Case Study: Uber Risk Management

The government often modifies or establishes new policies to ensure the economy stable and citizens rights, every company must operate under the government control, and compliance with laws and regulations. Through my investigation, I will use Uber as a case to demonstrate the impacts of this external environment change. Uber has poor risk management within corporate governance framework, there are two major example that demonstrate the risk of Uber. First of all, to guarantee the legitimate rights and interests of employees, the UK government classified Uber drivers as employees, and they have rights for the national minimum wage and paid on holiday. Secondly, Uber has been attacked by hackers, and personal information of customers and employees has been leaked, such as name credit cards. Uber chose to hide the accident, in the end the court punished Uber.

I suggest that Uber should rebuild their internal control system. To establish a benign industrial coordination mechanism, Uber has encountered such frequent accusations, and it is also related to some problems existing in the industry and enterprises. For example, the industry lacks long-term planning, only pays attention to immediate interests, and insufficient management and coordination of the industry. Before the implementation of the new employees policy, it is easy to become a Uber driver, currently the company has rectified its employees, they need highly qualified employees. In addition, Uber needs to hire professional lawyers and auditors to set up a legal audit department. Use the expertise of the knowledge to assist the company in establishing and improving regulations and systems, participating in negotiations on Uber's major business activities, and reducing or avoiding legal risks. Reorganize the IT department to manage and protect the company avoid hacker attacks, to ensure the security and stability of the company's network, servers, desktops and other infrastructure operations, for the company's information decisions, procurement provides the required information, establishes relevant network usage rules and recommendations for the company's work processes, and supervises and ensures the implementation of regulations and systems by relevant personnel. It is necessary to improve the ability of independent innovation, increase investment in science and technology research and development, improve software quality and working sufficient. Through enterprise restructuring, because of the top management and CEO’s default, Uber cyber-attack news is not disclosed in time, It brings a huge negative impact on the Uber reputation. The structure of various resource elements of the enterprise can be optimized, the innovation of the company can be accelerated, the Uber can be freed from the control and intervention of government agencies, the potential of enterprises and employees can be fully utilized, and the productivity and competitiveness of the business can be improved. Maintain a lasting development of the company. Get more benefits for the Uber and broader development opportunities. When the new system is established, the board of directors and the company's management departments need to check the company's situation on time, consult the lawyers and auditors for new information, check the IT department's network operation, whether the database is safe, to ensure it not to be attacked by hackers. It is effectively reducing the risk.

Uber has completed restructuring, under the new system, I believe that Uber will be better, everyone will choose to use their software to take a taxi. As the company's reputation continues to improve, therefore the risk culture it is completely different. In strategic level, Uber can

continue to expand the international market, mergers and acquisitions some companies such as DiDi, a Chinese taxi software which suffer diver murder scandal. Cultural integration is important that it is not only a key factor affecting the success of mergers and acquisitions, but also plays an important role in promoting the transformation of corporate culture. It means that the organization should adapt to changes in the external environment, social and cultural atmosphere, and organizational system. For the Uber's M&A will not have many problems. The organizations of the two sides have many things in common. They are all taxi software, but they cannot ignore or suppress the cultural differences of various countries. Instead, they should correctly understand cultural differences, respect each other's culture, and maintain the independence of both cultures. As a result, they complement each other and coordinate with each other to form a new unified organizational culture. Uber provides technical and management strategies to be executed by agents or subsidiaries in other countries.

In operational side, the staff training especially cross-cultural training, it is an effective tool for multinational companies to circumvent risk in conducting business activities in the context of globalization. In order to strengthen employees' ability to respond to and adapt to different cultural traditions, promote communication and understanding among employees of different backgrounds, staff training is important. Ethical behavior is a key component of risk culture, In order to ensure the ethics of employees, Uber's staff training will improve the quality of employees and provide the best service to customers. For example, the murder event of the DiDi driver will not happen again. Uber also provides a secure electronic system that protects against hackers,to ensures customers and staff personal information is safe. Staff training can not only avoid risk culture, but also improve decision-making efficiency, promote information communication, and enhance corporate cohesion. In general, top leaders,senior managers and middle mangers have a major role and responsibility in this area. They need constantly communication, especially with employees, to let them know what the company is asking them to do and what they can not do. Understand the company's vision and mission, therefore, all member of the company have a common goal and understanding, the individuals and group can facing the risk.