

Risk Watch for Businesses in India



Regional Instability

26/11 attacks and preceding serial blasts in major cities brought Corporate India face-to-face with urban terrorism. India is flanked by Afghanistan, Pakistan, Bangladesh, China, Nepal, Myanmar and Sri Lanka, - all afflicted by violence and instability. Terrorist activities are spreading to hinterland and their focus is increasingly directed at soft, high value economic targets. Floating populations are creating new challenges. Paradoxically, the easiest job to find in cities is that of a security guard! Organizations that spend millions in IT security may have Achilles' heel in physical security.

Socio-political Changes

Expression of dissent is becoming increasingly volatile. Destruction of property, injury and loss of life and the speed with which situation can deteriorate are reaching alarming proportions. Over one-third of India's 625 districts face violence perennially. Naxalism poses a serious security challenge. Companies, their personnel and property often get caught in the vortex of violence, suffering financial, physical and reputation losses. Attacks on

corporates by insurgent groups, who see them as symbols of capitalism, may intensify.

Environmental Changes

Environmental fluctuations like poor monsoons, emergence of 'dead zones' with low productivity and frugal crops, and natural disasters have profound implications on planning and risk management for Indian businesses.

Organized Crime

Organized crime turnover exceeded USD 2 Trillion last year—narco-trafficking, diamond/human/weapon contraband, financial frauds piracy and cyber crimes were key contributors. Adoption of innovative technologies, cyber thefts, frauds and crimes are strengthening parallel economy and discouraging e-commerce. Crime rings are manipulating financial markets, labour unions, construction, oil, drug and trash hauling industries and increasing nexus with terror. There would be increased attempts to infiltrate corporates & governments.

Global Competition

Resources are reducing while claimants are increasing. Be it natural resources like oil, land or water or secondary resources like talent, markets or time to deploy, competition is becoming fierce. Global players are bringing into India enormous resources and game changing rules. Indian corporate espionage and competitive intelligence landscape is getting busy with companies reporting increased breaches of electronic security and data theft with hostile motives.

Indian sub-continent is witnessing a traumatic phase. While economic upheavals get substantial mindshare, business leaders could be missing the fact that much of the sub-continent is reeling under disturbances of major proportions. This concept note by Mahindra SSG outlines Six Forces of Risk which impact Indian businesses.

Demographic Changes

Increasingly younger workforce, decline of familial and social systems and values, deepening divides, workforce flux and compressed loyalty spans are creating new challenges for Indian businesses and need innovative controls.

Implications for Corporate India

Corporate leaders traditionally believed that it was state's responsibility to deal with the Six Forces of Risk. Today threats are closer than before and the state apparatus is woefully inadequate. And the Leaders of India Inc. need to be prepared for it.

State of Union Security Briefing

MSSG experts conduct a briefing for the strategic management on the Six Forces of Risk[®] across geographies and industry verticals.

India Risk Map

We assist in plotting risk footprints for companies by identifying red zones and sensitive areas where your assets and supply chains lie.

Defence Conditions & Early Warning

We develop deployable frameworks that prevent corporate from being taken by surprise, thus helping protect their people, assets, information and brand.