



APPENDIX B: RISK MANAGEMENT PLAN

1. Introduction

This Risk Management Plan outlines the potential risks to Trendie's operations over the next 10 years and details the strategies and measures to mitigate these risks. The plan is designed to ensure that Trendie is prepared to respond effectively to various challenges and uncertainties that may arise during the implementation of the strategic plan.

2. Risk Identification

The key risks identified for Trendie's operations include:

- **Market Competition Risk:** Intense competition from established retail brands.
- **Economic Risk:** Fluctuations in the Australian economy affecting consumer spending.
- **Operational Risk:** Potential supply chain disruptions affecting product availability.
- **Technological Risk:** Cybersecurity threats and technological failures impacting operations.
- **Regulatory Risk:** Changes in consumer protection laws or trade regulations.
- **Reputation Risk:** Negative publicity or customer complaints affecting brand image.

3. Risk Analysis

Each identified risk is analysed in terms of its potential impact on Trendie's operations and likelihood of occurrence. A risk matrix is used to categorise the risks into low, medium, and high based on these factors.

4. Risk Evaluation

The evaluation process involves prioritising the risks based on their level of impact and likelihood. High-priority risks will be addressed first, followed by medium and low-priority risks.



5. Risk Treatment

Strategies and measures to mitigate each identified risk are outlined below:

- **Market Competition Risk:** Diversify product range and enhance customer experience to maintain a competitive edge.
- **Economic Risk:** Implement flexible pricing strategies and maintain a reserve fund for economic downturns.
- **Operational Risk:** Develop a robust supply chain management system and establish relationships with multiple suppliers.
- **Technological Risk:** Invest in cybersecurity measures and backup systems to protect against technological failures.
- **Regulatory Risk:** Stay informed of changes in regulations and ensure compliance with Australian laws.
- **Reputation Risk:** Implement a proactive customer service strategy to address complaints and protect brand reputation.

6. Monitoring and Review

Regular monitoring of risks is essential to ensure the effectiveness of the risk management strategies. A quarterly review will be conducted to assess the risk landscape and update the risk management plan as necessary.

7. Contingency Planning

Contingency plans have been developed for high-priority risks to ensure that Trendie can respond effectively in the event of a crisis. These plans include detailed steps for managing the risk and minimising its impact on operations.