

Name:

Date:

Class:

Risks and Rewards of Credit

Skill:

- Analysis (AN)

Time on Task:

- 25–35 minutes

Goal/Purpose:

- The goal of this activity is to determine the risks and rewards of offering credit to your customers.

As a small-business owner, you feel offering credit to customers is an essential part of conducting business. Research the risks and the rewards of offering credit, and answer the prompts below. Your instructor will inform you about the appropriate method of submission. This information may be reported to the class according to your instructor's guidelines, so be sure to provide enough information to facilitate a discussion.

1. Identify the risks of offering credit to your customers.

Answer:

2. Identify the rewards of offering credit to your customers.

Answer:

3. After doing your research about the risks and rewards of offering credit, do you think you will or will not offer credit? Explain your answer in depth.

Answer: