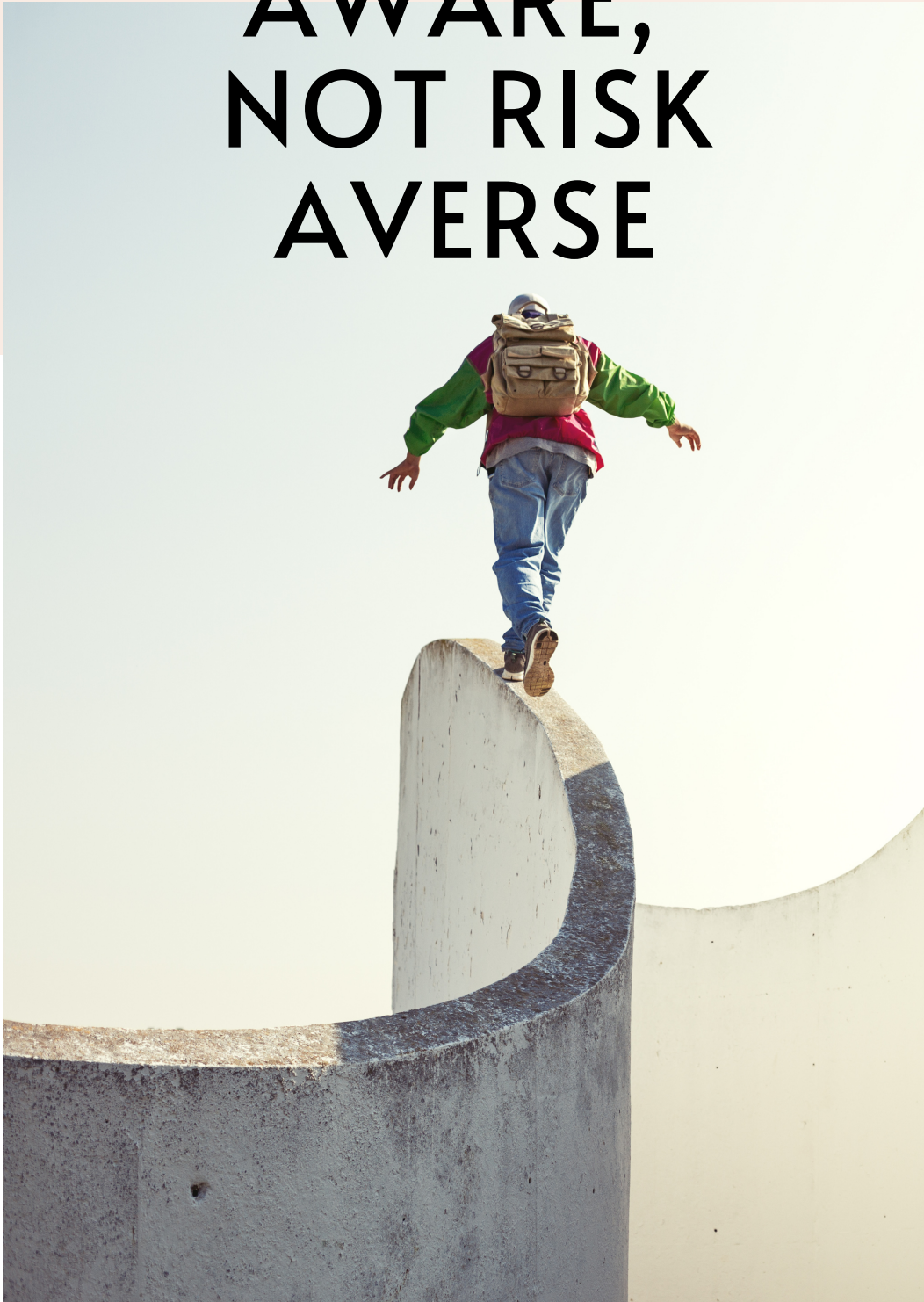


HOW CAN WE TAKE ON THE NEXT NORMAL?

PRINCIPLE #4 :

BE RISK AWARE, NOT RISK AVERSE



SELF/TEAM REFLECTION

HOW DO WE BE RISK AWARE, NOT RISK AVERSE?

SELF/TEAM-REFLECTION #1

- **What is my relationship with risk on a scale of 1 to 10?**
1: Always resistant to taking risk-----10: Always taking every risk out there
- **How volatile is my life on a scale of 1-10?**
1: Always calm, no ups + downs-----10: Always volatile, many ups + downs
- What have I gained and what have I lost from these two patterns in my life?
- Which of the stories below are closest to my own story of making risky leaps? What have I gained and lost from that story?



- "I am not ready"
- "It's an impossible task"
- "It could be painful"
- "There's too much competition"
- "I can see exactly what's going to happen."
- "I'm comfortable right here."
- "Conditions aren't ideal"
- "What was I waiting for?"



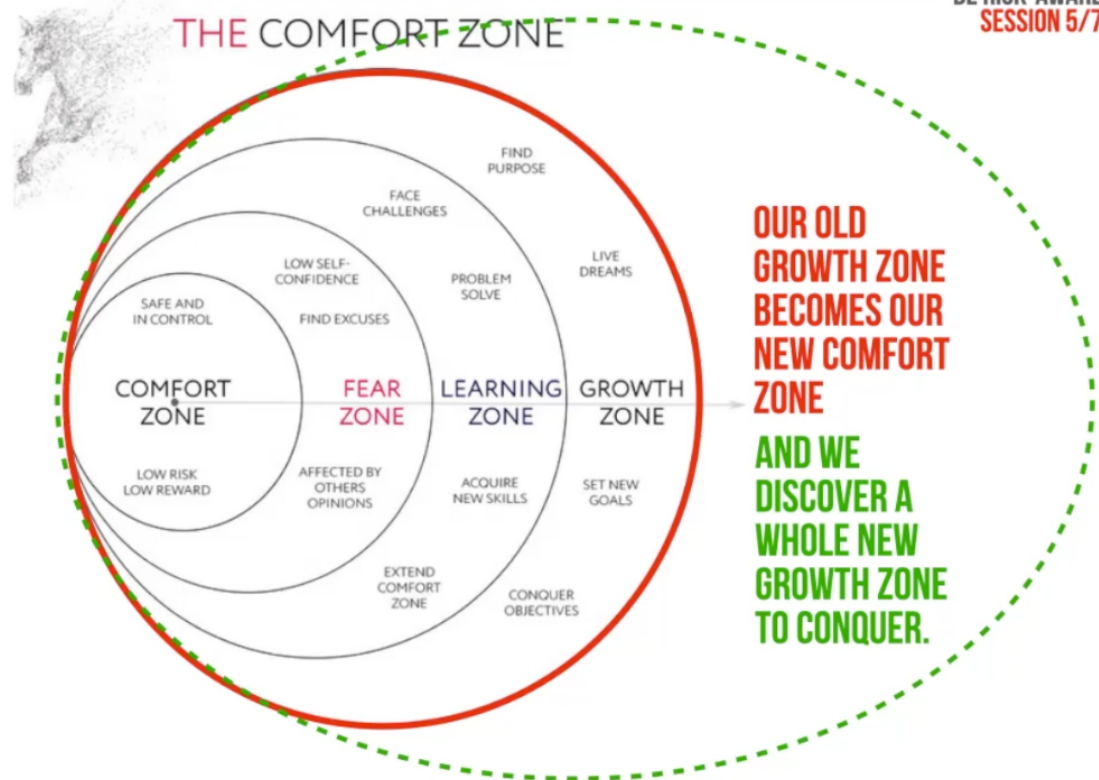
SELF/TEAM REFLECTION

HOW DO WE BE RISK AWARE, NOT RISK AVERSE?

SELF/TEAM-REFLECTION #2

HOW CAN
WE TAKE ON
THE NEXT
NORMAL?

BE RISK-AWARE
SESSION 5/7



THIS IS HOW WE EXPAND THE TERRITORY OF **WHO WE ARE** AND **WHAT WE CAN DO.**



DELIVERED BY
KUIK SHIAO-YIN

Think of a personal or professional situation where you are facing a potentially risky leap into the unknown.

- Use the diagram above to unpack what your comfort zone, fear zone, learning zone and growth zone look like for your situation.
- What are the stories you tell yourself that prevent you from making the leap? Are they true?
- What are the risks involved in taking that leap?
- What are the compelling rewards?

TO DO LIST

HOW DO WE BE RISK AWARE, NOT RISK AVERSE?

STEP #1

Read 2-3 articles that feeds your curiosity about the future risks your sector is facing.

- <https://knowledge.insead.edu/strategy/the-post-covid-future-of-everything-as-a-service-15831>
- <https://www.mckinsey.com/featured-insights/future-of-work/the-future-of-work-after-covid-19>
- <https://home.kpmg/sg/en/home/insights/2020/04/perspectives-from-kpmg.html>

STEP #2

Consider the future for a situation that lies before you professionally/business-wise.

- **Assess and categorise the choices before you using a Risk Management Decision Matrix.**
<https://www.ntaskmanager.com/blog/risk-assessment-matrix>

Severity	Consequences				Increasing Likelihood				
	People	Assets	Environment	Reputation	A	B	C	D	E
					Never heard of before in the Industry	Heard of in the Industry	Has happened in the Company or more than once per year in the Industry	Has happened at the Location or more than once per year in the Company	Has happened more than once per year at the Location
0	No Injury or health effect	No damage	No effect	No impact					
1	Slight injury or health effect	Slight damage	Slight effect	Slight impact					
2	Minor injury or health effect	Minor damage	Minor effect	Minor impact					
3	Major injury or health impact	Moderate damage	Moderate effect	Moderate impact					
4	PTD or up to 3 fatalities	Major damage	Major effect	Major impact					
5	More than 3 fatalities	Massive damage	Massive effect	Massive impact					

- **Write a 1-page thesis for why certain choices make more sense for you based on your strengths, values, long-term goals. You can also write out a checklist for making faster and better decisions.**

STEP #3

Discuss with 2-3 other trusted people who share your situation and share with them your thoughts.

- Ask them if they see what you see.
- Ask them what are some blind spots that you may have.

READING LIST

HOW DO WE BE RISK AWARE, NOT RISK AVERSE?

ON THE RISKS OF BEING RISK AVERSE

Hanna Rosin: The Overprotected Kid

<https://www.theatlantic.com/magazine/archive/2014/04/hey-parents-leave-those-kids-alone/358631/>

Kate Julian: Childhood in an Anxious Age

<https://www.theatlantic.com/magazine/archive/2020/05/childhood-in-an-anxious-age/609079/>

50 corporations that failed to innovate and missed their chance

<https://www.valuer.ai/blog/50-examples-of-corporations-that-failed-to-innovate-and-missed-their-chance>

ON THE RISKS AND REWARDS AHEAD

The Guardian: What jobs will still be around in 20 years?

<https://www.theguardian.com/us-news/2017/jun/26/jobs-future-automation-robots-skills-creative-health>

World Economic Forum: The Future of Jobs Report 2020

<https://www.weforum.org/reports/the-future-of-jobs-report-2020>

Tharman Shanmugaratnam: The global jobs crisis and why we should think longer term

<https://www.straitstimes.com/opinion/the-global-jobs-crisis-and-why-we-should-think-longer-term-0>

Chan Chun Sing: Singapore will not return to pre-Covid-19 world, must chart a new path now

<https://www.straitstimes.com/singapore/singapore-will-not-return-to-pre-covid-19-world-must-chart-a-new-path-now-chan-chun-sing>

On The Low Touch Economy:

- <https://www.boardofinnovation.com/low-touch-economy/>
- <https://medium.com/@magarian/the-low-touch-economy-and-the-global-change-in-retail-456db8e15f7b>

READING LIST

HOW DO WE BE RISK AWARE, NOT RISK AVERSE?

ON HOW TO START TAKING SMALL STEPS TOWARDS RISK AWARENESS

1. Abandon your fantasy of eternal safety. Develop a story of resilience.

- **Building Resilience: 3 Science-Backed Ways to Find Healing**

<https://www.familysearch.org/blog/en/building-resilience/>

- **The Family Stories That Bind Us**

<https://www.nytimes.com/2013/03/17/fashion/the-family-stories-that-bind-us-this-life.html>

- **Holding Power**

<https://thewokesalaryman.com/2020/03/14/holding-power-is-the-most-underrated-aspect-of-investing-and-life/>

2. Imagine and plan for volatility - as well as the possibility of permanent loss.

- **Warren Buffett on Risk: Two Main Ways to Measure Risk**

<https://finance.yahoo.com/news/warren-buffett-risk-two-main-161830380.html>

- **Risk Assessment Matrix**

<https://www.ntaskmanager.com/blog/risk-assessment-matrix/>

3. Define your own “margin of safety” so you can exercise “price discipline”.

- <https://www.investopedia.com/terms/m/marginofsafety.asp>
- <https://blog.seedly.sg/what-most-young-adults-do-not-get-about-investing/>
- <https://thewokesalaryman.com/2020/09/21/budgeting-and-saving-during-the-pandemic/>
- <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/bringing-discipline-to-pricing>

4. Diversify adequately.

- <https://danschawbel.com/blog/why-everyone-should-focus-on-career-diversification/>

5. Keep your cool by staying rational even as you make mistakes.

- **Using checklists:** <https://hbr.org/2016/03/a-checklist-for-making-faster-better-decisions>
- **Risk Identification and analysis techniques:**
<https://www.businessanalystlearnings.com/ba-techniques/2015/4/5/risk-identification-and-analysis-techniques>
- <https://www.forbes.com/sites/mikepatton/2014/11/30/everyone-needs-risk-management/#5ea95151729f>
- <https://report.gic.com.sg/managing-the-portfolio.html>
- <https://thewokesalaryman.com/2020/04/07/i-postponed-my-wedding-cuz-of-covid-19-and-thats-okay/>

READING LIST

HOW DO WE BE RISK AWARE, NOT RISK AVERSE?

ON THE RISKS AND REWARDS AHEAD FOR SINGAPORE AND ASEAN

The Big Read: With globalisation in retreat, ASEAN can offer Singapore a way forward in post-COVID world

<https://www.channelnewsasia.com/news/singapore/the-big-read-asean-singapore-post-covid-19-world-13043964>

Tommy Koh: Why ASEAN is good for Singapore

<https://www.straitstimes.com/opinion/why-asean-is-good-for-singapore>

Post-crisis risks we must be aware of in Singapore and Asia

<https://www.mckinsey.com/business-functions/risk/our-insights/covid-19-implications-for-business>

Reimagining emerging ASEAN in the wake of COVID-19

<https://www.mckinsey.com/featured-insights/asia-pacific/reimagining-emerging-asean-in-the-wake-of-covid-19>

Surakiart Sathirathai: Challenges and opportunities for South-east Asia in post-Covid-19 world

<https://www.straitstimes.com/opinion/challenges-and-opportunities-for-s-e-asia-in-post-covid-19-world>