

Risk management: anheuser-busch companies, inc essay examples

[Business](#), [Company](#)



Anheuser-Busch Companies, Inc

Anheuser-Busch Companies, Inc is an American-based brewing company, which is an exclusively owned subsidiary of the Anheuser-Busch InBev. The risk management plan of the organization should be in such a manner that it touches on all aspects of the organization. Of particular importance is the actuality that the liquidity, operational strength, legal aspects, business strength and strategic plans are exceptionally important in the smooth running of the organization. It therefore follows that the risk manager should be in a position to address all these aspects in his risk mitigation plan (Spedding & Rose, 2008). The main reason why I selected this organization is the fact that the organization operates in an industry that is very much expected to be affected by changes in the law. Such laws as the drinking age limit affect brewers. Additionally, the organization is likely to face tight competition from other established breweries and this will affect business and strategic planning.

In managing all risks in the various risk areas of the organization, the risk manager should endeavor to identify, analyze, plan and monitor the risks. This should be a circle used to handle all uncertainties in the organization

Liquidity risk

The risk manager should at all times endeavor to ensure that the organization is in a position to meet its short-range financial obligations as and when they fall due. The manger can enhance risk management with regard to liquidity through closely monitoring the cash flow statements, and

identifying sources of shortages in cash, such as debts (Sadgrove, 2005).

The manager should create reserves in the Anheuser-Busch Companies, Inc.

Operational risk

Operational risk management should concern itself with the smooth running of the organization. Smooth running of the organization should be prioritized by the risk manager trying to eliminate the causes of risk, such as conflict (Sadgrove, 2005). The risk management department at Anheuser-Busch Companies, Inc should institute a system of checks and balances to keep monitoring the uncertainties.

Legal risk

Anheuser-Busch Companies, Inc risk management department should work with the organization's legal department, which should check the legality of all decision before implementation. This will reduce problems with the law.

Business risk

Business risk, being the possible cause of failure originating from within the organization, can be controlled by the risk management team being aware of all causes of possible failure. This means that the manger has to ensure a proper and stable financial structure, a stable human resource department and a comprehensive contingent plan.

Strategic risk

Strategic risk is defined by the uncertainties in the industry in which an organization operates. In order for an organization to minimize exposure to uncertainty in the industry, proper planning is necessary, especially where

the organization depends of supplies (Spedding & Rose, 2008). Anheuser-Busch Companies, Inc obtains supplies from other organizations. The manger should consider such risk buffers as supplier partnership.

References

Sadgrove, K. (2005). The complete guide to business risk management.

Aldershot, Hants, England: Ashgate Pub.

Spedding, L. S., & Rose, A. (2008). Business risk management handbook: A sustainable approach. Oxford ; Burlington, MA: CIMA.