



Risk in Complex Offerings - A Strategic Perspective

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Risicare (*it*) = “to dare”



“You'll always miss
100% of the shots
you don't take”

- Gretzky

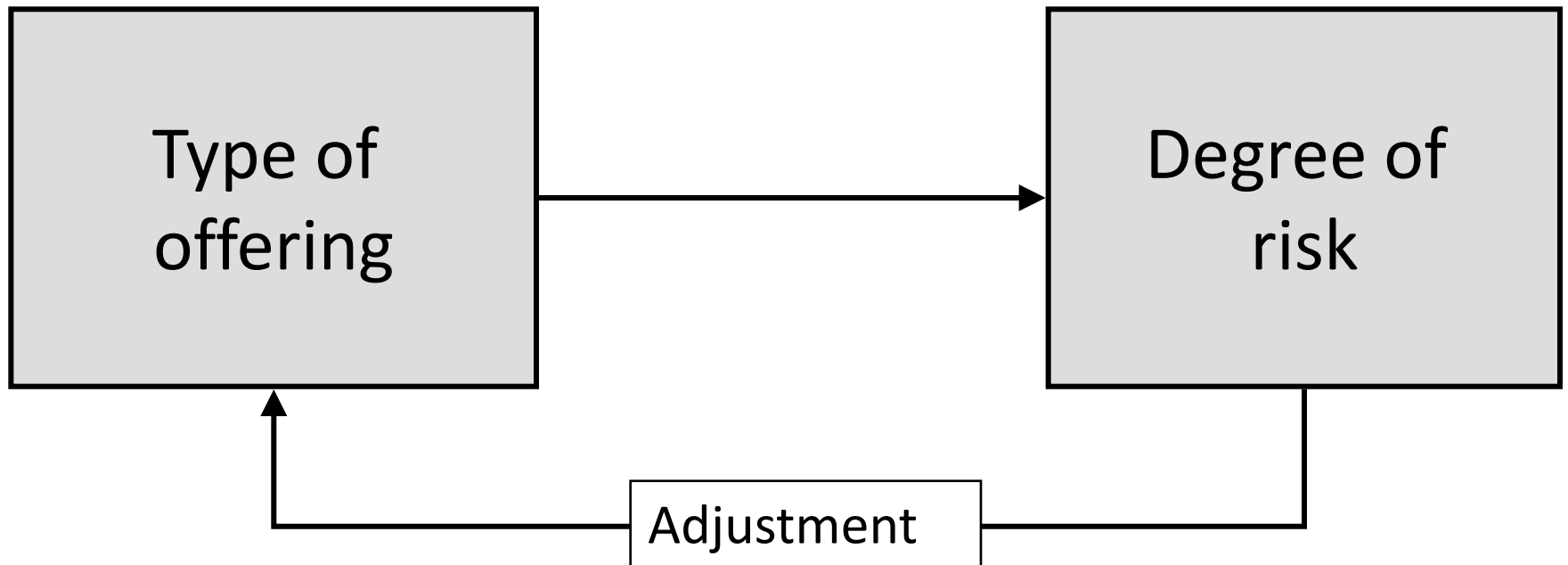


The most
risky ventures
are often
the most
rewarding
ones

An often used model

	CONSEQUENCE				
PROBABILITY	Insignificant	Minor	Moderate	Major	Catastrophic
Almost certain	High Risk	Medium-High Risk	Medium Risk	Low-Medium Risk	Low Risk
Likely	High Risk	Medium-High Risk	Medium Risk	Low-Medium Risk	Low Risk
Possible	High Risk	Medium-High Risk	Medium Risk	Low-Medium Risk	Low Risk
Unlikely	High Risk	Medium-High Risk	Medium Risk	Low-Medium Risk	Low Risk
Rare	High Risk	Medium-High Risk	Medium Risk	Low-Medium Risk	Low Risk

Risk is a function of the offering



Conceptual Model of Risks of Providing Services



Table for evaluating risks

	OPERATIONAL RISKS	STRATEGIC RISKS	FINANCIAL RISKS
RANGE			
CUSTOMIZATION			
BUNDLING			

Pilot cases

- Saab Aerotech – *Power by the Hour for Air Operations*
- Volvo Parts – *Volvo Action Service*