

## **Risk Management in Procurement of Oil materials**

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### **Abstract**

Oil industry is one of the most sensitive industries that exposed to various risks, this due to several reasons. Thus, the challenge is how to mitigate the effects of these threats and risks during procurement operation. This is where risk management issue and supply chain management is vitally needed by procurement practitioners to execute their procurement operations efficiently and agile. The purpose of this research is to investigate the role of supply-chain risk management in the oil industry and more specifically to understand how material procurement practitioners assess supply chain risk management to achieve smooth procurement operations. To investigate and examine the risk management practice within procurement organizations, a mixed method (qualitative and quantitative) has been adopted. Questionnaire and data collected from 65 procurement managers, supported by 9 semi-structural interviews been conducted to complement the finding of the questionnaire. This research revealed that service providers and contractors are the highest percentage of stakeholders who are practicing risk identification technique. Therefore, the interview with number of procurement managers shows that numbers of risks such as clone parts are much harmful on material procurement operations.

### **Keywords**

Risk management, oil industry, procurement operation, qualitative and quantitative method.

## **Biography**

**Mohamed Laradi** is PhD student in engineering and management (EM) at Coventry University. In 2012 received the Master's degree in EM. Interested areas are Supply Chain Risk Management, Procurement Process, Operation Management, Modeling and Simulation.

**Dr Abdussalam Shibani** upon completing a PhD in the Implementation of Total Quality Management (TQM) in Construction Industry in Libya, Dr Shibani continued his research work Coventry University as a Postdoctoral Research Fellow. The focus on the Libyan construction industry is making a substantial contribution to knowledge as very little research work on total quality management (TQM) has been published in the Libyan context. A number of construction companies in Libya, including a major one, have already taken an interest in the project and talks are underway to establish a working relationship. The research has culminated in the publication of a number of conference and journal papers. Currently, three PhD students are being supervised covering the topics of supply chain management and management training.

**Dr. Abdessamad Douraid** is presently a Professor at The Higher Institute for Maritime Studies (Institut Supérieur d'Études Maritimes - ISEM) in Casablanca - Morocco. Mr. Douraid holds his science engineering Ph.D. in industrial engineering specialized in supply chain management and logistics from Superior National School of Electrical and Mechanical (Ecole National Supérieur d'Electricité et de Mécanique – ENSEM Casablanca). Basically, he graduated with bachelor of Electronic Engineering Systems from faculty of science Ben M'Sik-Casablanca in 2008. In 2010 he received the Master's degree in his same area of research (IE), alumni of university Hassan II "Ecole Nationale Supérieure d'Electricité et de Mecanique" (ENSEM) Casablanca-Morocco. His areas of interest are Procurement process, production system, modeling, simulation and optimization.

**Dr. Khalid El Had** is currently Director of Research and Studies, and a fulltime senior lecturer at The Higher Institute for Maritime Studies (Institut Supérieur d'Études Maritimes - ISEM) in Casablanca - Morocco. Mr. El Had holds a Ph.D. in engineering science of mechanical engineering from Superior National School of Electrical and Mechanical (Ecole National Supérieur d'Electricité et de Mécanique – ENSEM Casablanca). Also he is 1<sup>st</sup> class chief in Mechanical Engineering of merchant marine from ISEM. He is a Certified Management Consultant with over 20 years of experience in working with closely-held companies in maritime and industrial sector. He has taught courses in mechanical engineering, management and safety for engineers. Mr. Reimer served as member of the Minority Economic Development Committee of New Detroit. His research interests include maintenance management, non-destructive testing, simulation, manufacturing and maritime logistics.