

Chapter 34 Risk Management

Section 34.1 Business Risk Management

Section Outline with Content and Academic Vocabulary

Section Outline

What Is Risk Management?

Types of Business Risks

Economic Risks

Natural Risks

Human Risks

Internal and Customer Theft

Employee Risks

Skills and Working Environment

Computer-Related Crime

Content Vocabulary

business risk The potential for financial gain, loss, or failure. (p. 799)

risk management The systematic process of managing an organization's risks to achieve objectives in a manner consistent with public interest, human safety, environmental needs, and the law. (p. 799)

economic risk A risk that results from changes in overall business conditions. (p. 799)

natural risk A risk that is caused by natural occurrences, such as floods, fires, and earthquakes. (p. 800)

human risk Risk caused by employee dishonesty, errors, mistakes, and omissions, as well as the unpredictability of customers or the workplace. (p. 801)

Academic Vocabulary

stress To single out as important. (p. 802)

internal Occurring within an institution or community. (p. 803)