**General business risks[[1]](#footnote-2)**

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### Instructions

Mark the boxes according to how they describe your organization:

|  |  |  |
| --- | --- | --- |
| 1 Strongly agree | 3 Perhaps, but I'm not sure | 5 Strongly disagree |
| 2 Agree | 4 Disagree | NA Not Applicable |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 1 | 2 | 3 | 4 | 5 | NA | Explanation |

### Political

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Change in government policy has negligible impact on you |  |  |  |  |  |  |  |
| 1. Complying with government requirements is simple |  |  |  |  |  |  |  |
| 1. Compliance costs are low |  |  |  |  |  |  |  |
| 1. Trade barriers are falling |  |  |  |  |  |  |  |

### Economic

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. You can easily get finance when you need it |  |  |  |  |  |  |  |
| 1. Interest rate increases will have little effect |  |  |  |  |  |  |  |
| 1. GNP is strongly increasing |  |  |  |  |  |  |  |
| 1. Inflation is low |  |  |  |  |  |  |  |
| 1. Exchange rate fluctuations do not effect you |  |  |  |  |  |  |  |

### Legal

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Your policies or procedures cover all normally foreseeable eventualities |  |  |  |  |  |  |  |
| 1. Contractual relations are checked and monitored to prevent weaknesses |  |  |  |  |  |  |  |
| 1. You face no legal liability resulting from problems in products or services |  |  |  |  |  |  |  |
| 1. You face no risk of liability resulting from environmental harm[[2]](#footnote-3) |  |  |  |  |  |  |  |

### Industry

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. The industry has strong profit margins |  |  |  |  |  |  |  |
| 1. The industry is growing |  |  |  |  |  |  |  |
| 1. The industry does not compete with other industries |  |  |  |  |  |  |  |
| 1. This industry does not currently face any critical problems |  |  |  |  |  |  |  |
| 1. The industry has long business cycles |  |  |  |  |  |  |  |

### Structure and strategy

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Your structure is vertically integrated |  |  |  |  |  |  |  |
| 1. You measure performance accurately |  |  |  |  |  |  |  |
| 1. You have a strong record in implementing your business strategy |  |  |  |  |  |  |  |
| 1. Your face a low risk of fire, especially in records |  |  |  |  |  |  |  |
| 1. You have a strong market strategy |  |  |  |  |  |  |  |

### Finance

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. You can easily manage your debt load |  |  |  |  |  |  |  |
| 1. You have more than enough liquid assets to cover all debts |  |  |  |  |  |  |  |
| 1. All projects have an assured return |  |  |  |  |  |  |  |
| 1. You have negligible corruption problems |  |  |  |  |  |  |  |

### Market change

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. You have no new direct competitors |  |  |  |  |  |  |  |
| 1. You have no new indirect competitors |  |  |  |  |  |  |  |
| 1. Customer tastes are not changing rapidly |  |  |  |  |  |  |  |
| 1. You have major customers on long-term contracts |  |  |  |  |  |  |  |

### Market share

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. You have a clearly defined market segment |  |  |  |  |  |  |  |
| 1. Your market share is dominant |  |  |  |  |  |  |  |
| 1. Your market share is growing |  |  |  |  |  |  |  |
| 1. Competitors are complacent or poorly-run |  |  |  |  |  |  |  |
| 1. You don't depend on only one major client |  |  |  |  |  |  |  |
| 1. You have competitive pricing structures |  |  |  |  |  |  |  |
| 1. Your market is a wide geographical area |  |  |  |  |  |  |  |
| 1. Your market is a wide demographic area |  |  |  |  |  |  |  |
| 1. Demographic changes work in your favor |  |  |  |  |  |  |  |

### Product range

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. You are expanding into new product lines with strong growth potential |  |  |  |  |  |  |  |
| 1. You have a strong track record in launching profitable new products |  |  |  |  |  |  |  |
| 1. New products have a short time-to-market |  |  |  |  |  |  |  |
| 1. You have a range of core products |  |  |  |  |  |  |  |

### Product provision

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. You consistently deliver your services or products |  |  |  |  |  |  |  |
| 1. You have a strong distribution system |  |  |  |  |  |  |  |
| 1. You have a high quality product |  |  |  |  |  |  |  |
| 1. You have few product recalls |  |  |  |  |  |  |  |
| 1. You do little warranty/guarantee work |  |  |  |  |  |  |  |

### Market image

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. You have a strong brand image |  |  |  |  |  |  |  |
| 1. Your advertising is demonstrably very effective |  |  |  |  |  |  |  |
| 1. You have had no incidents attracting negative publicity |  |  |  |  |  |  |  |
| 1. You are unlikely to have incidents attracting negative publicity |  |  |  |  |  |  |  |

### Cost structures

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. You have higher than average profitability in your industry |  |  |  |  |  |  |  |
| 1. You have competitive cost structures |  |  |  |  |  |  |  |
| 1. You have a strong bargaining position with your suppliers |  |  |  |  |  |  |  |
| 1. You are not dependent on one major supplier |  |  |  |  |  |  |  |
| 1. You have innovations or technology that give you a market edge |  |  |  |  |  |  |  |
| 1. You keep your innovations or technology in a strongly competitive position |  |  |  |  |  |  |  |

### Stakeholders

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. You have not changed your Board Chairperson or CEO for a long time |  |  |  |  |  |  |  |
| 1. You foresee no change of Board Chairperson or CEO |  |  |  |  |  |  |  |
| 1. All your managers are experienced and competent |  |  |  |  |  |  |  |
| 1. All other staff are experienced and competent |  |  |  |  |  |  |  |
| 1. You have skills to cover all your skill needs |  |  |  |  |  |  |  |
| 1. You have low staff turnover |  |  |  |  |  |  |  |
| 1. You face no risks relating to hiring new staff |  |  |  |  |  |  |  |
| 1. You deal with customers effectively |  |  |  |  |  |  |  |
| 1. You deal with other stakeholders effectively |  |  |  |  |  |  |  |
| 1. You face no communication barriers with stakeholders (e.g. distance or culture) |  |  |  |  |  |  |  |

### Resources

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. You have up-to-date facilities and equipment |  |  |  |  |  |  |  |
| 1. Your plant works at 100% efficiency |  |  |  |  |  |  |  |
| 1. You have acquired rival firms |  |  |  |  |  |  |  |
| 1. You manage assets very effectively |  |  |  |  |  |  |  |
| 1. Projects are managed to consistently cover their costs |  |  |  |  |  |  |  |

### Alliances

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. You have strategic alliances |  |  |  |  |  |  |  |
| 1. Your alliances clearly strengthen your business position |  |  |  |  |  |  |  |

### Information Technology

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Your computer data is secure |  |  |  |  |  |  |  |
| 1. Stored data is safe, including from human error in managing information |  |  |  |  |  |  |  |
| 1. You face no problems implementing new IT |  |  |  |  |  |  |  |

End

1. This is a general instrument only and might not meet all particular risk identification needs of your organization. [↑](#footnote-ref-2)
2. E.g. spillages of toxic chemicals, release of toxic gases, destruction of natural wetland or bushland, etc. [↑](#footnote-ref-3)