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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** | Production, Distribution, and Other Business Operations |
| **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 (7) The student classifies types of businesses that market goods and servicesB) 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(C) The student is expected to identify types of retailers |
| **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 production/manufacturing process and channels of distribution and intermediaries for goods and services.

**Specific Objectives:*** Justify the importance of marketing research.
* Identify the components of a product.
* Describe how services differ from products.
* Differentiate between a direct and an indirect channel of distribution.
* Describe the role of producers in the economy and the forms of production.
* Identify the activities involved in production planning.
* Describe how manufacturing is organized.
* Discuss the importance of effective business operations.
* Describe tools used to manage business operations
* Describe three major types of businesses.
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| **Rationale** | Students will learn the production and manufacturing process and means of distribution for goods and services. |
| **Duration of Lesson** | Approximately 3 to 5 days |
| **Word Wall/Key Vocabulary***(ELPS c1a,c,f; c2b; c3a,b,d; c4c; c5b) PDAS II(5)* | * marketing research – finding solutions to problems through carefully designed studies involving customers
* product – everything a business offers to satisfy a customer’s needs
* services – activities that are consumed at the same time they are produced
* intangible-something that has no physical form
* inseparable-something that is consumed at the same time it is produced
* perishable-the availability of a service to match the demand for the service at a specific time
* heterogeneous-characterized by the differences in the type and quality of service provided
* money customer must pay for a product or service
* distribution-the locations and methods used to make a product or service available to the target market; determining the best ways for customers to locate, obtain, and use the products and services of an organization
* channel of distribution-the route a product follows and the businesses involved in moving a product from the producer to the final consumer
* channel members-businesses that take part in a channel of distribution
* applied research-marketing research that studies existing products to develop design improvements or new product uses
* pure research-research done without a specific product in mind with the goal of discovering new solutions to problems
* production process-the activities, equipment, and resources needed to manufacture a product
* Continuous Process Improvement-a way to make sure manufacturing processes are completed as effectively as possible, increasing the quality of work by reducing errors, inefficiencies, and waste (rather than waiting for a problem to occur, processes are continuously reviewed with the goal of finding ways to improve them)
* benchmark-the best practices among all competitors
* contingent worker-one who has no explicit or implicit contract for long-term employment
* intermediary-business involved in selling goods and services of producers to consumers and other businesses
* service business-business that carries out activities that are consumed by its customers
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| **Materials/Specialized Equipment Needed** | * Construction paper
* Scissors and glue
* Poster board
* Newspapers
* Computers for students to complete projects
* Projector for PPT
* “Production, Distribution, and Other Business Operations” PowerPoint Presentation
* Survey Says PowerPoint Assignment #1
* Survey Says PowerPoint Assignment #1 Rubric
* Economic Geography Poster Assignment #2
* Economic Geography Poster Assignment #2 Rubric
* Manufacturing Timeline Assignment #3
* Manufacturing Timeline Assignment #3 Rubric
* Attracting Business to the Community PowerPoint Assignment
* Attracting Business to the Community PowerPoint Assignment Rubric
* Internet
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| **Anticipatory Set**(May include pre-assessment for prior knowledge) | **Learner Preparation:**List the five steps for marketing research on the board. Then ask students to incorporate the research steps for making decisions about health care or a sluggish economy.Bring a sticker price sheet for a new automobile. Ask students to identify the components that they look for in a new automobile. Then ask students how much each additional component adds to the price of the car.**Introduction:**1. Ask students to research inventions or products that have simplified or improved their lives. Then explain how new ideas must be protected with patents, copyrights, etc. Split the class into groups of two and ask each group to design a product or service to improve or simplify the quality of life.
2. Ask students to select a business in the community and identify if the business produces goods or services. Then students conduct research to determine where the business sells its goods or services and report their findings to the class.
3. Explain how buying produce from the farmer is an example of a direct channel of distribution and buying clothes from a store in the mall is an example of indirect distribution. Then ask students to give one additional example for direct and indirect distribution.
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| **Direct Instruction \*** |

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| 1. Production Activities
2. Product Development
3. Product research
4. applied research-studies existing products to develop design improvements or new product uses
5. pure research-research done without a specific product in mind with the goal of discovering new solutions to problems
6. Product design-new product idea is developed into a product to sell profitably
7. Production planning (production process)
8. production resources-machines, tools, other equipment
9. personnel-employees and necessary skills
10. Inventory Management
11. inventory-detailed account of a company’s materials, supplies, and finished products
12. inventory management-maintains the supply of all resources needed for production and the products produced
13. Manufacturing Procedures
14. organizing the work area by type of process or assembly required
15. improving manufacturing
16. need for faster production
17. need for increased quality
18. need for reduced costs
19. Continuous Process Improvement (CPI)
20. increases the quality of work by reducing errors, inefficiencies, and waste
21. achieve goals by improving the quality of work
22. benchmarks-best practices among all competitors
 | Ask students to give examples of “new” and “improved” products. Then explain how applied research helped determine the product changes.Ask students to briefly write about a new product that they expect to be a big hit. Then conduct class discussion about the ideasThe U.S. has steadily changed from a production to a service society. Ask students which parts of the country have been hit hard by this transition. Then ask students how manufacturing could be revived in the U.S. |
| 1. Importance of Business Operations
2. Day-to-Day Operations-determine the success or failure of a business
3. Types of Business Operations
4. facilities management-buildings, building maintenance, energy and environmental management
5. logistics-managing the acquisition, movement and storage of supplies, materials, and finished products in a business (supply chain management)
6. just-in-time—goods arrive when needed (just in time) for production, use or sale rather than sitting in storage
7. scheduling-determining the activities that need to be completed, the people who will complete the work, and resources needed for the task
8. safety and security-protecting people and property from damage, injury due to crime, unintentional actions or natural causes such as tornados, hurricanes, and earthquakes
9. information management
10. collect, organize, and securely maintain all needed information
11. provide instantaneous access to information required to perform work and make decisions
12. prevent access to information by those unauthorized to use it
13. d. use technology to improve communication and information sharing
 | Farmers produce a record corn crop and there are not enough grain storage areas for the crop. Explain how an increase in production also affects required facilities. This situation results in farmers leaving their crop in the field until elevator space becomes available. Leaving the crop in the field during the winter results in the risk of lost product with harsh weather conditions.Ask students to give examples of safety features to protect individuals in a business. |
| 1. Tools for Business Operations
2. Operational Plan
3. identifies how work will be done
4. identifies who will do the work
5. identifies what resources will be needed
6. Schedule-time plan for completing activities
7. C. Standard-a specific measurement against which an activity or result is judged
 | A business plan is essential for success. The business operations plan is the necessary road map for success. |
| 1. Using Technology to Manage Operations
2. makes planning and decision-making more accurate, rapid, and timely
3. easier to access and exchange information
4. software for supply chain management- allows cooperating companies to share ordering, production, and shipping information, track products, and exchange customer data
5. collaboration software (groupware)- provides real-time communications capabilities by voice, text, and video (allows team members working at their own computers from anywhere in the world to view the same documents on their computer screens and work on them as a team)
 | Technology has allowed key individuals involved in the business operation process to communicate from different locations. Essential communication has been made easier with the latest technology. |
| 1. Types of Businesses
2. Producers-create the products and services used by individuals and other businesses
3. Extractors-a business that takes resources from nature for direct consumption or for use in developing other products (pump oil, mine coal, or cut timber)
4. Manufacturers-get supplies from other producers and convert them into products
5. Intermediaries-businesses involved in selling the goods and services of producers to consumers and other businesses
6. C. Service Business-carries out activities that are consumed by its customers
7. contingent worker-one who has no explicit or implicit contract for long-term employment Teacher Note: Explain how contingent workers have become increasing popular in a dynamic world. Then explain how businesses save money by hiring contingent workers who do not require fringe benefits.
 | Ask students to list examples of actual businesses for the following categories: extractors, manufacturers, intermediaries, and service business. |
| 1. Product Planning
2. Product-everything a business offers to satisfy a customer’s needs
3. basic product-simplest form of a product
4. product features-additions and improvements to the basic product
5. options-when customers are offered choices of features
6. brand name-provides a unique identification for a company’s products
7. packaging-provides protection and security for the product before it is used
8. guarantee or warranty-a way to build customer confidence in a company’s products
9. Product Planning Procedures-costly and time-consuming
10. Idea development
11. Idea screening
12. Strategy development
13. Production and financial planning
14. Limited production and test marketing
15. Full-scale production
 | Fast food restaurants frequently test market new products in different geographic regions before making decisions to implement new products nationwide.Brand names carry customer expectations.Ask students to give examples of limited production items and test marketing. |

*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. **Survey Says Assignment:** Students select a product that is popular with theirage group. They then prepare a five-question (non-leading questions) survey to determine feelings about the strengths and weaknesses of the product and possible ways the product could be improved. The survey should be given to at least 10 students and results will be shared with the class.
2. **Economic Geography Poster Assignment:** Some manufacturers locate theirbusinesses very close to the sources of supply for the materials they need for production. Others locate closer to their main customers. Students must identify three manufacturers that fit each of those categories. Based on the types of products produced by the companies in each category, students must suggest reasons for the location decisions. Students design a poster that shows the six manufacturers and explains rationale for their location.
3. **Manufacturing Timeline Assignment:** Ask students to research the history ofmanufacturing in the United States from 1900 to the present. Then students prepare a visual timeline that identifies 15 events, products, and people that had a significant influence on manufacturing procedures during that time.

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| **Lesson Closure** | 1. What is manufacturing?
2. Manufacturing combines raw materials and processed goods into finished products.
3. What is materials processing?
4. Materials processing involves changing the form of raw materials so they can be consumed or used to make other products (example: refining crude oil to form gasoline and other petroleum products).
5. How is applied research different than pure research?
6. Applied research is conducted for existing products and pure research is conducted for possible new products.
7. What is an operational plan?
8. The operation plan identifies how work will be done, who will do it, and what resources will be needed.
9. What is meant by services being inseparable?
10. Services are consumed at the same time they are produced.
11. Why do companies encourage idea screening?
12. Idea screening develops a large number of product ideas and more possible selections.
13. How are services different than products?
14. Services are intangible and products are tangible.
15. Why have manufacturers implemented Continuous Process Improvement (CPI)?
16. CPI increases the quality of work by reducing errors, inefficiencies, and waste.

**ATTRACTING BUSINESS TO THE COMMUNITY**Ask student to propose a good manufacturing plant for their community. Students must list the operational needs for the plant and explain the community resources to meet the needs. Prepare a convincing PowerPoint presentation. |
| **Summative / End of Lesson 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:** 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.
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| **References/Resources/****Teacher Preparation** | * Intro to Business, Dlabay Burrow Klendl, South-Western Cengage Learning
* Introduction to Business, Brown Clow, Glencoe McGraw-Hill
* 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 vocabulary110.42(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 research a successful manufacturing business. Students will prepare a PowerPoint presentation that describes the business, explains the value of the business to the community, and describe the plan for success.
2. Ask students to identify several natural resources that are extracted and processed in their state. Students will then print a map of their state, marking and labeling the primary sources of resources on the state map. Students will also list one company that is involved in the extraction or processing of each of the natural resources.
3. Ask students to select three products manufactured in three countries other than the United States. Students will write three paragraphs about their products and explain the location where the product is manufactured.
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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)