

# Be Prepared – Draft Your Plan: Risk Management Worksheet

A current, detailed risk management plan is an invaluable tool for Canadian exporters. Creating a detailed plan will force your company to examine all areas of operation and uncover any current or potential issues that could jeopardize your success in international markets.

Ready to plan? Our risk management worksheet will give you a solid start on your risk management plan. Use the worksheet to map out key information for your plan and highlight areas you may need to investigate. As you work through the questions, ask yourself, “What should we do now?” and “What actions do we need to take if something unexpected happens and risk becomes reality?”

## YOUR RISK MANAGEMENT TEAM

Enter the name and contact information for your risk management resources:

|                               |
|-------------------------------|
| Company risk manager          |
| Company CFO                   |
| Accountant                    |
| Bank or financial institution |
| Customs broker                |
| Freight forwarder             |
| Insurance provider            |
| Lawyer                        |
| Cyber security expert         |
| Company CIO                   |
| Sales agent(s)                |
| Local distributor(s)          |
| EDC trade advisor             |
| Other                         |

## MARKET INFORMATION

Next, complete the table below with as much market information and intelligence as possible. With a complete picture of the market, you can effectively plan for a wide variety of risk scenarios.

|  |
|--|
| Country name   |
| Language(s) spoken   |
| Currency   |
| Rate of inflation  |
| Unemployment rate  |
| Foreign exchange fluctuations                                      |
| Climate and natural disaster risks                                 |
| Type of government   |
| Next election or change of government                              |
| History of violence or unrest                                      |
| Economic stability or growth                                       |
| Monetary and fiscal policies to support trade                      |
| In-market trade restrictions                                       |
| Limitations on access to technology or e-commerce                  |
| Laws regulating your industry in the market                        |
| Business culture   |
| Access to technology to conduct business effectively in the market |
| Other market considerations  |



## YOUR ENTRY INTO THE MARKET

Now, outline how you plan to enter the market and what form your business will take once you're there.

When will you visit the market? How often?

Will you participate in a trade mission or trade show?

How will you do business in the market?  
(direct sales, distributor, sales agent, local office, foreign affiliate)

How will you qualify your partners?

Other market entry considerations

## CONTRACTS AND GETTING PAID

Next, it's time to plan for contract risks and to ensure that you get paid.

Who will review your contracts?

What specific clauses do you need to include in your contracts?  
(Late delivery, warranties, intellectual property, etc.)

How will you confirm that your suppliers are credit worthy?

What types of payment will you accept?

What payment terms will you insist on?

How will you protect against fluctuations in foreign currencies?

Will you provide your buyers with performance bonds or guarantees?

Do your delivery timelines allow for delays?

Will you implement a back-up plan for delivery?

Who will prepare your trade documents?

What will you do if a shipment is not delivered?

How will you settle disputes?

Other contract and payment considerations

## QUALITY AND PERFORMANCE MONITORING SYSTEMS & PROCESSES

Time to ask questions that will help you monitor your quality and performance. Make sure you have the right systems, processes and technology in place to position yourself for success.

Will you use a supply chain management system?

Do you use a system to monitor quality?

How will you communicate with your partners?

Which partners will you evaluate using a scorecard?

How often will you evaluate your partners?

How will you protect your intellectual property?

How will you protect shared data?

What will you do if your cyber security is compromised?

Other quality and performance considerations

## INSURANCE AND CASH FLOW PROTECTION

To mitigate your financial risks, it's important to plan for all possibilities. Take a close look at your insurance and cash flow needs by answering these questions:

Do you need cash flow financing?

Do you have access to working capital?

Can your company afford to wait to get paid?

Do you need insurance to protect against loss or theft?

Other insurance and cash flow requirements