|  |
| --- |
| **TEXAS CTE LESSON FORMAT**[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** | Principles of Business, Marketing, and Finance |
| **TEKS Student Expectations** | **130.132. (c) Knowledge and Skills**(2) The student describes the characteristics of business(B) The student is expected to differentiate between goods and services(C) The student is expected to identify the types of business(5) The student relates to the impact of international business on the U.S. economy(A) The student is expected to explain the role of business in a global society |
| **Basic Direct Teach Lesson**(Includes Special Education Modifications/Accommodations and one English Language Proficiency Standards (ELPS) Strategy) |
| **Instructional Objectives** | * Upon completion of this lesson, the student will distinguish between domestic business and international business.
* Students will discuss the reasons why international business is important.
* Students explain the components of the international business environment.
* Students will describe the basic international business activities.
* Students will describe the importance of international business for workers, consumers, and citizens.
 |
| **Rationale** |  |
| **Duration of Lesson** |  |
| **Word Wall/Key Vocabulary***(ELPS c1a,c,f; c2b; c3a,b,d; c4c; c5b) PDAS II(5)* | * Imports – goods and service one country buys from another country
* Exports – goods and services one country sells to another country
* Balance of trade – the difference in value between how much a country imports and how much it exports
* Multinational corporation-a company that does business and has facilities in many countries around the world
* Exchange rate-the price at which the currency of one country can buy the currency of another country
* Balance of trade-the difference in value between how much a country imports and how much it exports
* Protectionism-limiting trade with other countries to protect business at home
* Tariff-a tax placed on imported products to make them more expensive than domestic products
* Quota-a limit placed on the quantities of a product that can be imported
* Embargo-a ban on the import or export of a product
* Free trade-few or no limits on trade between countries
 |
| **Materials/Specialized Equipment Needed** | 1. Construction paper
2. Scissors and glue
3. Poster board
4. Newspapers
5. Computers for students to complete projects
6. Projector for PPT
7. “Business in a Global Society” PowerPoint Presentation (coming soon)
8. Global Shopping Assignment #1 (coming soon)
9. Global Shopping Assignment #1 Rubric (coming soon)
10. International Business Report Assignment #2 (coming soon)
11. International Business Report Assignment #2 Rubric (coming soon)
12. Politics and Trade Assignment #3 (coming soon)
13. Politics and Trade Assignment #3 Rubric (coming soon)
14. Internet
 |
| **Anticipatory Set**(May include pre-assessment for prior knowledge) | 1. Ask students to make a list of ten items that they own and categorize each item as a domestic or imported item. Then give students old magazines, ask them to cut out pictures of goods, design a collage of the goods, and categorize each good as domestic or imported.
2. Ask students to write down five examples of goods and five examples of services. Students should be prepared to share their list of items during class discussion.

**Introduction**1. Ask students to develop a list of domestic and imported automobiles. Then ask students to list the pros and cons of owning each brand of automobile. Finally, students will make suggestions to domestic automobile manufacturers to become more competitive with popular imported brands.
2. Divide the class into small groups of two or three students. Each group has 10 minutes to answer the following questions: Why does the U.S. import and export some goods and services? How do changes in the value of the Mexican peso or Japanese yen affect your life? Which policy is the best—free trade or protectionism?
3. Ask students to explain the impact of imports on the United states economy
 |
| **Direct Instruction \*** | Instructors can use the PowerPoint presentation, slides, handouts, current events, the Internet, and note pages in conjunction with the following outline.1. International Business

**Teacher Note: Ask students what activities are necessary to produce and sell an imported automobile in the United States.*** 1. All business activities needed to create, ship, and sell goods and services across national borders
	2. Other Names for International Business
		1. Global business
		2. International trade
		3. Foreign trade
	3. Importance of International Business

**Teacher Note: Ask students to describe a part of the world where a global business opportunity exists. Describe the opportunity.** * + 1. Global opportunities
		2. Consumers demand imports
		3. Businesses need to export
		4. Materials and parts needed for Manufacturing
1. Domestic Business
	1. Business Within the Country’s Own Borders
	2. Making, Buying, and Selling Goods and Services Within the Country
2. Types of Businesses

**Teacher Note: Ask the class to give one example of each type of business.** * 1. Produce raw goods
	2. Process raw goods
	3. Manufacture goods from raw or processed goods
	4. Distribute goods
	5. Provide services
1. The Fundamentals of International Trade

**Teacher Note: Ask students to give examples of situations where the types of trade barriers would be appropriate.** * 1. Imports-goods and services one country buys from another country
	2. Exports-goods and services one country sells to another country
	3. Trade Barriers
		1. Protectionism-limiting trade with other countries to protect business at home
		2. Tariff-a tax placed on imported products to make them more expensive than domestic products
		3. Quota-a limit placed on the quantities of a product that can be imported
		4. Embargo-a ban on the import or export of a product
1. International Business Environment

**Teacher Note: Split the class into groups of three students each. Give each group a different country. The group must report on A-D for the country’s international business environment.** * 1. Geography
		1. Climate
		2. Terrain, seaways
		3. Natural resources
		4. Agricultural products
	2. Economic Conditions
		1. Type of economic system
		2. Level of education
		3. Types of industries
		4. Technology
	3. Cultural and Social Factors
		1. Language
		2. Education
		3. Religion
		4. Values, customs
		5. Social relationships
	4. Political and Legal Factors
		1. Type of government
		2. Political stability
		3. Government policies toward business
1. The Global Marketplace

**Teacher Note: Ask students to explain why some American companies outsource their manufacturing processes.*** 1. Multinational Corporation
		1. Does business in many countries
		2. Has facilities and offices in many countries around the world
		3. Works like a shopping mall or a supermarket
	2. Resources for a Country
		1. Human
		2. Natural
	3. Specialization-influenced by the country’s resources
		1. country with little money or advanced technology
		2. country with a large population
		3. specializes in manual labor
1. Currency-pay for products in a global economy

**Teacher Note: Tell students to use the Internet to look up the latest currency exchange rates for different countries**. * 1. Exchange Rate
		1. Price at which one currency can buy another currency
		2. Exchange rates change from day to day and from country to country
		3. Value of a currency depends on how many other countries want to buy the country’s products
	2. Different Exchange Rate Scenarios
		1. Favorable exchange rate-when the value of a country’s currency goes up compared to another country’s currency
		2. Unfavorable exchange rate-when the value of a country’s currency goes down compared to another country’s currency
		3. countries lower the value of their currency to bring in more business
1. Balance of Trade

**Teacher Note: Conduct research to determine the U.S. balance of trade. What can be done for the U.S. to improve its balance of trade?** * 1. Trade Surplus-more exports than imports

Trade Deficit-more imports than exports |
| **Guided Practice \*** | Some people believe that the United States should place stipulations on imports of goods that compete with U.S. businesses to prevent the “exporting of American jobs” to other countries. Give arguments for and against this position. |
| **Independent Practice/Laboratory Experience/Differentiated Activities \*** | 1. **Global Shopping Assignment:** Ask students to visit a retail store and select 10 clothing items they would like to own. Students then create a list of the items and indicate the countries where the items were manufactured. Students prepare a PowerPoint presentation about their findings. The presentation should also suggest why different products are more likely to be manufactured in other parts of the world. This project will be evaluated using the assigned rubric.
2. **International Business Report:** Ask students to interview a person who has lived or worked in another country or to conduct research using the Internet to learn about business activity in another country. Students should collect information about cultural and business differences compared to the United States. Students will prepare a two- or three-page report that includes their findings. The report will be evaluated using the assigned rubric.

**Politics and Trade:** Politics affect international business. Actions by the government influence actions by domestic and international businesses. Split the class into groups of three. Tell students that they are senators representing their state. They must vote for or against a bill that will raise taxes on U.S. businesses to lower the U.S. deficit. Students must list the pros and cons of raising taxes on businesses. They must explain how U.S. businesses are likely to react to the higher taxes and what the impact will be on international trade and employment in the United States. Students will present their plan of action to the class and will be evaluated using the assigned rubric. |
| **Lesson Closure** |  |
| **Summative / End of Lesson Assessment \*** | **Review:****Q:** How do international business activities create jobs?**A:** The international business activities increase the need to produce products and services around the world, resulting in greater employment opportunities.**Q:** What is one example of global dependency in the U.S?**A:** U.S. is globally dependent on energy sources from the Middle East.**Q:** Why would a country consider using trade barriers?**A:** Trade barriers are used to protect domestic production and domestic jobs.**Q:** Why should a country be concerned about the falling value of its currency?**A:** The falling value indicates economic weakness and bigger problems for the country’s future economy.**Q:** What is the difference between a good and a service?**A:** A good you can see and touch; it is a product to meet wants and needs. Services are activities that are consumed at the same time they are produced.**TYPES OF BUSINESSES**Students will design a poster that illustrates the five types of businesses covered in this lesson. The poster should give a concrete example of real businesses for each category. The assigned rubric will be used to evaluate this project.**Informal Assessment**:1. Instructor will observe students during Independent Practice.2. Instructor will assist students as needed.**Formal Assessment:**Assigned Rubrics will be used to assess assignments 1, 2, and 3 for Independent Practice (LSI Quadrant III). A rubric will be used to evaluate the “TYPES OF BUSINESSES” poster. |
| **References/Resources/****Teacher Preparation** | 1. Introduction to Business, Fifth Edition, Brown Clown, Glencoe McGraw-Hill2. Intro to Business, Dlabay Burrow Klendl, South-Western Cengage Learning3. International Business, Dlabay & Scott, South-Western Cengage Learning4. Online Resources: globaledge.msu.edu, worldnetdaily.com/news/article |
| **Additional Required Components** |
| **English Language Proficiency Standards (ELPS) Strategies** | . |
| **College and Career Readiness Connection[[1]](#footnote-1)** |  |
| **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. Conduct research about Coca-Cola, using the company’s official web site. Coca-Cola is sold in more than 200 countries. Coca-Cola’s web site provides information about how company has tailored its products and image to address cultural differences around the world. Locate a web site with information about the culture for another country and write a paragraph describe adjustments that Coca-Cola would make to conduct business in that country.
2. Put the names of a wide variety of countries into a hat. Each student draws a name from the hat and conducts research about the country to determine its specialty. Then students report to class a good or service that is a specialty for the country.
 |
| **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)