



How to Make a Mega Risk Decision

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Simply being in business is a risk. However, it has often been said that with risk comes opportunity. The greater the risk, the greater the opportunity. In order to take full advantage of an opportunity, when it presents itself in the form of a risk one needs to have a strategy to deal with it.

Nido Qubein, business consultant, offers an excellent formula for making tough decisions that involve a great deal of risk.

The first part of this formula consists of three questions that you must ask yourself and your management team.

1. What is the best thing that could happen if I take this risk?
2. What is the worst thing that could happen if I take this risk?
3. What is the most likely thing that will happen if I take this risk?

Once you have answered these three questions, there are two more you must ask.

1. If the best thing happens, will it get me closer to my goals?
2. Can I live with the worst thing if it should happen?

If you answer yes to both, then go for it. If you answer no to either one, do not go for it.

When you approach the decision to take a mega risk with this formula, you will enhance your ratio for successful risk taking.

Far too often business owners and managers let opportunity slip through their fingers because they don't have a strategy to handle it. They look at the opportunity disguised in wolf's clothing, as a threat they don't want to deal with. Yet, using this simple formula to make a Mega Risk Decision, can help your company fearlessly make quantum leaps forward that will allow it to achieve consistent growth and profitability.

