

B. Thinking and Inquiring About Business

Business Risks

Every business venture involves some degree of risk. The task of the business owner is to minimize risks by taking the necessary precautions. When unfavourable situations arise, owners have to react quickly and appropriately to reduce or eliminate these risks.

For each of the situations listed below, comment on how you would respond to help solve the problem and minimize the risk for the business.

- a) One of your employees displays a negative attitude when dealing with customers.

- b) Your business partner assumes more debt financing without consulting you.

- c) One of your business's biggest customers (who owes the business a great deal of money) just declared bankruptcy.

- d) One of your store managers quits in the middle of a shift.

- e) The bank asks your business to pay off a loan immediately, but you don't have enough available funds.

- f) Your competitor is offering sales discounts that your business cannot match.
