



What Is Business Risk?

Financial Risk

- 01
- Related to the ability of the business to maintain a sufficient flow of cash.
 - Includes credit risk and liquidity risk.

Compliance and Legal Risk

- 02
- Related to violating laws and regulations.
 - Some regulations include rules about how you hire and manage employees, how your business impacts the environment, meeting your contractual obligations, financial record keeping and reporting, and quality and safety of your products, for example.

Cybersecurity Risk

- 03
- Risk associated with the unauthorized access to and distribution of private information through computer networks and the internet.
 - Includes: exposure of business, customer and employee information, identity theft, payment fraud, etc.

Operational Risk

- 04
- Risk of loss that is a result of failed processes, people, systems, or external events.
 - Includes employee errors, technological failures, and natural (and unnatural) disasters. Cybersecurity risk is sometimes in this category.

Reputational Risk

- 05
- Risk associated with damaging the good standing of you and your business in the community.
 - Some of these risks have external sources and internal origins.

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