



Making Your First Hire

Cash Flow Planning

What is Risk Appetite?

Setting risk appetite in hiring" means defining the level of risk a company is willing to take when recruiting new employees,



essentially determining how much uncertainty they are comfortable with regarding a candidate's potential fit, experience, or qualifications, balancing the need for immediate results with the potential downsides of hiring someone who might not fully meet the requirements

Setting Your Risk Appetite



Alignment with Business Goals - the level of risk a company is willing to take helps align hiring practices with overall business objectives.



Cultural Fit -helps identify candidates who not only have the right skills but also fit well within the company's culture.



Resource Allocation -aids in allocating resources effectively during the hiring process.



Mitigating turnover- minimises the chances of hiring individuals who may not meet the company's expectations or who may be ill-suited for the role.



Innovation vs Stability - Companies aiming for innovation may take risks in hiring unconventional candidates, while those seeking stability may prefer traditional backgrounds.



Long-term Strategy - helps in making long-term hiring strategies, ensuring that the organization is prepared for future challenges and opportunities

The Risk-Taker

Pros
Faster Growth Potential
Innovative Edge
First-Mover Advantage

Cons
High Failure Risk
Financial Instability
Higher Stress

Being Risk-Averse

Pros
Financial Safety
Steady Growth
Lower Stress

Cons
Missed Opportunities
Inability to Pivot Quickly