

Entrepreneurship Building a Business

Chapter 22 Risk Management

Section 22.1 Identifying Business Risks

SECTION 22.1 After You Read Answer Key

Self-Check

1. Speculative risk is taking a chance for profit or loss, for example, buying a new piece of machinery. Pure risk is a threat of loss with no possibility of gain, for example, theft.
2. In the event of a robbery, the business owner's primary responsibility is to protect employees and customers.
3. Natural disasters can ruin a place of business and its inventory.

Think

4. Crimes, natural disasters, and accidents and injuries will vary depending on the business. Crimes may include vandalism, theft and arson. Natural disasters may include floods, fires, hurricanes, and earthquakes. Accidents and injuries can happen to staff members or customers.

English Language Arts/Writing

5. Answers should indicate that effort was made to think of creative solutions to employee theft.