the process by which projects are defined, planned, monitored, controlled and delivered such that the agreed benefits are realised” (Association for Project Management, Body of Knowledge 5th Edition). Most of the questions have been covered, but I would like to have some clarifications and suggestions from your answers.

Answer 1: what is the nature of the consultation firm as you mention in answer 1? Is it from project management firm (PMP, PMO background?)

Answer 2: what are the examples of research on the ground in answer 2?

Answer 3: Can you please describe briefly about the flow of the IPO process from the day 1 that you are involved until getting approval?

Answer 4: Is Regulators refer to Bursa Malaysia and Securities Commission?

Answer 6 How do you identify who is the processing officer and know what are the key area that they look at?

B: Answer 1 - these are former investment bankers turned consultants
Answer 2 - I don't have any research to quote, but I can tell from experience that it's often easier to make things happen if the sponsors know what to do, and usually with the help of a consultant, that will make life much easier.
Answer 3 - It will start with an initial meeting to understand the company, what kind of growth prospect, understand how much money they need to raise to fund next stage expansion. From there, you put together a team, appointing lawyers, accountants, independent market researchers. You also work on a timeline and ensure all parties revert with information according to the timeline to ensure you obtain all documents/information for the purpose of submission. Once you have everything, you put together a submission. Regulators will then review it and often will come back with more questions to clarify certain matters.
Answer 4 - Yes
Answer 6 - Experience. If you have dealt with them before, you will know what are the areas they always look for.

A: thank you very much, you are the first one and only respondent that complete my research question.
APPENDIX 5: Information Sheet for Participants

Information Sheet for Participants

PROJECT TITLE
How does Project Risk Management influence a successful IPO project? A case study in an investment bank in Malaysia.

We would like to invite you to participate in our study to identify the role of Project Risk Management in ensuring a successful launching of an IPO. This study will be conducted by me, Tan Sue Peng a MBA student in Project Management studying in Dublin Business School and will be supervised by MR. John Hewson.

WHAT WILL HAPPEN
In this study, you will be asked several questions regarding Project Risk Management in launching an IPO. We would like you to share your experience in handling an IPO and identifying the traits in launching a successful IPO and comparing them with failed IPO.

TIME COMMITMENT
The study typically takes 20-30 minutes to complete.

PARTICIPANTS’ RIGHTS
You may decide to stop being a part of the research study at any time without explanation required from you. You have the right to ask that any data you have supplied to that point be withdrawn / destroyed.

You have the right to omit or refuse to answer or respond to any question that is asked of you.

You have the right to have your questions about the procedures answered (unless answering these questions would interfere with the study’s outcome. A full de-briefing will be given after the study). If you have any questions as a result of reading this information sheet, you should ask the researcher before the study begins.

CONFIDENTIALITY/ANONYMITY
The data I collect does not contain any personal information about you except the company that you are working from, your role in the company and the type of industry that you were in involve. The data collected will be used in my dissertation and publication after editing, the original data will be destroyed once my dissertation is complete.
FOR FURTHER INFORMATION

I or / and Mr. John Hewson will be glad to answer your questions about this study at any time. You may contact my supervisor at john.hewson@dbs.ie and Dublin Business School contact +353 1 417 7500.
APPENDIX 6: Informed Consent Form

Corporate financier 1: LR

Informed Consent Form

PROJECT TITLE: How does Project Risk Management influence a successful IPO project? A case study in an investment bank in Malaysia.

PROJECT SUMMARY:

We would like to conduct a study to explore the role of Project Risk Management in launching a successful IPO. We would like to identify the risk and uncertainties in IPO project and understand the tools and technique used as well as to identify the type of risk during IPO project. We would like to explore if there is any contingency plan apply by corporate finance and determine the factor impact on IPO process.

At the end of this study, we would like to understand the best practice of Project Risk Management contributes to project success that may impact on IPO project success as well.

By signing below, you are agreeing that: (1) you have read and understood the Participant Information Sheet, (2) questions about your participation in this study have been answered satisfactorily, (3) you are aware of the potential risks (if any), and (4) you are taking part in this research study voluntarily (without coercion).

Ir .............................................. LR ..............................................

Participant’s signature .............................................. Participant’s Name (Printed) ..............................................

SP ..............................................

Student Name (Printed) .............................................. Student Name signature ..............................................

19/7/2016 ..............................................

Date ..............................................
Informed Consent Form

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________________________  ________________________
Participant’s signature    Participant’s Name (Printed)

SP

________________________  ________________________
Student Name (Printed)    Student Name signature

14/7/2016

________________________
Date
Informed Consent Form

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MY

Participant’s signature

Participant’s Name (Printed)

SP

Student Name (Printed)

Student Name signature

22/7/2016

Date
Informed Consent Form

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______________________________
Participant’s signature

S

Participant’s Name (Printed)

SP

Student Name (Printed)

Student Name signature

19/7/2016

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-AL- AL

Participant’s signature Participant’s Name (Printed)

SP

Student Name (Printed) Student Name signature

21/7/2016

Date