Worst-Case Scenario Worksheet

Thinking about your worst-case scenario isn't fun, and hopefully you will never see it come to fruition. However, being ready for anything will help you be prepared to weather any storm. Take the time to carefully go through the worksheet below to uncover potential barriers and roadblocks that you will need to navigate around.

Finances

Let's break down your current financial situation to gauge what potential obstacles you will face as you start your business.

How much do I spend, according to my bills, each month?

Note: Not how much you think you spend or how much you want to spend, but how much you actually spend. Get out credit card receipts, your checkbook, and your online banking to get real numbers in each of these categories.

Housing: _____ (rent, mortgage payments, etc.)

Food: _____ (restaurants, groceries, etc.)

Debt Payments: _____ (credit cards, college loans, etc.)

Child Care: _____ (babysitting, daycare, diapers, etc.)

Transportation: _____ (car payments, subway cards, taxis, gas, etc.)

Recreation: _____

How much of this is recurring and consistent? For example, I know every month my rent is $2,500. Star (*) the recurring costs above.

Now, ask yourself:

- If my income were to suddenly decrease, which of these would I be able to stop paying or decrease my payments to?

- Can I transfer any of these expenses to others? For example, can your significant other pay rent instead of you?

- Can I swap favors or skills for things that cost money? For example, can you give piano lessons in exchange for free babysitting?

People

If you had no paycheck, who would be directly affected by your lack of income? Who relies on you for money?

    a.   Significant other? Y/N

    b.   Children? Y/N

    c.   Family? Y/N

    d.   Roommates? Y/N

If I had no money what would happen to these individuals?

How can I prepare these individuals in case I cannot monetarily support them as I do now?

Who can help me come up with creative solutions to potential roadblocks?

I hope you never have to use any of the details above, but understanding them before facing risk is important.