MIA Company Risk Treatment and Response Plan

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| **Risk** | **R-01 Competitors**  The trends in clothing industry keep changing very frequently and therefore the clothing store, MIA, has the risk of being outdated in the current apparel market if the industry does not keep itself updated with the recent trends and its competitors in the industry. | | | | | |
| **Risk Rating Jan-2018:** | **Residual Risk** | | | | | |
| **Current Risk Rating:** | **Residual Risk (to be determined)** | | | | | |
| **Risk Category** | Competitors | | | | | |
| **Risk Owner** | Sales & Marketing | | | | | |
| **Contributing Factors** | | | | **Controls** | | |
| 1. *The clothing industry is competitive as the competitors have been increasing in the market, with great clothing designs* | | | | 1. *Market Analysis based on the market segmentation, and performing comparative analysis based on the risk indicators* | | |
| 1. *Consideration from the perspective of demographics of the store* | | | | 1. *Understanding the customer buying patterns and demands of products in the given area* | | |
| 1. *The expenditure allocated by the state government to clothing industry* | | | | 1. *The analysis will help in estimating the overall budget on recent trends in market* | | |
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| **Treatment Strategy** | | **X Risk Reduction** □ Risk Acceptance □ Risk Monitoring □ Control Monitoring | | | | |
| **Risk Treatment / Action** | | **Due Date** | **Status** | **Responsible Person** | **Required Resources** | **Risk Monitoring indicators (used as reference)** |
| 1. *The Market Analysis should be carried out in the given store locality for understanding the market demands* | | *Jun-2021* | *In Progress* | Sales & Marketing |  | Maintaining Quality of Products : HIGH  Selling the products in batches to maintain quality aspects: LOW |
| 1. *Analysis to study the competitors in market so that it helps in keeping up with the recent trends* | | *Sept-2021* | *In Progress* | *Insights Analyst* |
| 1. *Research on the current government guidelines about the percentage of taxes and amount allocated for clothing industry by state* | | *Oct-2021* | *In Progress* | *Research & Development* |
| 1. *Producing and selling products in batches will help the management in understanding customer demands* | | *Dec-2021* | *In Progress* | *Manufacturing Officer* |
| **Other Risk Treatments / Actions Considered** | | | | **Required Resources / Implementation Cost** | **Reasons for not choosing this Treatment / Action** | |
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| **Risk** | **R-02 Economic**  The cost of infrastructure poses economic risks for the clothing industry. The cost also includes property taxes, insurance, labor cost, security and overall maintenance costs. | | | | | |
| **Risk Rating Jan-2018:** | **Residual Risk** | | | | | |
| **Current Risk Rating:** | **Residual Risk (to be determined)** | | | | | |
| **Risk Category** | Economic | | | | | |
| **Risk Owner** | Accounts Department / CFO | | | | | |
| **Contributing Factors** | | | | **Controls** | | |
| *1. Natural calamity or change in government infrastructure policy can pose a major risk for the store* | | | | 1. *Understanding the infrastructure policies laid out by the state government, and implementing the same for the store to avoid future problems* | | |
| *2. The sophisticated machinery can impose major cost overhead* | | | | 1. *Analyzing the ways to maintain machinery with low cost and effective equipment, and research on ways to reduce machinery by outsourcing the work* | | |
| *3. The labor and production cost can increase the operational overhead for the clothing industry* | | | | 1. *Visting the accountant to optimize the expenses for the store and maximize use of employee skills* | | |
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| **Treatment Strategy** | | **X Risk Reduction** □ Risk Acceptance □ Risk Monitoring □ Control Monitoring | | | | |
| **Risk Treatment / Action** | | **Due Date** | **Status** | **Responsible Person** | **Required Resources** | **Risk Monitoring indicators (used as reference)** |
| 1. *The business can reduce labor overhead by employing the required skilled employees* | | *Jun-2021* | *In Progress* | *CFO* |  | Quality of labor: HIGH  Improving quality of marketing techniques: LOW |
| 1. *Analyzing the costs associated with in house production and outsourcing projects* | | *Aug-2021* | *In Progress* | *Accounts Officer* |
| 1. *Working with insurance broker to understand the business insurance needs* | | *Oct-2021* | *In Progress* | *Accounts Officer* |
| 1. *Reducing marketing costs through modern marketing strategies that are cost effective* | | *Dec-2021* | *In Progress* | *Sales Officer* |
| **Other Risk Treatments / Actions Considered** | | | | **Required Resources / Implementation Cost** | **Reasons for not choosing this Treatment / Action** | |
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| **Risk** | **R-03 Compliance**  The clothing industry can face compliance issues if they do not adhere with the government regulations | | | | | |
| **Risk Rating Jan-2018:** | **Residual Risk** | | | | | |
| **Current Risk Rating:** | **Residual Risk (to be determined)** | | | | | |
| **Risk Category** | Compliance | | | | | |
| **Risk Owner** | Chief Compliance Officer | | | | | |
| **Contributing Factors** | | | | **Controls** | | |
| *1. The industry can pose a major risk if it does not adhere to the regulatory laws for the industry* | | | | 1. *Keeping a track on the priorities of the industry’s regulations* | | |
| *2. The risk associated with polluting the natural resources and laying a harm to the environment* | | | | 1. *Analyzing the ways to save the waste and byproduct for operational purposes within the industry and follow the regulations* | | |
| *3. The impact on discrimination to workplace and misuse usage of technological tools can lead to major risks* | | | | 1. *Understanding and following the code of conduct and ruled for data privacy and security to avoid any data problems for the industry* | | |
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| **Treatment Strategy** | | **X Risk Reduction** □ Risk Acceptance □ Risk Monitoring □ Control Monitoring | | | | |
| **Risk Treatment / Action** | | **Due Date** | **Status** | **Responsible Person** | **Required Resources** | **Risk Monitoring indicators (used as reference)** |
| 1. *Monitoring the data based on the compliance and security policies* | | *Jun-2021* | *In Progress* | *Chief Technology Officer* |  | Tracking the compliance data: HIGH  Flexible business framework: HIGH |
| 1. *Keeping the business framework flexible to any future changes in the compliance policies* | | *Aug-2021* | *In Progress* | *Compliance Officer* |
| 1. *Risk Assessment cadence on period basis will help the company to discuss on potential compliance issues* | | *Oct-2021* | *In Progress* | *Compliance Officer* |
| 1. *Risk discussion to gather risks that are likely to be faced in future by team members* | | *Nov-2021* | *In Progress* | *Compliance Officer / CTO* |
| **Other Risk Treatments / Actions Considered** | | | | **Required Resources / Implementation Cost** | **Reasons for not choosing this Treatment / Action** | |
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