

## RISK MANAGEMENT EXAMPLE

Risk Type	Risk Description	Indicator	Probability [1-5]	Impact [1-5]	Score [1-25]	Preventive Measure	Response Measure
Financial	Sponsor don't pay on due date	Payment not received as agreed in the contract	3	5	15	Dully monitor payments, compared to the contractual agreement (monthly).	Discuss payments in smaller installments
Financial	Loss of general sponsor	General sponsor not interested in renewal talks	2	5	10	Discuss solutions with sponsors, balance expectations, increase fundraising activities with other sponsors	Increase marketing activities, create a new (better) proposal. Search for other General Sponsors.
Financial	Not able to pay suppliers	Monthly planning reports shows we won't be able to cover the expenses for the next month	3	3	9	Prepare budget and cash flow plan each season. Complete the Monthly Monitoring Report each month and respond accordingly (cut on non-essential expenses). Don't spend on non-essential costs that weren't in your budget.	Discuss paying in installments or postopning payment date. Communicate upfront and reassure payment by presenting the sources from which you will be able to pays
Financial	Grants available from the City Government will be lower than we planned	We don't meet the conditons	2	4	8	Run your organizations to fit the conditions (conditions from previous year can indicate a good direction). Immediately upon release of the conditions evaluate your chances to fit the conditions and realistically evaluate potential Grant Amount. The sooner you discover any deficiancies, the sooner you will be able to respond.	Increase fundraising activities with sponsors. Adjust your organization's internal factors to fit the City Government's conditions (at least for the next year).