

American Business

Workshop for the Boy Scouts of America



What is Business

- ▣ A business is defined as an organization or enterprising entity engaged in commercial, industrial, or professional activities. ... The term "business" also refers to the organized efforts and activities of individuals to produce and sell goods and services for profit. (Investopedia, 07/04/2020)
- ▣ Enterprise: This is the willingness to take on a new project and establish a new business venture.

History Of Business



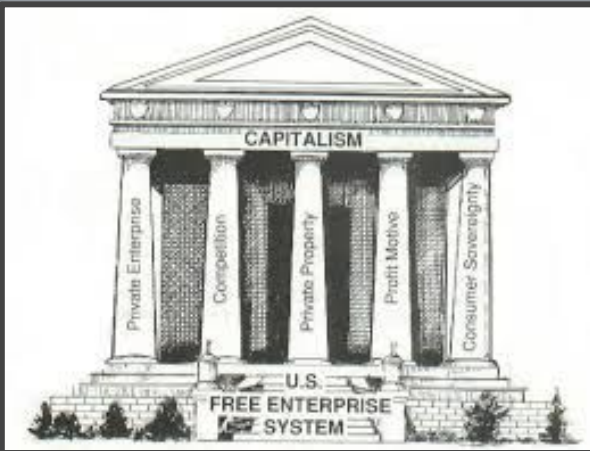
Business has been around since the earliest humans roamed the earth. They began trading with each other. This began by applying human energy to natural resources. In this era, the animals were caught by hand and fruits and plants were picked by hand.

Business then evolved with the use of tools which would allow the individual to complete more tasks in a timely matter.

Free Enterprise

- Free enterprise is the freedom of individuals and businesses. This enables business to create, produce to those who are able and willing. In this system no one forces people to believe what is best for them.

- In a free enterprise system the consumer is the main driver of business decisions, not government policies and intervention. This means it is your own decision to open your own business. For example, opening your own camping equipment store.



Features of the Free Enterprise System in the United States.

1. Economic Freedom

(This allow everyone to spend their money how they see fit)

- ▣ **Benefit:** You have the freedom to spend your money how you would like.
- ▣ **Responsibility:** You are responsible for your bills and debt, you must plan your finances accordingly.

2. Voluntary Exchange

(Allows Consumers to trade (buy/ sell) goods and services on the open market.)

- ▣ **Benefits:** This is how you generate income or purchase products.
- ▣ **Responsibility:** You are responsible for creating a product that is safe for the public.

Features of the Free Enterprise System in the United States.

3. Private Property

(This is the personal ownership of land, equipment, products and machines)

- ▣ **Benefits** : Private property are investments, that typically save or earn an organization money.
- ▣ **Responsibilities** : The organization is in charge of the maintenance and cost associated with the property.

4. Profit Motive

Profit Motive encourages both individuals and businesses to improve their financial security, which results in growing the local economy.

- ▣ **Benefit** : Will grow a companies sending power.
- ▣ **Responsibilities** : An organization must keep in mind of ethical and moral responsibilities. Sometimes making more money is not always the best decision.

Freedom V S License

- is a natural right that every citizen has to have.
- allows you to utilize your resources as you want.

- may be specific to certain individuals. (Ex. Real Estate Agents)
- restricts what you can do with those resources.
- are the rules to regulate freedom.

(You can not have a hundred percent freedom, or else everyone would do what pleases them.)

Scout Oath

On my honor I will do my best to do my duty to God and my country and to obey the Scout Law; to help other people at all times; to keep myself physically strong, mentally awake, and morally straight.

Scout Law

A Scout Is...

Trustworthy • Obedient • Loyal • Cheerful

Helpful • Thrifty • Friendly • Brave

Courteous • Clean • Kind • Reverent

In your opinion, how does the Scout Oath and law apply to business and free enterprise?

Scan the QR code to share your thoughts



The Industrial Revolution

The Industrial revolution was the start of machines making production easier and cheaper, with not as much human effort.

During the Industrial Revolution popular inventions such as _____ were created.

- Steam Engine (1769)
- Nuclear Energy
- Mass Production
- Interchangeable Parts (1798)
- Assembly Line (1913)

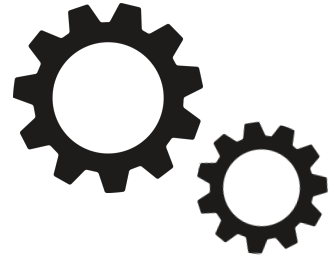
Eli Whitney

Was the inventor of the cotton gin.

In 1798 he began producing interchangeable parts.

Interchangeable parts allowed for parts to be made quicker as well as cheaper.

This would eventually lead to the assembly line.



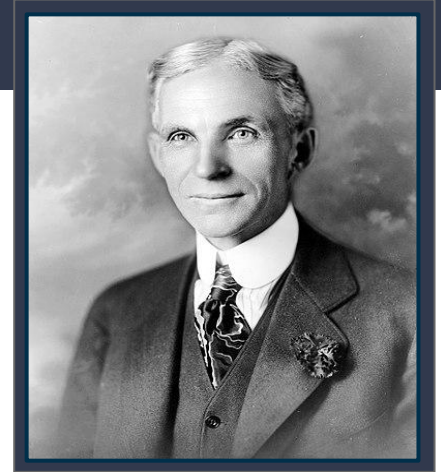
Henry Ford

Henry Ford began using standardized interchangeable parts and assembly line techniques in 1913.

He helped popularize the assembly line by offering higher wages to the employees.

This allowed him to keep a steady amount of workers for two years.

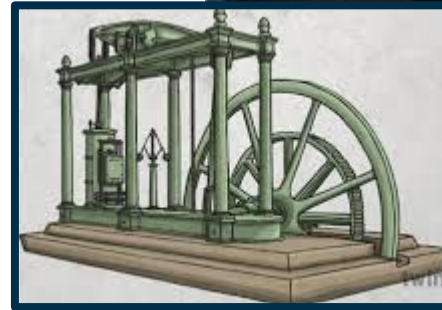
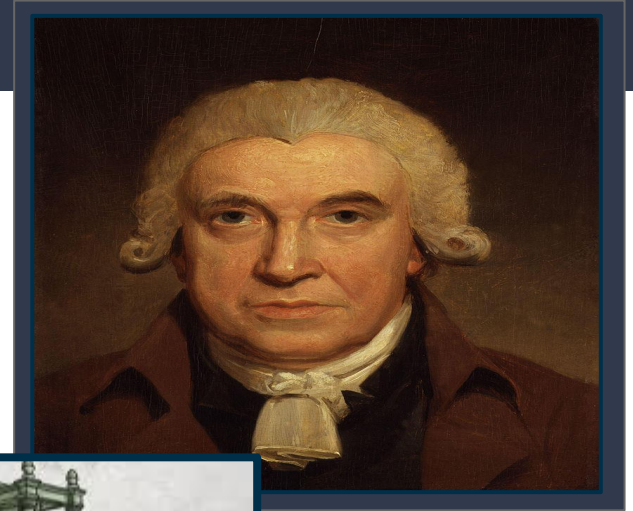
This assembly line won him a lot of government contracts which allowed him to manufacture more than 8,000 planes



1.B

James Watt

His contribution to making adjustments to the engine lead to the invention of the steam engine that powers a lot of engines that we still use today.



Five Primary Areas of Business



Accounting : The process on how a company keeps track of its money.

Economics : The study of how individuals chose to spend their money based off of what they need and want.

Finance : The study of money and investments.

Management : The conducting or supervising of something.

Marketing : The activity of a company to promote the buying or selling of a product or service.

History of Labor Unions

A union is a group of workers that pay an association to fight for better wages, hours, and workplace conditions.

Unions started in the late 1800s and early 1900s.

These started due to the unsafe work conditions and lower wages brought by factories.

This happened due to jobs shifting they went from rural areas to moving into the city.



Importance of Labor Unions and Employees Working Together

The importance for them to have a good relationship is beneficial to both.

- If a labor union can not reach an agreement they may ask the employees to strike. Which would stop production for the business.
- If a union can not reach an agreement with a business they may lock out the employees.
- Two major labor unions are the American Federation of government employees and the American Federation of teachers.

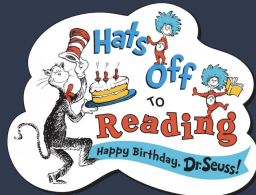
Either way both sides lose when they can not reach a deal. Businesses lose money by loss of production. And unions have to cover some of the cost for the employees that are not working.

Major Labor Unions



National Education Association of the United States

- ▣ 3,002,516 members
- ▣ Responsible for events such as “Read Across America”



Service Employees International Union

- ▣ 1,918,192 members

The Impact of Business on Local, National, and Global Economy

Business impacts the local economy by creating business that are exclusive to one area. An example of this is **MR. G's and Chile Pepper**.

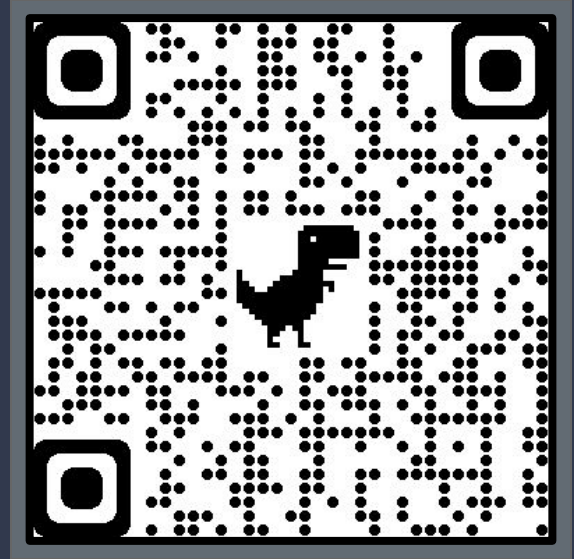
Business impacts on a national level by having exclusive business that belong only to one nation. For Example the company **Green Toys Inc.** is only found in the U.S.

With a global economy you have companies that are found world wide such as **Wal-Mart**.

These are prime examples of how business is found in every level.

Discuss how business impacts the local, national, and global economy.

Scan the QR code to share your thoughts



Basic Forms of Financial Statements



Each one of these statements can help business leader make better decisions. By allowing them to study these results and make decisions to benefit the business.

Income Statement : It is determined by time either annually or quarterly and usually has an overview of revenues, expenses and net income.

Balance Sheet : This is a snapshot in time typically reflects the date and time that it was taken it has an overview of equity.

Statement of Cash : This is a combination of the balance sheet and the income statement. It breaks down the major business activities such as operating, investing and financing.

The effect of Interest Rates, Taxes, and Government Spending on the flow of Money.

Interest Rates

Low Rates-business and industries will spend more and will be encouraged to take out loans.

High Rates-discourage spending

Taxes

The higher tax rates are the less likely industries and business will invest in your state.

Government Spending

Minimize the effect of a recession or depression



Proprietorship & Partnership

(Single Owner Operates)

- Capital is generated from loans that they can qualify for, or any amount of personal income that they are willing to invest.

(Owned by two or more Individuals)

- The capital for a partnership is once again limited to the amount, of many the partners can qualify for if they are taking out a loan.
- The amount of money that they personally have one of the benefits is that you can have multiple partners this increasing the amount of capital you have.

Corporations Obtaining Capital

Stocks

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Bonds

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Loans

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Investing

allows any individual to be part of a business

written promises to pay a specific amount of money at a certain date in the future.

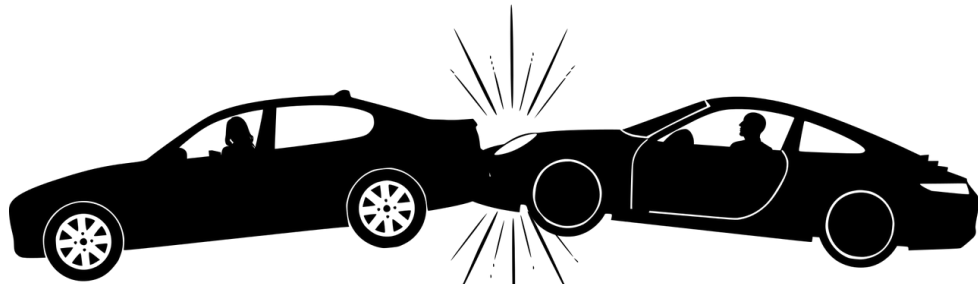
raise capital by receiving a loan from a bank

investing a portion of the money they gained into the business. This may result into a lower dividend for the shareholders but could lead to a rise in stock value.

2.C

Insurance

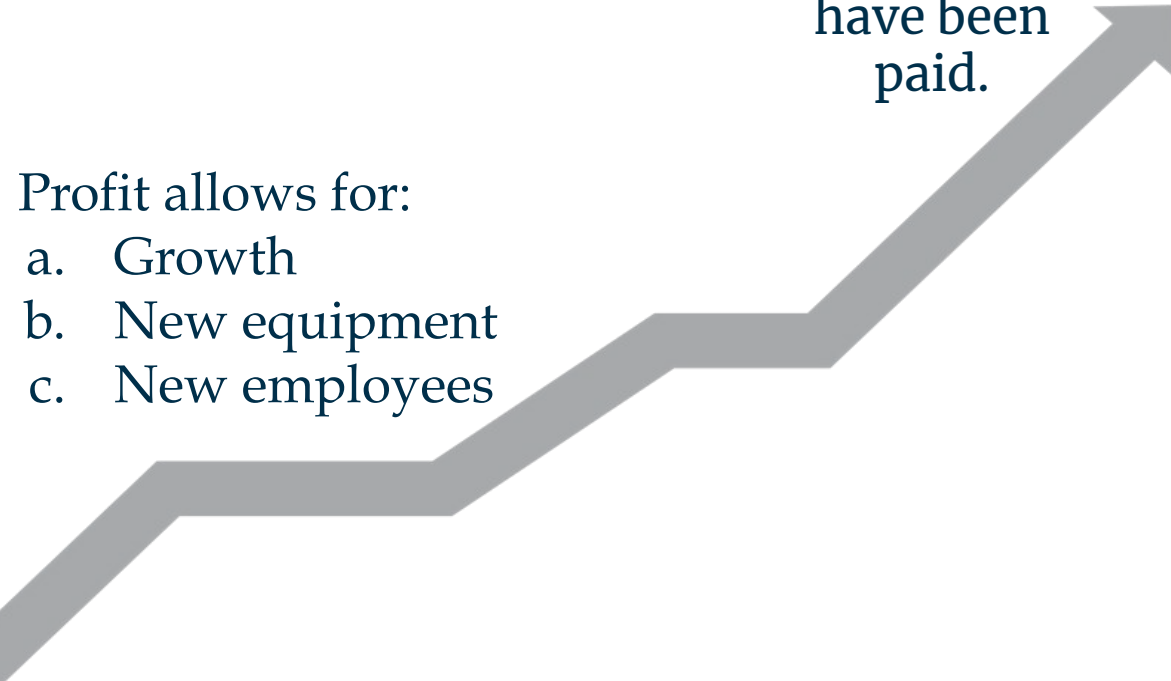
Kahoot



2.C

Profit

Profit is the money that is left over after all of the expenses have been paid.



Profit allows for:

- a. Growth
- b. New equipment
- c. New employees

Green Marketing & Sustainable Business Practice

The term green marketing is a company's efforts to advertise the green contributions that its company does. If it uses recycled paper or plants trees these would be examples of that.

Some of the sustainable business practices would include natural care of resources, employees, and customers.

Some examples are the following reducing waste, preventing pollution, using sustainable materials, or by making their products sustainable. They also need to treat their customers ethically and hire on a non bias system.

Ethics

The process of evaluating and choosing among alternatives in a manner consistent with ethical principles. In making ethical decisions, it is necessary to perceive and eliminate unethical options and select the best ethical alternative.

Consider the basis of the supposed facts. If the person giving you the information says he or she personally heard or saw something, evaluate that person in terms of honesty, accuracy, and memory.

Brick and Mortar VS Online

Brick and Mortar

- ▣ More employees necessary to run the operation
- ▣ Consumers know exactly what they are purchasing

(physical presence of an organization or business in a building or other structure.)

Online

- ▣ Open 24-hours
- ▣ Takes time for consumers to receive the product.
- ▣ Consumers often have to pay for shipping.

US Department of Labor

Department of the U.S. federal government responsible for occupational safety, wage and hour standards, unemployment insurance benefits, reemployment services, and some economic statistics.



Fair Labor Standards Act

- ▣ The Fair Labor Standards Act of 1938 29 U.S.C. § 203 is a United States labor law that creates the right to a minimum wage, and "time-and-a-half" overtime pay when people work over forty hours a week. It also prohibits employment of minors in "oppressive child labor".

Occupational Safety and Health Act

- ▣ The Occupational Safety and Health Act of 1970 is a US labor law governing the federal law of occupational health and safety in the private sector and federal government in the United States.

Family and Medical Leave Act

- ▣ United States labor law requiring covered employers to provide employees with job-protected and unpaid leave for qualified medical and family reasons.

Employee Retirement Income Security Act

- ▣ A Federal United States tax and labor law that establishes minimum standards for pension plans in private industry.

Apple



Accounting-Major companies often hire accounting firms to make the job easier. In this case, Ernst and Young is the accounting firm that is charged with auditing Apple's public financial statements.

Finance-Apple uses plans to gain interest payments, along with investing in and owning separate businesses such as “Shazam.”

Economics-As a major company, Apple generates a ton of revenue. In 2020 Apple made \$ 274.5 billion(USD) With over 147,000 employees.

Apple



Marketing – Basically everyone knows the Apple logo. This is because of Apple’s marketing. Apple uses their logo on all of their products to help market and promote their products.

Management – Apple is run using a “Democratic Leadership” style in which members of the group take a more participative role in the decision-making process.

Business Career Opportunities

Store Manager



District Manager



Regional Manager



6.A

Education – Training – Experience

Education

Dependent from business to business, usually Bachelor's degree or equivalent in business or a departmentally related field.

Training

Often a minimum of three years of responsible leadership experience in management or supervisory positions. Specialized training in managing human resources preferred.

Experience

The experience necessary is dependent on the business itself. Normally time in smaller management jobs help to lead to larger responsibilities.

Business Leader Interview



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