

## Risk Worksheet

Starting and running a business brings two kinds of risk:

Internal (weaknesses)	External (threats)
<ul style="list-style-type: none"> <li>• Spending/cashflow</li> <li>• Someone falls ill, gets injured, or dies</li> <li>• Personal relationships, work/life balance</li> <li>• Internal theft or fraud</li> <li>• Low morale</li> <li>• Procrastination/avoidance</li> </ul>	<ul style="list-style-type: none"> <li>• Market/competition</li> <li>• Technology/IT systems</li> <li>• Environmental hazards (storms, flooding, earthquake, pandemic)</li> <li>• Changes to local, state, or federal laws</li> <li>• Community (traffic flow, impact of other businesses)</li> </ul>

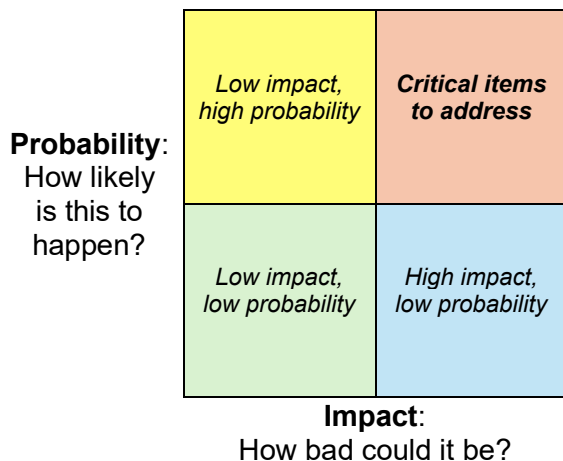
Risk management involves **making a plan to handle things that could go wrong**. You think about what might happen and how bad it could be. Then you consider two things:

- What could you do to make things better?
- How could you prevent this from happening?

Here are two ways to think about the risks associated with starting a cannabis retail business.

### Crisis Planning Grid

Make a list of all the things that could cause your business to fail. Then plot them on a grid, like this:



### Risk Bow Tie

You can plan for each critical item, or risk event, with these 4 questions:

1. Causes: What might cause this?
2. Consequences: What might happen as a result?
3. How could we prevent this?
4. What should we do if it happens?



Learn more about risk management from StartUp Washington:

<http://mystartup365.com/resources/financial-literacy/risk-management/>