**ASSESSMENT REVIEW: 2**

**RISK ANALYSIS AND ACTION PLAN**

**Executive Summary:**

This report aims to address the associated risks that MacVille Pyt Ltd is supposed to overcome while expanding the respective concern as a chain of cafes across the core of Queensland, Brisbane. Moreover, the prescribed risks are successively supported with prudent analytical frameworks in order to identify the severity of the consequences that may pave the respective enterprise towards competitive advantage.

# Introduction:

Macville Pvt Ltd has been able to earn a competitive advantage in the beverage market of Australia by tailoring their absolute strategy to construct a chain of cafes across The Central Business District (CBD) of Brisbane, Queensland towards existence. Moreover, the Board of Directors has expressed a desire to expand their scope of activities by introducing re-branding of their prevalent Hurley’s cafe in Toowoomba. As it is imperative to support their expanded pursuits with a prudent risk management strategy, the Store Assistant Manager and other responsible authorities have been able to discern certain (four to be specific as per the given scenario) potential sources of risks that may be taken into consideration.

# Risk Analysis:

As per the investment statistics of MacVille’s, it is very evident that they have invested a substantial sum of $4000 as an initial investment that inherently symbolizes a risk of being burgled from the office compound overnight. However, this cause of threat can be easily resolved as it holds an accountability of minor consequences (Block, Thurik, van der Zwan & Walter, 2013). On that note, the company can be recommended to devise a policy under which the respective authority is supposed to bring their credit at an everyday basis. Moreover, this risk can be easily resolved by insuring the overnight cash holdings of the respective enterprise. Apart from that, the authority does not excluded the possibility of physical harm of any of the subordinates (especially the cardinal designations such as Managers) from their paradigm of consideration (Amit & Zott, 2015). As per the experiences the associates have accumulated from frequent site visits it seems, though the local customers, vendors and other subordinates enjoy an unimpeded access in the site premises, there lie potential chances of physical injury. Since the time-effective track towards the site appears to be laden with hindrances, (trucks impede the track quite often) and it is very likely for an accident to occur. This is why the company seeks competent chauffeurs to minimize the corresponding adverse consequences. The legal aspect of their consideration of risk factors constitutes the quotient of non-compliance that the workers are prone to exhibit towards the legal considerations. This may tarnish the prevalent reputation of the firm accompanied by a gross decline of brand value while paying a substantial penalty. Moreover, the authorities have recently identified a brewing dissent among a certain section of employees regarding wearing the approved uniform by MacVille that have the potential to transform into serious labor trouble. Some of them have started to transmit their opinions as a form of provocation among the rest of the workers and eventually started indulging them to alter the instructed process and services as per their privilege. As per a recent citation, the management of the enterprise wish to impart a moderate significance on the brewing risk of water compliance, Whereas, the same citation addresses a mournful concern regarding the death of any subordinate(Sadgrove, 2016). Apart from everything else, the financial component of the decision-making agency seems so callous regarding some critical issue that make likely to frame in in the current scenario where the responsible engine left some of the wage and superannuation oriented issues incomplete and this may instigate a severe dissent among the obedient and responsive section of the employees.

# Risk Action Plan:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Risk | Assess Risk    (Score) | Controls | Action Priority | Timelines | Responsible |
| Banking Risk- Withholding Overnight Cash | 1-ALARP | 1. Strategically evading the responsibility of carrying overnight cash simply by crediting it in a daily basis  2. Insuring the overnight cash holdings to protect from site premises  3. Shifting banks from remote distances in order to ignore walking | Modest since it is a governing parameter to evaluate the financial performance characteristics | Opening Week | Financial Controller  Board of Directors |
| Traveling Risk- Physical Injury | 2-GU | 1. Strategically ensure to finish the meetings within a specified time  2. Issuing a letter of excuse in order to emphasizing the fact every meeting must finish within a specified time  3. Employing competent chauffeurs to evade the risk of accidents | High since it advocates the ethical consideration of the enterprise | Within three months after the opening week | - |
| Risk- Losing Brand Recognition | 1-ALARP | 1. Ensure the compliance of the subordinates to the brand uniforms by enhancing the interface of exchange | Modest since it is almost inevitable in any enterprise and asks for a strategic combat | Within six months after the opening week | Board of Directors  Store Manager |
| Risk- By-Law compliance | 3-Intolerable | 1. Installation of Native Water plants to reduce usage  2. In order to reduce the dependence quotient, substitute water tank can be installed  3. Installation of dual-flush toilets  4. Encouraging several methods of water conservation  5. Graphically represent a water-usage graph in order to develop an in-depth understanding about water-usage  6. Replacing the prevalent dishwasher with an upgraded substitute (that has a 5-6 WELS rating) | Paramount since the enterprise needs to comply with the legal considerations in order to subsist | Presettlement |  |
|  |  |  |  |  |  |

# Risk Matrix:

|  |  |  |  |
| --- | --- | --- | --- |
| Risk | Occurrence (%) | Severity | Stakeholders |
| Banking Risk | 25%-50% | 1-ALARP (Tolerable) | Financial Controller |
| Legal Risk | 75%-100% | 3-Intolerable | Board of Directors |
| Brand Reputation Risk | 25%-50% | 1-ALARP (Tolerable) | Store Manager |

# Risk Treatment

As per the risk, priority measures, initially the issues oriented with the shortage of dishwater can be addressed since it holds a significant possibility of catastrophic consequences. This issues started brewing recently and can be resolved if the enterprise can enable them to follow some easy recommendations.

* As the integrated watering system enforce the entire organization to compromise water usage as per the priority of the purpose, simply installing tiny native water plants can compensate the rest of the requirement of water.
* Since the water provided by the council sponsors some integral component of the enterprise, installation of a substitute water tank can serve the residual requirement and reciprocally reduce the dependency.
* Apart from that, management can graphically interpret the daily water usage in the respective staff room in order to develop an in-depth awareness of the water usage and this may inherently enable them to use water systematically.
* The current financial status will obviously cater the affordability of replacing the existing dishwashers with a systematically upgraded one (Cavusgil, Knight, Riesenberger, Rammal & Rose, 2014).

As per as the financial stake including burglary is concerned, the management can easily resolute this by;

* Carrying credit in everyday basis as per recommended in the action plan.
* Moreover, insuring the overnight cash holdings can facilitate the process further.

 As per the physical harms are concerned in the current context, the issues can be resolved by;

* Since some of the important officials and other directors are facing difficulties as per attending meeting is concerned, the management have to be strategically disciplined enough to finish the meetings within the specified time.
* In order to execute the above-mentioned recommendations, an excusal letter of unconditional leave can be issued to the manager that no one is up to stay in the meeting after the specified time(Hsu, Backhouse & Silva, 2014).

The scenario of brewing dissent among a certain section of subordinates may pave the brand recognition towards disparage since the vehement denial of uniforms can transmit an adverse impression of lack of synchronization among the integral parts of the company. Hereby, the Goldsmith Partners can be recommended to invest a little more while in making the interface of exchange diligent and good(Hair, 2015).

The prioritization of risks can be easily deciphered from the attached Risk action plan. As per the ethical considerations of the enterprise, they paramount emphasized on the physical security of their staffs and seamlessly affected to ensure such. Any physical harm during working hours is rationally unexpected as per the proclamation of the enterprise (Nabi, G., & Liñán, 2013).

The banking risk that has been elaborated here can be considered into the paradigm of financial issues. Financial performance and corresponding statistics are the second most criteria to flourish in this volatile market ambience. MacVille’s is supposed to place it as the second most important aspect of risk management in their priority list (Samantra, Datta & Mahapatra, 2014).

# Conclusion:

In the light of the above report, an empirical awareness of risk management along with the certain analytical tools can be obtained along with the perception of how these governing parameters facilitate an enterprise to acquire competitive advantage to sustain in this globalized economy. In this current context of MacVille Pyt Ltd, the learner may earn an insight that why it is imperative to support a scope of expanding venture with its forecasted and prudent risk management strategies. This course of report have successfully identified the potential sources of risks during the execution of a desire to develop a chain of cafes across the core of Brisbane, Queensland and the corresponding index of severity and occurrences has been extensively addressed. Apart from that, this report serves the moral obligation to exhibit the modus operandi of the consecutive frameworks while assessing the risk-propensity of them. Any modification or desired leap in a business venture while consolidating the prevalent reputation needs to overcome the potential sources of legal, ethical and other intangible risks in order to acquire sustainability and bring every further agendas into existence.