



GEORGIA

PEACH STATE PATHWAYS

Career, Technical, & Agricultural Education

BUSINESS & COMPUTER SCIENCE

COURSE: Business Essentials

UNIT 10: Risk Management



INTRODUCTION

Annotation:

In this unit, students will learn the concept of risk and how it affects businesses and the decisions business make. Students will also be introduced to all the tools that businesses have at their disposal to manage risk – i.e. insurance.

Grade(s):

| | |
|---|------------------|
| x | 9 th |
| x | 10 th |
| x | 11 th |
| x | 12 th |

Time: 5 – 90 minute blocks

Author: David Mowery

Additional Author(s): Small Business Development Pathway Team

Students with Disabilities:

For students with disabilities, the instructor should refer to the student's IEP to be sure that the accommodations specified are being provided. Instructors should also familiarize themselves with the provisions of Behavior Intervention Plans that may be part of a student's IEP. Frequent consultation with a student's special education instructor will be beneficial in providing appropriate differentiation.



FOCUS STANDARDS

GPS Focus Standards:

BCS-BE-34: The student explores and interprets the various risks involved in operating a business.

- a. Describes risks faced by business owners.
- b. Explains ways business owners can protect themselves from risks.
- c. Identifies types of business insurance.
- d. Identifies types of insurance needed for a planned business.
- e. Explains the principles of a sound risk management program.
- f. Evaluates appropriate levels of insurance for a planned business.
- g. Discusses the impact of the laws of different countries on insurance.
- h. Analyzes the impact of international law on insurance.

BCS-BE-35: The student analyzes choices available to consumers for protection against risk and financial loss.

- a. Identifies risks in life and how to gain protection against the consequences of risk.
- b. Explains how all types of insurance are based on the concept of risk sharing and statistical probability.
- c. Identifies the type of insurance associated with different types of risk (i.e., automobile, personal and professional liability, home and apartment, health, life, long-term care, disability).
- d. Explains why insurance needs change throughout the life cycle.
- e. Identifies various suppliers of insurance (i.e., public and private).
- f. Develops recommended insurance coverage for individuals/families for various risks and different income levels.

GPS Academic Standards:

MM1D3. Students will relate samples to a population.

National / Local Standards / Industry / ISTE: NBEA – National Business Educators Association

Protecting Against Risk

Achievement Standard: Analyze choices available to consumers for protection against risk and financial loss.



UNDERSTANDINGS & GOALS

Enduring Understandings:

- Students will understand why insurance needs change throughout the life cycle.
- Students will have a basic understanding of risk and risk management

Essential Questions:

- What is risk?
- How can businesses and individuals protect themselves against risk?
- What are all the tools available to businesses to manage risk?

Knowledge from this Unit:

- define risk and risk management.
- Describe risks faced by business owners.
- Explain ways business owners can protect themselves from risks.
- Identify types of business insurance.
- Identify types of insurance needed for a planned business.
- Explain the principles of a sound risk management program.
- Evaluate appropriate levels of insurance for a planned business.
- Discuss the impact of the laws of different countries on insurance.
- Analyze the impact of international law on insurance.
- Identify risks in life and how to gain protection against the consequences of risk.
- Explain how all types of insurance are based on the concept of risk sharing and statistical probability.
- Identify the type of insurance associated with different types of risk (i.e. automobile, personal and professional liability, home and apartment, health, life, long-term care, disability).
- Identify various suppliers of insurance (i.e., public and private).

Skills from this Unit:

- Students will be able to compare and contrast risk management tools and select the most appropriate one for any given business situation.
- Students will be able to develop recommended insurance coverage for individuals/families for various risks and different income levels.



ASSESSMENT(S)

Assessment Method Type:

- ☐ Pre-test
- ☒ Objective assessment - multiple-choice, true- false, etc.
 - ☐ Quizzes/Tests
 - ☐ Unit test
 - ☒ Vocabulary
- ☐ Individual project
- ☒ Self-assessment - May include practice quizzes, games, simulations, checklists, etc.
 - ☒ Self-check rubrics
 - ☐ Journal reflections on concepts, personal experiences and impact on one's life
 - ☐ Reflect on evaluations of work from teachers, business partners, and competition judges
 - ☐ Academic prompts
 - ☐ Practice quizzes/tests
- ☐ Subjective assessment/Informal observations
 - ☐ Essay tests
 - ☐ Observe students working with partners
 - ☐ Observe students role playing
- ☐ Peer-assessment
 - ☐ Peer editing & commentary of products/projects/presentations using rubrics
 - ☐ Peer editing and/or critiquing
- ☒ Dialogue and Discussion
 - ☒ Student/teacher conferences
 - ☐ Partner and small group discussions
 - ☐ Whole group discussions
 - ☐ Interaction with/feedback from community members/speakers and business partners
- ☐ Constructed Responses
 - ☐ Chart good reading/writing/listening/speaking habits
 - ☐ Application of skills to real-life situations/scenarios
- ☐ Post-test

Assessment(s) Title:

Insurance Unit Project

Assessment(s) Description/Directions:

See below in Learning Experiences

Attachments for Assessment(s): Please list.

Insurance Unit Project.doc
Insurance Power Point.ppt
Hope in the Fields of War. PDF
Hope in the fields of War Worksheet. PDF



LEARNING EXPERIENCES

Sequence of Instruction:

1. Identify the Standards. Standards should be posted in the classroom for each lesson:

BCS-BE-34: The student explores and interprets the various risks involved in operating a business.

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2. Review Essential Questions:

- What is risk?
- How can businesses and individuals protect themselves against risk?
- What are all the tools available to businesses to manage risk?

3. Identify and review the unit vocabulary

Claim
Controllable Risk
Counterfeiting
Economic Risk
Insurance
Insurance Policy
Insured
Insurer

Liability Risks
Personal Risks
Policy Holder
Premium
Property Rights
Property Risks
Pure risk
Risk

4. Related FBLA Competitive Events:

Lesson 1 - Risk & Insurance (2 days)

Essential Question:

- What is risk?
- How can businesses and individuals protect themselves against risk?

Discussion & Activity: Day 1

Write the word Risk on the board – Have students come up with a definition of what they think risk is. Do the same with Risk Management.

To introduce the concept of risk and risk tolerance list 10 risky behaviors on the board:

- | | |
|-------------------------------------|--------------------------------------|
| • Shoplifting | • Coloring you hair hot pink |
| • Speeding | • Staying out after curfew |
| • Getting a Tattoo | • Taking illegal drugs |
| • Cheating on a test | • Downloading a bootleg movie |
| • Stealing money from church | • Lying to your parents |

Have the students then rank these behaviors from 1 – 10, 1 being the most risky – 10 being the least risky. Once they have ranked these individually, collect the data from the entire class and see what the class decides are the most risky behaviors. This demonstrates the concept of risk tolerance – some students are willing to take risks others won't. Have the students write a reflection about this activity and how they manage risk in their own lives.

Discussion & Activity: Day 2

The lesson plan "Introduction and History of Insurance" is a short plan that helps introduce the topic of insurance. The lesson plan will allow a class to provide a service by donating items and relating it to the insurance concept of pooling. The lesson plan would be good to use after a natural disaster has occurred to provide items to victims while using the topic as a teachable moment. The resource will also take students through the history of insurance.

As a lead-in to the lesson, have students bring in an item that is helpful for individuals after a disaster. Examples include canned goods, medical supplies, bottled water, etc...

This will help students understand that their contribution to a disaster is greater when many give rather than one (pooling of resources).

Scenario:

Students should have the item that they brought for victims of natural disaster on their desk.

Explain to the students that they are on an island with a limited supply of food. The next shipment of food will not be arriving for a week. In the meantime, word spreads that a major hurricane is approaching the island within the next 24 hours. Some of the food supply will be wiped out by the hurricane but at this point they are not sure which areas will be affected. Given the impending disaster, ask the students what they can do to ensure that they will have enough food for everyone after the hurricane passes.

Divide the class in half and separate the groups into the following:

1) Students who will ration their own food and take their chances independently.

Or

2) Students who will come together and combine all of their collected food to use after the storm.

Ask students what the advantages and disadvantages of each group are.

At this point explain that the hurricane has just gone through and take away items from several students in each group.

Ask students from each group how they feel now that their item was taken away and what they are going to do to survive. The students from the group that pooled their resources should answer that they will be ok because their group agreed to share among everyone.
Ask students which group they would prefer to be in.

Lesson:

Take students through the **Insurance PowerPoint** presentation
Have students read the **Hope in the Fields of War** article and complete the worksheet.

Lesson 2 – Insurance (3 days)

Essential Question:

- What are all the tools available to businesses to manage risk?

Discussion/Activity:

Insurance Unit Project

Assign the class into groups of 4 or 5 – or they may choose their own groups. Assign each group a topic – Health Insurance, Property Insurance, Home Owner's Insurance, Auto Insurance, or Life Insurance (Disability or Renter's Insurance can be added if necessary).

Once they have their topic, they will begin to design a lesson for the class on their type of insurance. The lesson should include (but is not limited to) the following:

- What is this type of insurance?
- Who needs this insurance?
- Why do we need this type of insurance?
- What options do we have when choosing this type of insurance?
- What does this insurance cover?
- How much could this insurance cost?
- Examples/Stories
- Interactive Piece

This "interactive piece" will be adding something to their lesson to get the class involved. Some ideas could be

- Worksheet
- Question and Answering at the end of lesson
- Trivia
- Mini Quiz

You may use any resources available to research your topic. Resources could include:

They will be presenting your lesson to the class. Remember your audience and keep them interested! Be creative!! You will have 3 days to complete this project – including presentations.

Attachments for Learning Experiences:

Insurance Unit Project.doc
Insurance Power Point.ppt
Hope in the Fields of War. PDF
Hope in the fields of War Worksheet. PDF

Notes & Reflections:

All lessons are written in a 90-minute block format. However, each lesson can be divided for a 50 minute class period. It is the responsibility of the instructor to find a natural point in each lesson to divide the activities up over multiple class periods.



CULMINATING PERFORMANCE TASK

Culminating Unit Performance Task Title:

Insurance Unit Project

Culminating Unit Performance Task Description/Directions/Differentiated Instruction:

Assign the class into groups of 4 or 5 – or they may choose their own groups. Assign each group a topic – Health Insurance, Property Insurance, Home Owner’s Insurance, Auto Insurance, or Life Insurance (Disability or Renter’s Insurance can be added if necessary).

Once they have their topic, they will begin to design a lesson for the class on their type of insurance. The lesson should include (but is not limited to) the following:

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- What does this insurance cover?
- How much could this insurance cost?
- Examples/Stories
- Interactive Piece

This “interactive piece” will be adding something to their lesson to get the class involved. Some ideas could be

- Worksheet
- Question and Answering at the end of lesson
- Trivia
- Mini Quiz

Attachments for Culminating Performance Task:

Insurance Unit Project.doc



UNIT RESOURCES

Web Resources:

<http://www.griffithfoundation.org/k-12/curriculum-online/>

Attachment(s):

Materials & Equipment:

Computer Lab with Internet access and Microsoft Office software

Presentation equipment

What 21st Century Technology was used in this unit:

| | | | | | |
|-------------------------------------|-------------------------|-------------------------------------|--------------------|-------------------------------------|---------------------------------|
| <input checked="" type="checkbox"/> | Slide Show Software | <input type="checkbox"/> | Graphing Software | <input type="checkbox"/> | Audio File(s) |
| <input checked="" type="checkbox"/> | Interactive Whiteboard | <input type="checkbox"/> | Calculator | <input type="checkbox"/> | Graphic Organizer |
| <input type="checkbox"/> | Student Response System | <input checked="" type="checkbox"/> | Desktop Publishing | <input checked="" type="checkbox"/> | Image File(s) |
| <input type="checkbox"/> | Web Design Software | <input type="checkbox"/> | Blog | <input type="checkbox"/> | Video |
| <input type="checkbox"/> | Animation Software | <input checked="" type="checkbox"/> | Wiki | <input type="checkbox"/> | Electronic Game or Puzzle Maker |
| <input checked="" type="checkbox"/> | Email | <input checked="" type="checkbox"/> | Website | | |
