|  |  |  |
| --- | --- | --- |
| **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** | Economic and Ethical Activity in a Changing World | |
| **TEKS Student Expectations** | **130.132. (c) Knowledge and skills.**  (2) The student describes the characteristics of business. The student is expected to:  (A) explain the principles of supply and demand; and  (G) identify business cycles.  (3) The student defines ethics in business. The student is expected to:  (A) distinguish between ethical and unethical business practices; and  (B) contrast ethical, moral, and legal choices that relate to the decision-making process in business situations. | |
| **Basic Direct Teach Lesson**  (Includes Special Education Modifications/Accommodations and  one English Language Proficiency Standards (ELPS) Strategy) | | |
| **Instructional Objectives** | The student will be able to:   * Identify how economic activity is measured. * Explain how inflation and deflation work. * Discuss the four phases of the business cycle. * Explain business ethics. * Give reasons why ethical behavior is good for business. * Define social responsibility. * Describe the social responsibilities of businesses. | |
| **Rationale** | The student will recognize how changing economic conditions, business ethics, and social responsibility impact businesses. | |
| **Duration of Lesson** | Teacher’s Discretion | |
| **Word Wall/Key Vocabulary**  *(ELPS c1a,c,f; c2b; c3a,b,d; c4c; c5b) PDAS II(5)* | * **Gross domestic product**- the total value of the goods and services produced in a country in one year * **Standard of living**- the amount of goods and services the people of a country can buy * **Inflation**- a general increase in the cost of goods and services * **Deflation**- a general decrease in the cost of goods and services * **Budget deficit**- when the government spends more on programs than it collects in taxes, or expenses exceed income * **National debt**- the total amount of money owed by the federal government * **Budget surplus**- when the government collects more in taxes than it spends on programs, or income exceeds expenses * **Business cycle**- the rise and fall of economic activity over time * **Recession**- a decline in economic activity * **Depression**- a deep, long-term decline in economic activity * **Recovery**- a rise in business activity after a recession or depression * **Ethics**- a set of moral principles by which people conduct themselves personally, socially, or professionally * **Business ethics**- the rules that govern how businesses should conduct themselves * **Sweatshops**- factories that pay poorly, have unsafe working conditions, and treat workers badly * **OSHA**- a division of the Department of Labor that sets and enforces work-related health and safety rules * **Code of ethics**- a strict set of guidelines in a profession or company for upholding ethical behavior in the workplace * **Social responsibility**- the obligation to do what is best for the welfare of society * **Conflict of interest**- when a business puts its interests before the interests of society * **Food and Drug Administration**- a government agency that protects consumers from dangerous or falsely advertised products * **Equal Pay Act**- a federal law against denying credit on the basis of gender, age, ethnicity, or other difference * **Environmental Protection Agency (EPA)-** a federal law that enforces rules to protect the environment and control pollution | |
| **Materials/Specialized Equipment Needed** | **Instructional Aids:**   * Business Cycle Presentation Assignment #1 * Business Cycle Presentation Assignment #1 Rubric * Code of Ethics Brochure Assignment #2 * Code of Ethics Brochure Assignment #2 Rubric * Growing Debt Assignment #3 * Growing Debt Assignment #3 Rubric * Internet   **Materials Needed**:   * Construction paper * Scissors and glue * Poster board * Newspapers   **Equipment Needed:**   * Computers for students to complete projects * Projector for PPT | |
| **Anticipatory Set**  (May include pre-assessment for prior knowledge) | 1. Ask students to write about a time when they were tempted to do something unethical at school, work, or in the business community. Then explain what influenced their decision. Discuss how individuals are faced with ethical issues on a daily basis.  2. Ask students to list two legal, two social, two customers, and two employee responsibilities for a business. Explain why each responsibility is important and what the business can do to accomplish the responsibilities. | |
| **Direct Instruction \*** | 1. The unemployment rate is an indication of how business-people, investors, and the government predict economic conditions. High unemployment figures usually indicate that the economy is contracting. Ask students to research current economic conditions to suggest what can be done to improve the rate of employment.  2. Recession can have an impact on the fashion industry. The recession-conscious public resulted in fashion designers scaling back on trendy lines because consumers had tight budgets. Many of the top-name designers like Ralph Lauren introduced classic lines and colors to satisfy people’s need to buy clothes that would stay fashionable for three or four years. Ask students to consider their wardrobes and to list items that will stay in style for three or four years.  3. Ask students for examples from their own life as a customer or as a worker of both good and bad ethical business practices. Then give students the following scenario. “You’re stranded on a small island with three other people. What personal traits would you want the other three people to possess? List the traits chosen by students. Then ask how this scenario relates to the workplace. | |
| Outline | Notes to Instructor |
| 1. Economic Measurements in a Changing World 2. Gross Domestic Product-total value of goods and services produced in a country in a given year 3. consumer goods and services 4. business goods and services 5. government goods and services 6. goods and services sold to other countries 7. Unemployment Rate 8. Rate of Inflation-rate at which the cost of goods and services rise 9. Standard of Living-amount of goods and services the average citizen can buy 10. Deflation-when the supply of goods is greater than the demand 11. National Debt 12. Budget deficit-when the government spends more on programs than it collects in taxes 13. National debt-total amount of money a government owes 14. Budget surplus-when a government’s revenue exceeds its expenditures during a one-year period | Explain how international business has affected gross domestic product in both a positive and negative way.  Ask students to explain how an increasing unemployment rate has a domino effect on the economy. |
| 1. Four Phases of the Business Cycle 2. Prosperity-peak of economic activity 3. Recession-economic slowdown 4. Depression-a deep recession that affects the entire economy and lasts for several years 5. Recovery-the rise in business activity after a recession or depression | Give each student a piece of construction paper that they divide into four window panes. Each window pane should illustrate the four phases of the business cycle, using pictures and text. |
| 1. Ethics-set of moral principles by which people conduct themselves personally, socially, or professionally 2. Businesses have a legal responsibility to do what is right for society’s welfare 3. Business Ethics-a set of laws about how a business should conduct itself 4. Unethical Business Practices 5. bad for business 6. affects a business’s profits, customer base, and employee loyalty 7. sweatshops-factories that have unsafe working conditions, treat workers badly, and pay poorly 8. Important Ethical Questions 9. Is it against the law? 10. What if everyone did this? 11. Am I sacrificing long-term benefits for short-term gains? 12. Making Decisions on Ethical Issues 13. Identify the ethical dilemma. 14. Discover alternative actions. 15. Decide who might be affected. 16. List the probable effects of the alternatives. 17. Select the best alternative. 18. Social Responsibility 19. duty to do what is best for the good of society 20. businesses have a responsibility to consumers, workers, and society 21. Government Responsibility to Customers 22. FDA (Food and Drug Administration) 23. FTC (Federal Trade Commission) 24. Consumer Product Safety Commission (CPSC) 25. USDA (United States Department of Agriculture) 26. Responsibility to Employees 27. Equal Pay Act 2. OSHA-division of the Department of Labor (sets and enforces work-related health and safety rules 28. Responsibility to Society 29. EPA (Environmental Protection Agency) 30. Saving energy, recycling 31. Conflict of Interest-when a business is tempted to put profits before social welfare | Explain how bribery is expected in business transactions for some countries. Then ask students if U.S. businesses should resort to bribery to increase the GDP.  Ask students to list three ethical issues that they have made decisions about. Then explain how ethics involves doing the right thing when it is more attractive to do the unethical activity.  Ask students to list the four government agencies listed under G. Then have students explain the consumer protection role for each agency.  Ask students to list three responsibilities that employers have for employees. Then ask students to list three responsibilities employees have to the employer. |
| IV. Adapting to Current Markets  1. meeting the challenges of international competition  2. overcoming economic conditions  3. adjusting to changing government demands  4. adjusting the workforce to different economic conditions | Ask students to list one international, economic, governmental, and workforce challenge facing businesses in today’s changing marketplace. |
| **Guided Practice \*** | Ask students to conduct research to learn about the Code of Ethics for a chosen business. Students will share Ten Points about the Code of Ethics with the class. Ask students to explain the social responsibility of businesses to consumers and society. | |
| **Independent Practice/Laboratory Experience/Differentiated Activities \*** | 1. Business Cycle Presentation Assignment: Ask students to prepare a PowerPoint presentation that explains the four phases of the business cycle. The presentation should not only describe each phase, but also give concrete examples of activities that happen/don’t happen during each phase. The presentation will be evaluated using the assigned rubric.  2. Code of Ethics Brochure Assignment: Ask students to design a concrete Code of Ethics brochure for a selected business to distribute to employees. The brochure should have at least 10 points for a solid Code of Ethics. The brochure will be evaluated using the assigned rubric.  3. Growing Debt Assignment: Ask students to use the Internet to find the dollar amount of the current national debt. Also look up the debt for the past ten years. Then find the amount of projected debt for the next five years. Prepare a PowerPoint presentation that explains the growing national debt, what needs to be done to reduce the national debt, and the dangers associated with such a large debt. The presentation will be evaluated using the assigned rubric. | |
| **Lesson Closure** | * Q: What are the four phases of the business cycle? * A: The four phases are prosperity, recession, depression, and recovery. * Q: What do economic indicators measure? * A: Economic indicators measure how much a country is producing, whether its economy is growing, and how it compares with other countries. * Q: What is one very important measure of a country’s economic health? * A: Level of productivity is an important measure of the country’s economic health. * Q: What do changes in the unemployment rate indicate? * A: The unemployment rate indicates whether an economy is picking up or slowing down. * Q: What is the main source of income for the U.S. government? * A: The main source of income is taxes. * Q: What is the difference between a recession and a depression? * A: Economic activity slows down for the short term with recession. High unemployment and little productivity occur during a depression. * Q: What are ethics? * A: Ethics are principles you live by and conduct yourself. * Q: How do most businesses police themselves? * A: Businesses police themselves with a code of ethics. * Q: When does a conflict of interest occur? * A: Conflict of interest occurs when there is a conflict between social well-being and personal gain. * Q: What is the purpose of the Food and Drug Administration? * A: The purpose of the FDA is to protect consumers from unsafe food and drugs and to regulate the industry | |
| **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.   **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** | * Introduction to Business, Brown Clow, Glencoe McGraw-Hill * Intro to Business, Dlabay Burrow Klendl, South-Western Cengage Learning * Online Resources: <https://globaledge.msu.edu/>, <http://www.wnd.com/> | |
| **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) | Invite a local HR professional to discuss workplace safety rules in his/her company. Ask them to emphasize the state laws that they have to adhere to as well as federal laws (if applicable). | |
| **Family/Community Connection** |  | |
| **CTSO connection(s)** | Business Professionals of America  Future 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)