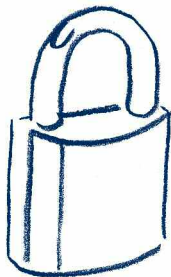


# Business challenges - minimising the risk

The unexpected can always present unwelcome challenges, as highlighted by the recent recession.

Do you have any documentation covering the unexpected and serious?

A little forethought could make all the difference. This list is designed to assist a review of your current business operation to minimise risk and to maximise opportunities for your business.



Day to day operational and other practical issues to consider are:

## Equity

- Have you signed a shareholders' agreement?
- Have you planned your ultimate exit route and addressed the succession issue?
- Have you established a valuation formula for your shares?
- How structured are your arrangements with investors?

## Finance

- How strong is the relationship with your bank?
- Review your funding arrangements with banks, investors and others. How much latitude do you really have to meet unexpected demands and shortfalls?
- How vulnerable are you to a dominant customer/supplier?
- Is your business vulnerable to interest/exchange rates?
- Have you given/taken any personal guarantees?
- How good is your credit check and control/debt-collection process?

## Property

- When did you last review your current and future property requirements?
- How flexible are the terms of your lease?
- Is there a break clause or other opportunity to renegotiate?
- Are you prepared for a dilapidations claim at the end of the lease?
- Are you prepared for the next rent review?
- What difference might flexible working arrangements make?

## People

- Are the right people in the right jobs?
- Do all your staff have up-to-date contracts of employment?
- Do you carry out and act upon regular appraisals for all staff?

# Business challenges - minimising the risk

- Are you looking after your key players?
- Is there anyone in the 'only he/she knows' position?
- Have you addressed the issue of flexible working?
- Have you considered securing motivation and loyalty for your staff by equity sharing?
- Have you got proper grievance/disciplinary and redundancy procedures in place?

## IPR/IT

- Are you adequately protecting your brands, products and ideas?
- Does your business rely on rights owned by others?
- Do you have social media guidelines in place?
- What would you do if your ISP went out of business today?
- How often do you back up your systems?
- How good is your IT generally?
- Do you know your competitors and what they are doing?

## Business structures and risk

- When did you last review your business plan?
- Have you considered new business structures to take advantage of tax breaks?
- Are you over-reliant on one or more customers/suppliers?
- Do you have a disaster plan and is it kept off site?
- Are all insurances (key man etc) in place? When did you last review them in depth?
- Have you and members of your immediate family made Wills?
- In the light of increasing personal liability for directors, have you taken out insurance cover?
- Have you carried out a business risk audit? Do you know the consequences of failing to manage the ever-increasing range of risks in your business?