



# Risk Management Assessments: Why Your Business Needs One

No matter what industry you're in, managing risk is a critical part of doing business. Risk management assessments help you identify potential risks to your business and put a plan in place to mitigate them. Here's a look at why your business needs a risk management assessment.

## What Is a Risk Management Assessment?

A risk management assessment is a formal process for identifying, analyzing, and responding to risks to your business. The goal of a risk management assessment is to minimize the negative impact of risks on your business. To do this, you need to identify which risks are most likely to occur and have the greatest impact on your business. You also need to develop strategies for responding to these risks.

## Why Your Business Needs a Risk Management Assessment

Even before the COVID-19 pandemic, higher-growth companies were twice as likely to view risk management as key to achieving the company's strategic goals. Now, the war in Ukraine, supply chain disruptions, and widespread inflation have even further proven the need for assessing, strategizing, and mitigating risks. Below are some of the many reasons why your organization needs a risk management assessment.

### Higher-growth companies are twice as likely to view risk management as key to achieving strategic goals

Among companies with revenue CAGR under 5%



Feel risk management is one of the most important factors for achieving the company's strategic goals

Among companies with revenue CAGR of 5% or more



Feel risk management is one of the most important factors for achieving the company's strategic goals

▶ 1

### Avoid bad publicity

If you're not prepared for potential risks, they can quickly spiral out of control and damage your reputation. A risk management assessment can help you identify risks before they happen and develop a plan for dealing with them.

▶ 2

### Protect your bottom line

Many businesses fail because they don't effectively manage their risks. When you identify risks early on, you can take steps to mitigate them before they cause significant financial damage to your business.

▶ 3

### Improve your decision-making process

When you know what risks are out there, you can make better decisions about where to allocate resources and how to respond to potential threats. This leads to more efficient and effective operations overall.

▶ 4

### Bring peace of mind

When you have a plan in place for dealing with risks, you'll be less stressed and better able to focus on what you do best – growing your business. In today's complex world, risk is elevated, so do yourself a favor and assess and plan for your risks now.

Managing risk is a critical part of doing business. A well-run risk management assessment can help you avoid bad publicity, protect your bottom line, improve your decision-making process, and give you peace of mind. If you haven't had a risk management assessment for your business or haven't had one recently, now is the time to get one started and [contact us](#) at GlobalEdgeMarkets. We are ready when you are.

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