

CHAPTER 22 Risk Management

SOFTWARE ACTIVITY

PowerPoint® Application

OBJECTIVE: Identify risks faced by a business and present a risk reduction program.

All entrepreneurs face risk—it's a fact of life. Business owners must be aware of all the risks they face and develop programs of risk reduction or risk transfer. In addition, there may be situations where the entrepreneur will accept the risk he/she faces. This situation is known as risk retention. As a business owner, you will want your employees to be aware of the risks faced by your firm. In addition, you will want to alert them to activities that can reduce losses from these risks.

Select a business that you may be interested in starting in the future. Identify all the risks faced by that business. Then, make a list of activities that the owner of that business could implement to reduce losses from these risks. In other words, you will be developing a risk reduction program.

Create a slide presentation that lists the types of risks faced by the business you investigated. The next slides should include a list of risk prevention activities that could be used in a training session with employees. Use several different types of slides (as shown below) to present your findings. One should be a title slide and at least one of the slides should include clipart.

Type of Business

Types of Risks

- Risk One
- Risk Two
- Risk Three

Risk One Reduction



- Prevention Activities
- Employee Training

 **PowerPoint Directions**

1. Start your Powerpoint software program.
2. Based on the information you have collected, develop a minimum of six slides that will identify the risks faced by the business, and a list of risk reduction activities that could be used to lessen losses.
3. Save your work.
4. Print out a copy of your slides if your teacher has instructed you to do so.
5. Answer the following questions.

Interpreting Results

1. Why is it important for entrepreneurs to identify risks and develop risk reduction programs?

2. Present your slide presentation to your class. Were there risks that were common in all the presentations? Were there any risks that were unique to only one of the businesses presented?

Drawing Conclusions

3. Why is it important for a business owner to present a risk reduction program to employees?
