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# Synthesising survey results

**The pandemic has affected everyone at macro and micro levels. The global economy was already weathering turbulence in 2019 and due to COVID-19 pandemic, the risk of a global recession is high. There are disruptions in economic activities across the world as nations are fighting to contain the spread of infection.**

The risk assessment survey rolled out by KPMG in India was targeted to assess the risks and challenges brought to the fore and organisations' preparedness of formulating and implementing mitigation measures to effectively deal with the crisis and its aftermath.

The participants responded to a structured questionnaire and the responses were analysed to generate insights.

The survey revealed seven key themes and areas of focus under which the results are classified and detailed out within this report, providing insights on the themes which organisations are focusing on.

Demand and supply factors have impacted different sectors differently. Also, organisations with turnover of over INR 5,000 crore seem to be better prepared to deal with challenges and risk mitigation, specifically for risks related to workforce, customers, liquidity and profitability and technology.

The survey provides guidance on risk assessment and emerging top ten risks

## Key themes and underlying areas of focus



## The survey has pointed out ten key risks arising out of the COVID-19 pandemic, which most organisations are exposed to

### Impact on demand

Decline in sales due to lack of demand or inability to generate demand due to non-alignment of operating and selling strategies. Economic downturn induces reduced demand and change in customer behaviour and preferences

### Employee safety and well-being

Inability to resume business operations due to compromised employee safety and well-being or risk of employees getting infected by Covid-19 post resumption of work

### Supply chain disruptions

Non availability of raw material due to supply chain disruptions and vulnerability arising due to suppliers/ customers located in containment zones, may lead to non-fulfilment of demand

### Liquidity concerns

Elongated cash-conversion cycles, inability to collect outstanding debts, leading to liquidity and cash flow concerns

### Profitability concerns

Lower margins on account of eroding revenues combined with loss of market share due to price wars/new competition, all impacting the bottom line

### Business discontinuity and sub-optimal digitalisation

Inadequate IT infrastructure and digitalisation of business processes to enable remote operations impacting business continuity and employee productivity

### Non-availability of workforce

Impact on operations due to manpower issues on account of return-to-work, reverse migration, upskilling employees within short durations may result in inability to cope with a different working environment or enhanced digitalisation

### Cyber threats

Due to accelerated use of remote access technology and inadequate network security, vulnerability to cyber threats have increased, thereby increasing phishing attacks, mal-spams and ransomware attacks

### Governance and regulatory risks

Inadequate preparedness and agility to monitor evolving risks leading to weak/ compromised controls  
Non-adherence to lockdown rules may result in disruption of business operations, reputation loss, impacting ability to generate and meet customer demand

### Fraud

Risks of frauds related to employees, vendors and customers due to change in process and working arrangements during disruptions