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| **TEXAS CTE LESSON PLAN**[www.txcte.org](http://www.txcte.org) |
| **Lesson Identification and TEKS Addressed** |
| **Career Cluster** | Business Management and Administration |
| **Course Name** | Principles of Business, Marketing, and Finance |
| **Lesson/Unit Title** | Producers in a Private Enterprise System |
| **TEKS Student Expectations** | **130.132. (c) Knowledge and Skills**(7) The student classifies types of businesses that market goods and services:(B) The student is expected to define business and industry terms such as producers, raw-goods producers, manufacturers, builders, trade industries, retailers, wholesalers, and service businesses.(4) The student differentiates between the types of economic systems with emphasis on the private enterprise system and the U.S. economy:(B) The student is expected to summarize the characteristics of the private enterprise system.(8) The student analyzes cost and profit relationships in finance:(A) The student is expected to explain the concept of productivity. |
| **Basic Direct Teach Lesson**(Includes Special Education Modifications/Accommodations and one English Language Proficiency Standards (ELPS) Strategy) |
| **Instructional Objectives** | **Performance Objective:*** Upon completion of this lesson, the student will explain the role of different types of producers in a private enterprise system.

**Specific Objectives:*** Identify the basic economic problem.
* Describe how America’s private enterprise economy works.
* Describe different types of producers in a private enterprise system.
* Describe the role of producers in the economy and the forms of production
* Differentiate among the various types of manufacturing.
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| **Rationale** | This lesson explains the private enterprise system, the role of producers, and the concept of productivity. Students will design, illustrate, and develop a power point about the production and marketing process.  |
| **Duration of Lesson** | This lesson will take approximately 3-5 days.  |
| **Word Wall/Key Vocabulary***(ELPS c1a,c,f; c2b; c3a,b,d; c4c; c5b) PDAS II(5)* | * producers – persons who facilitate everything that happens after the client agrees to develop an ad or campaign
* supply – a relationship between the quantity of a product that producers are willing and able to provide and the price
* demand – a relationship between the quantity of a product consumers are willing and able to purchase and the price
* scarcity-the result of unlimited wants and needs combined with limited resources
* controlled economy-an economic system where the government attempts to own and control important resources and to make the decisions about what will be produced and consumed
* free economy-an economic system in which resources are owned by individuals and decisions are made independently with no attempt at government regulation or control
* mixed economy-an economic system in which some goods and services are provided by the government and some by private enterprise
* private enterprise-an economic system based on independent decisions by businesses and consumers with only a limited government role regulating those relationships
* profit motive-the use of resources toward the greatest profit for the producer regulating those relationships
* value-an individual view of the worth of a product or service
* extraction and cultivation-
* processing-changing and improving the form of another product
* manufacturing-combining raw materials and processed goods into finished products
* mass production-an assembly process that makes a large number of identical products using a continuous efficient procedure
* custom manufacturing-building a specific and unique product to meet the needs of one customer
* materials processing-changing the form of raw materials so they can be consumed or used to make other products
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| **Materials/Specialized Equipment Needed** | * Construction paper
* Scissors and glue
* Poster board
* Newspapers
* Computers for students to complete projects
* Projector for Students’ PPT
* Internet
* Product-From Start to Finish Poster Assignment #1
* Product-From Start to Finish Poster Assignment #1 Rubric
* Where Was It Produced PowerPoint Assignment #2
* Where Was It Produced PowerPoint Assignment #2 Rubric
* New and Improved Assignment Presentation #3
* New and Improved Assignment Presentation #3 Rubric
* Bed and Breakfast Presentation
* Bed and Breakfast Presentation Rubric
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| **Anticipatory Set**(May include pre-assessment for prior knowledge) | **Learner Preparation**1. Write the following goods on the board (automobile, fresh flower arrangement, fresh baked pie). Then ask students to describe the manufacturing process for each product—listing basic resources and procedures and necessary to produce the product. Students must list all phases of production (from the farmer growing wheat and fruit to the processing of the flour and baking the pie).
2. Split the class into teams. Each team must create a table with three columns. Each column is labeled with one of the types of manufacturing procedures (mass production, custom manufacturing, and materials processing). The team must agree upon five products that would be manufactured using each procedure and list them in the column under the correct heading.
3. Conduct research about a car manufacturer. Explain the difference between a custom automobile and a regular automobile manufactured by the company.

**Introduction:**1. Ask students to write natural resources on a sheet of paper. Then ask students to list five products that are made from each of the natural resources.
2. Ask students to design a gift item for their parents that requires an assembly process. The assembly process will be completed by members of the class. Students must decide what resources will be used, who will complete the different tasks, and how the process will be completed in a timely manner. This activity makes students aware of specialization and mass production to produce a quantity of the same item.
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| **Direct Instruction \*** |

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| 1. The Basic Economic Problem
2. Scarcity
3. Unlimited wants and needs
4. Limited resources
5. Choices must be made
6. Questions Economies Must Answer
7. What goods and services will be produced?
8. How will they be produced?
9. For whom will they be produced?
10. Economic Systems
11. Controlled economy-government answers the three economic questions
12. Free economy (market economy)- resources are owned by individuals rather than the government
13. Mixed economy-decisions are made independently with no attempt at government regulation or control
 | Ask students to make a list of goods and services they would like to possess. Then ask students what is keeping them from obtaining all desired goods and services. Explain how all individuals and societies face scarcity. The free enterprise system must make decisions about what will be produced with limited resources.Ask students to list the three economic systems on a sheet of paper and to list advantages and disadvantages for each economic system. |
| 1. America’s Private Enterprise Economy
2. based on independent decisions by businesses and consumers with only limited government role regulating those relationships
3. Characteristics of Private Enterprise
4. resources of production are owned and controlled by individual producers
5. Producers use the profit motive to decide what to produce-use of resources to obtain the greatest profit
6. Individual consumers make decisions about what will be purchased to satisfy needs
7. Consumers use value in deciding what to consume
8. Government stays out of exchange activities between producers and consumers unless individuals or society are harmed by the decisions
9. Consumers
10. Individuals who purchase products and services to satisfy needs
11. Demand-a relationship between the quantity of a product consumers are willing and able to purchase and the price
12. Producers-businesses that use their resources to develop products and services to consumers for profit
13. Supply-relationship between the quantity of a product that producers are willing and able to provide and the price
14. Determine the needs and demands of consumers
15. Government
16. least amount of involvement in free enterprise system
17. some regulations
18. 3. use taxes for services
 | Explain how consumers decide what is produced in a free enterprise system. Producers must listen to consumer demands to stay in business. The free enterprise system does not want a lot of government involvement.Producers must decide how they will use their limited resources. A farmer must determine which crops to grow, car manufacturers must determine the quantity of different types of automobiles to produce.  |
| 1. Business Customer Classifications
2. Producers-1.2 million businesses
3. farms and ranches
4. mining companies
5. oil refineries
6. manufacturers of business and consumer products
7. construction-largest production category-over 700,000 companies
8. small-less than $10,000 a year on purchases
9. large-employ several hundred thousand people worldwide and may easily spend $10 million in one day on purchases
10. Resellers-wholesale and retail businesses who connect producers with consumers
11. Service Businesses-growing faster than any category of business in the U.S.
12. Government-federal, state and local government agencies provide services to citizens and develop and enforce laws and regulations
13. Nonprofit Organizations-serve the community with no profit motive
 | Producers come in all types and sizes. The manufacturing, construction, agriculture, and extracting industries carefully consider consumer demand and economic conditions when determining what to produce and the quantity to produce. |
| 1. Forms of Production
2. Extraction and cultivation-products are obtained from nature or grown using natural resources
3. Processing-changing and improving the form of another product
4. Manufacturing-combines raw materials and processed goods into finished products
5. manufacturing process-several manufacturers are part of the total activity needed to produce goods that are purchased by consumers or other businesses
6. Types of Manufacturing Procedures
7. Mass Production-assembly process that makes many identical products using a continuous, efficient procedure
8. Custom Manufacturing-building a specific and unique product to meet the needs of one customer
9. Materials Processing-changing the form of raw materials so they can be consumed or used to make other products
10. Intermittent Processing-uses short production runs to produce a precise amount of a variation of a product
11. continuous processing-raw materials constantly move through specially designed equipment changing them into a specific product useable for consumption
 | Ask students to give examples of producer involved with extraction and cultivation. Ask students what processes are required to produce a pair of cotton jeans. Explain the variety of producers used in the process. Explain how large home builders construct tract homes which use a mass production concept and how custom builders design a different home for each customer. Then explain why the custom process is more expensive than the mass production process. |

*Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*None |
| **Guided Practice \*** | Ask students to give an example of a good thathas been improved during their lifetime. Students will write a one-paragraph paper explaining how the product has been improved. Then ask students to make suggestions for future improvements to the product. Explain how applied research, economic conditions, and customer feedback influence product changes.*Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*None  |
| **Independent Practice/Laboratory Experience/Differentiated Activities \*** | 1. **Product-From Part to Finish Poster Assignment:** Ask students to select aproduct that involves all of the types of businesses in its production and marketing. Draw an illustration that shows each business and its role in the successful production and sale of the product. Title your illustration and label the component parts.
2. **Where Was It Produced PowerPoint Assignment:** Ask students to select anarticle of clothing or a popular food item. Students must conduct research to determine the major raw materials and natural resources that are used in the production of the product. Students will then identify the country or countries that are the major sources of the production or supply of those materials. Students will then produce a PowerPoint presentation to explain the production of their item.
3. **New and Improved Assignment Presentation:** Ask students to choose a small household product that they use regularly. Students then evaluate the product and determine a design improvement for the product. Students will sketch a new design that illustrates the improvement and present their idea to the class, using the visual aid.

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| **Lesson Closure** | 1. How does a manufacturer differ from an extractor?
2. The extractor takes resources from nature for direct consumption or for use in developing other products. Manufacturers get supplies from other producers and convert them into products.
3. What are the three forms of production?
4. The three forms of production are extraction and cultivation, processing, and manufacturing.
5. What is intermittent processing?
6. Intermittent processing uses short production runs to produce a precise amount of a

variation of a product.1. What is custom manufacturing?
2. Custom manufacturing involves building a specific and unique product to meet the

needs of one consumer.1. What is the fasting growing type of business?
2. Service businesses are the fastest growing category.
3. What is manufacturing?
4. Manufacturing combines raw materials and processed goods into finished products.
5. Why would the processing of textbooks be an intermittent process?
6. Books would be produced as dictated by the flow of orders.

**BED AND BREAKFAST**Ask students how a farmer or rancher could become involved with a bed and breakfast. Then ask students to explain the products and services provided by the bed and breakfast operated by the farmer or rancher. Students will present their plan to the class. |
| **Summative / End of Lesson Assessment \***  | **Informal Assessment*** Instructor will observe students during Independent Practice.
* Instructor will assist students as needed.

**Formal Assessment*** Assigned Rubrics will be used to assess assignments 1, 2, and 3 for Independent Practice.

*Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*Accommodations for Learning Differences: It is important that lessons accommodate the needs of every learner. These lessons may be modified to accommodate your students with learning differences by referring to the files found on the Special Populations page of this website. |
| **References/Resources/****Teacher Preparation** | * Intro to Business, Dlabay Burrow Klendl, South-Western Cengage Learning
* Introduction to Business, Brown Clow, Glencoe McGraw-Hill
* Marketing, Burrow, South-Western Cengage Learning
* Online Resources: globaledge.msu.edu, worldnetdaily.com/news/article
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| **Additional Required Components** |
| **English Language Proficiency Standards (ELPS) Strategies** |  |
| **College and Career Readiness Connection[[1]](#footnote-1)** | English110.42(b)(6)(A) – Vocabulary Development…expand vocabulary through wide reading, listening, and discussing110.42(b)(6)(B) – Vocabulary Development* rely on context to determine meanings of words and phrases such as figurative language, idioms, multiple meaning words, and technical vocabulary

110.42(b)(7)(F) – Reading/comprehension…identify main ideas and their supporting details110.42(b)(7)(G) – Reading/comprehension…summarize texts110.42(b)(7)(J) – Reading/comprehension…read silently with comprehension for a sustained period of timeMathematical Models with Applications111.36(c)(1)(A) – Knowledge and Skills…compare and analyze various methods for solving a real-life problem.111.36(c)(1)(B) – Knowledge and Skills…use multiple approaches (algebraic, graphical, and geometric methods) to solve problems from a variety of disciplines111.36(c)(1)(C) – Knowledge and Skills…select a method to solve a problem, defend the method, and justify the reasonableness of the results111.36(c)(6)(A) – Knowledge and Skills…analyze methods of payment available in retail purchases and compare relative advantages and disadvantages of each option.111.36(c)(7)(A) – Knowledge and Skills…analyze types of savings options involving simple and compound interest and compare relative advantages of these options. |
| **Recommended Strategies** |
| **Reading Strategies** |  |
| **Quotes** |  |
| **Multimedia/Visual Strategy****Presentation Slides + One Additional Technology Connection** |  |
| **Graphic Organizers/Handout** |  |
| **Writing Strategies****Journal Entries + 1 Additional Writing Strategy** |  |
| **Communication****90 Second Speech Topics** |  |
| **Other Essential Lesson Components** |
| **Enrichment Activity**(e.g., homework assignment) | 1. Ask students to identify two national nonprofit organizations. Then ask students to conduct research the services provided by the nonprofit organizations. What pays for the services offered by the nonprofit organizations?
2. Ask students to draw a state from the hat. Each student must research the state that they have selected and list the type of production that takes place in each state.
3. Show students pictures of different natural resources and then give students two minutes to list as many products as possible that incorporate the natural resources. Ask the students to share their lists and gain a better understanding of all products that count on different natural resources.
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| **Family/Community Connection** |  |
| **CTSO connection(s)** | Business Professionals of AmericaFuture Business Leaders of America |
| **Service Learning Projects** |  |
| **Lesson Notes** |  |

1. Visit the Texas College and Career Readiness Standards at <http://www.thecb.state.tx.us/collegereadiness/CRS.pdf>, Texas Higher Education Coordinating Board (THECB), 2009. [↑](#footnote-ref-1)