

Your Name and Your Project’s Name: **Priya Chowdary Movva - Start a New Restaurant**
Risk Identification

Rank	Risk Name	Description	Triggers	Potential Responses	Prob. of Being Triggered (%)	Impact if Triggered	Chosen Response
1	Hiring Staff	There is always a risk associated with every employee hired, that they may leave soon after joining and getting trained (within 6 months), especially with the waiters or servers.	Better opportunities that pay more, employees made to overwork, and dissatisfied employees tend to leave early.	Mitigation – By setting up bonds or regulations where employees after accepting offers agree to stay with the organization for a minimum defined period. Acceptance – Hope that all employees continue working with the organization for a long term.	15%	Need to invest in the hiring and training process again, which will cost a lot of time, money and effort to the organization.	Risk mitigation as the cost associated with this risk is high.
2	Obtaining Licenses/Permits	Licenses and permits are required to open and operate a restaurant. Business License, Food Service License, Employer Identification Number (EIN) and Liquor License are the important ones. Acquiring these licenses involves a lot of paperwork and patience. It takes time for each one to be approved.	Error in paperwork, insufficient funds and incorrect documentation delays obtaining licenses within 60 days of opening date.	Accept – Hope everything goes smoothly, and licenses get approved before the opening date. Mitigate – Meet with the licensing authorities frequently, to ensure quick processing and take timely action in case of incorrect documentation. Escalate – Inform the executive stakeholders and request for additional funds to fasten the process.	5%	Will delay opening of the restaurant and create chaos among the stakeholders.	Accept – High confidence among stakeholders that licenses will be obtained on time.
3	Food Spoilage	Food spoilage makes an ingredient no longer	Storage equipment failures, power outages, overstocking	Avoid – By proper inventory tracking and	15%	Food spoilage not only results in wastage of food and money but	Avoid risk as it may directly

Your Name and Your Project’s Name: **Priya Chowdary Movva - Start a New Restaurant**

Risk Identification

		consumable because its nutritional value, flavor, or texture does not meet quality standards.	and improper storage techniques trigger food spoilage	management, backup power options and avoiding overstocking.		can also jeopardize the restaurant’s reputation and future if its customers consume foods that have spoiled and are, as a result, exposed to food poisoning and other food borne illnesses.	jeopardize the business.
4	Equipment Breakdown	Equipment such as coolers, freezers, fryers and cash registers break regularly.	Overuse of machinery and poor quality can cause machines to breakdown frequently	Mitigation – By regular preventive maintenance during off business hours and using high quality products Transference – Get Equipment Breakdown Coverage to cover for equipment from sudden and accidental malfunctions and fund to repair or replace damaged machinery or equipment that has suffered a mechanical or electrical failure. Acceptance – Do nothing and hope machines function as expected.	20%	Experience downtime, lose efficiency, pay more in operating costs and miss key customer service interactions.	Transfer risk as the equipment replacement may be very expensive.
5	Employee Theft	Food and Inventory theft, money and time are common employee thefts in the restaurant industry	Financial need, perceived unfair treatment and opportunity, lead employees to steal internally.	Avoid – By Installing a surveillance system, perform background checks before hiring employees, conduct surprise audits, strict and regular inventory checks, impose strict	25%	Employee theft results in huge financial loss and disturbs the culture in the organization	Avoid risk to enforce discipline and maintain integrity among the employees

Risk Identification

				rules and consequences to avoid theft. Acceptance – Believe in the employees and assume there will not be any employee theft			
6	Valet Parking	Restaurants offer this feature to boost clientele and add value to their operation. Incidents of vehicles or property damaged or loss while under valet care, theft of personal items from the guest’s vehicle, criminals using the vehicle as a conduit to conduct additional crimes are some risks associated with providing this service.	Inefficient staff or improper handling of guest vehicle.	Transference – Contract a valet company. Hiring a company can defer some liability and keep you from having to pay out for damages or purchase additional coverage, assuming they have the appropriate coverage. Mitigate – While hiring valet staff, select the right employees by checking applicant history like Driving Record Check, Criminal Background Check and Drug Screening. Acceptance – Hope nothing goes wrong and do nothing.	5%	Pay for customers’ loss and lose customer’s trust which will cause unnecessary expenses as well as harm the reputation and customer base.	Mitigate risk by carefully hiring valet staff.
7	Workplace Injuries	The employees of a fast paced, stressful restaurant encounter injuries such as burns, cuts, strains, and slips.	Encountering sharp objects, hot equipment, and slippery surfaces	Mitigate – Keep floors clean and dry, wear proper shoes and use protective gears. Transfer – Get workers compensation insurance, which is a	15%	Impacted employees are on leave which will affect normal operations.	Transfer risk as some accidents are inevitable and frequent compensations to employees can be

Risk Identification

				plan that shields the business from claims by employees that have been hurt on the job. If the restaurant employees suffer an injury (or even dies), this policy takes care of the costs associated with that so that you do not have to pay out-of-pocket. In extreme cases, it can also cover death benefits should a family member chose to sue you.			financially draining to the restaurant.
8	Cybersecurity issues	Point of sales (POS) devices use customers’ personal information along with their card details which may be stolen.	Unauthorized access to POS data, and unauthorized access to employee data	Mitigate – Be PCI (Payment Card Industry) compliant to prevent any unauthorized individuals from accessing customers' sensitive payment card information. Ensure that your restaurant network is using a firewall to protect any data that is transmitted by any of your systems in-house.	10%	Identity theft, loss of customer trust and loss of customer base.	Mitigate risk to protect customer and staff data.