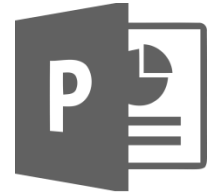


Be Your Own Boss

You are the owner and manager of a diner located along a busy interstate highway. You do a good business with travelers passing through as well as locals who eat with you regularly. Recently, there have been several robberies during operating hours in nearby businesses. Your local customers are beginning to get a little scared about coming to your business. Outline a plan to minimize your risk of robbery. Include ways to make your customers feel safe. Prepare 2 PowerPoint slides with your ideas. Email the PowerPoint as an attachment.

**Think Critically**

1. What should you do to prepare for business risks?

 2. How can you protect your business from theft?
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True or False

- ___ 1. If you practice risk management you are assuring your business will never face a loss.
 - ___ 2. You should let your managers and employees know about your plan for handling risks.
 - ___ 3. Theft is one of the risks that business owners face, and it is impossible to protect yourself against the different kinds of theft.
 - ___ 4. Risk assessment involves looking at all aspects of a business and determining possible risks.
 - ___ 5. Electronic devices and security guards are the only steps you can take to prevent or reduce shoplifting.
 - ___ 6. Although a few employees are hardworking and honest, most will try to take things from your business.
 - ___ 7. A recovery plan is an important part of every risk management plan.
 - ___ 8. Robbery is one of the risks of being open for business.
 - ___ 9. Credit cards are seldom targets of theft.
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Multiple Choice

- ___ 1. Human risks (a) are caused by the actions of individuals, (b) are caused by acts of nature, (c) occur because of changes in business conditions, (d) all of these.
- ___ 2. Looking at all aspects of your business and determining the risks you face is called a(n) (a) recovery plan, (b) risk assumption, (c) insurance plan, (d) risk assessment.

- _____ 3. Employee theft (a) cannot be prevented, (b) can devastate your business financially, (c) is often undetectable, (d) has little effect on profits.
- _____ 4. You transfer risk and protect yourself against financial losses from some risks by (a) installing deadbolts, (b) installing an alarm, (c) installing surveillance cameras, (d) purchasing insurance.
- _____ 5. An electronic credit authorizer is a machine that (a) allows a business owner to collect credit card fees, (b) checks to see if a credit card is valid, (c) identifies bad checks, (d) detects fraudulent drivers' licenses.
- _____ 6. The writer of a bounced check (a) cannot be identified, (b) has stolen credit cards and identification, (c) has insufficient funds in the checking account to cover the check, (d) has an out-of-state bank.
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Problem Solving

1. In the first column of the following table, list the methods that can prevent or reduce shoplifting. Then, rank the methods from 1 to 5 according to effectiveness, cost, and ease of implementation. A ranking of 1 should indicate the most effective, the least expensive, and the easiest to implement.

| Method | Effectiveness | Cost | Ease of Implementation |
|--------|---------------|------|------------------------|
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2. In the first column of the following table, list the methods that can prevent or reduce employee theft. Then, rank the methods from 1 to 4 according to effectiveness, cost, and ease of implementation. A ranking of 1 should indicate the most effective, the least expensive, and the easiest to implement.

| Method | Effectiveness | Cost | Ease of Implementation |
|--------|---------------|------|------------------------|
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