

## JA World of Business

### Draft Program Overview & Learning Objectives

#### Program Overview

JA World of Business (working title only) introduces middle school students to basic business, economics and international trade concepts. Students will participate in engaging simulations that demonstrate business and trade concepts. By equipping students with foundational business concepts, this program empowers middle school students to navigate the complexities of the modern economy and become informed decision-makers in an increasingly interconnected world.

Following participation in the program, students will be able to:

- Understand the core principles of scarcity, property rights, trade, cooperation and competition, and international trade.
- Analyze business decisions and their impacts on both customers and businesses, as well as identify stakeholders involved in business operations.
- Compare and contrast different market structures, experience the dynamics of cooperation and competition in different market settings, and analyze how countries benefit from trade and specialization.
- Recognize the impact of global events and decisions on different countries and regions and appreciate the interdependence between countries in the global economy.
- Explore international trade and uncover the interconnectedness of economies and the benefits of global exchange.
- Think critically, collaborate with peers, and apply their knowledge to real-world scenarios.

#### Structure

- Designed to last **six** 45-minute class periods (Note: A volunteer-led session will kick off and/or wrap up the program, possibly extending the program to 7 or 8 class periods)
- Includes a virtual simulation allowing students to understand the concepts through real-life scenarios
- Provides hands-on gameplay and interactivity.

#### Grade Level

Available for all middle school students, with a focus on alignment with 6th grade Economics and Personal Financial Literacy standards.

### General Program Parameters

#### Interconnected Consequences of Team Decisions from Session to Session:

- Beginning in Session 2, each team/player will see the impact of their and the other teams' decisions on their business at the start of the next Session.
- This simulates the real-world implications of property rights on resource allocation and personal responsibility.

**Progress Tracking:** The game tracks teams'/players' progress, allowing teachers to monitor individual and group progress (monitoring efficiency allocation of resources, customer satisfaction, profitability, and pricing efficiency), identify areas for improvement, and facilitate class discussions around key themes and concepts. Pop-up polls should be added throughout to ensure students understand the key concepts.

**Decision-Making Points:** At various points in the game, students encounter decision-making scenarios where they must choose how to allocate resources fairly among community members.

**Discussion & Reflection:** Each Session concludes with a prompt or poll.

- Each team must respond.
- It should include polls, short answers, and free-response text entry boxes for teams to enter information.
- Given the team's response, the instructor can determine how well each understood the Session's learning objectives or whether further review is necessary before proceeding to the next Session.

## Kickoff Lesson: Introduction to World of Business (Draft - TBD)

### Overview:

In this volunteer-led session, a volunteer from the business community sets the stage for what students will be seeing in the rest of the program. The volunteer provides a new perspective on how businesses and global trade are important topics to understand in every day life.

## Session 1: Introduction to Business

### Overview:

In this introductory session, students are introduced to basic business concepts (business, products, services, marketplace, profit, pricing, customer). They are introduced to the virtual marketplace environment they will interact with through the program. Students explore profiles of the X business options that are represented in the marketplace. In groups, students will make initial decisions for their business as they allocate resources, invest money, and provide goods to customers for a profit.

### Learning Objectives:

- Identify what a business gains from a customer.
- Identify what a customer gains from an exchange with a business.
- Identify the stakeholders of a business.
- Analyze business decisions and how they impact customers and businesses.

### Introductory Video:

- Fun, high energy video to introduce the program and get students engaged. The video or the simulation itself must be sure to cover the key terms for students.

Virtual Activity:

- Students enter a virtual marketplace.
  - Businesses – they choose the type of business they want to run from a list of options. They make a decision about what kind of product or service they want to offer. They also make a pricing decision.
    - Preset options, each business can only be chosen once. They will need to be interacting with each other, but not competing.
      - Business ideas:
        - Baker
        - Coffee shop (complementary to bakery; purchases the baked goods for sale in the shop)
        - Farmer/Grocer (supplier of goods needed by baker)
        - Ice Cream Store (Indirect competitor to bakery; sales of it may increase if the bakery's prices skyrocket, etc)
        - Book Store (sales increase with an ice cream shop nearby as parents take kids for ice cream and then stop by the book store and vice versa)
        - Clothing Store (sales increase with increased foot traffic to the coffee shop and vice versa.
      - Each business's profits dependent on the bother businesses' decisions.
      - Each team chooses from the list. The first team to successfully register gets first pick from the list. This encourages teams to have their ducks in a row before playing.
- After all decisions are made, the businesses see what their level of profit is. This shows that their goal as a business throughout the games is to maximize profit.

#### Discussion & Reflection:

- Businesses - how could you maximize your profit? All businesses will have resource constraints.
- Predictions- how well do you think the customers' wants and needs were met?
- Thinking ahead—Remind students that there will be consequences of actions and decisions from Session to Session:
- Teams will see the impact of their decisions and the other teams' decisions made in the previous Session at the start of the next Session.
- This simulates the real-world implications of supply and demand and preliminary decisions businesses make regarding what goods and services they will offer.

## Session 2: Scarcity and Property Rights<sup>1</sup>

### Overview:

This Session provides an immersive platform to explore the complexities of resource scarcity, allocation, and fairness in a virtual community setting. In this activity, students journey into the dynamics of growing their businesses despite scarce resources. Through hands-on gameplay, they delve into essential concepts of fairness, scarcity, and decision-making.

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<sup>1</sup> Missing Chairs game

### Learning Objectives:

- Analyze the concept of resource sharing and distribution within a community
- Engage in critical thinking by evaluating the fairness of resource allocation within a community
- Build problem-solving skills through navigating scenarios with scarce resources

### Results—Session 1

- Begin the Session with results from Session 1.
- After all Session 1 decisions were made, the businesses now see their profit level.
- Show supply/demand scale: how well were customers' wants and needs met?
- Efficiency scale: how efficiently were resources allocated?
- The teams open Session 2 and are given a new set of parameters based on the previous rounds/teams' decisions.

### Activity:

- This needs to connect to Session 1. They are back in their business and maybe they don't have enough resources for their business to operate.
- Students will navigate through a virtual town facing various scenarios where resources are scarce. They will make decisions and engage in collaborative activities to understand the concepts of fairness, sharing, and decision-making in resource allocation.
- Students embark on challenges that simulate real-life scenarios of resource allocation. These could include:
  - Opening their business with limited supplies.
  - Responding to the market's demands: decide what the business will sell based on the customers
- Students where they must choose how to allocate resources fairly among community members. For example:
  - Deciding how to distribute supplies while making a profit.
  - All businesses could have a public good available to them. A local spring water stream? All businesses can access and draw fresh water from it. How will this result in overuse?
  - They consider factors such as:
    - The basic needs of community members (food, water, shelter).
    - Special considerations for vulnerable groups (elderly, children, people with disabilities).
    - The long-term sustainability of resource management practices.
- Students receive feedback (most importantly, at the start of the next round) on their decisions and actions, and how those impact their profits at the beginning of the current round. This could prompt reflection on fairness, inclusivity, and the impact of their choices on the community. How can their business survive when there aren't enough resources?
  - Sometimes entirely selfishly driven actions impact the community the most. Would there be a way to build in a result like this that may seem incongruous to the students?

## Session 3: Trade<sup>2</sup>

### Overview:

In a lesson on trade, students embark on an exploration of how goods and services flow between businesses, shaping the interconnected world we live in. They uncover the fundamentals of trade, including the exchange of goods and the impact of regulations.

### Learning Objectives:

- Identify reasons why businesses trade.
- Analyze how businesses respond to regulations.
- Understand the complexities of business regulations and the importance of thoughtful decision-making in regulatory processes.

### Results—Session 2:

- Begin this Session with results from the previous Session 2.
- After all Session 2 decisions were made, the businesses now see the impact of their and other teams' decisions on resource allocations and their businesses.
- Continue to show the supply/demand scale: how well were customers' wants and needs met?
- Continue to show the efficiency scale: how efficiently were resources allocated?
- The teams open Session 3 and are given a new set of parameters based on the previous rounds/teams' decisions.
- The teams are told they must begin to trade some of their unused or under-used "property cards" (i.e., resources) to other teams in exchange for the resources they need to grow their business and profits.

### Activity:

- Groups trade with other groups in order to acquire all the ingredients that they need. They can also trade finished products with other businesses.
- Allow groups time to discuss and make decisions on trade relationships and production strategies.
- Facilitate discussions on the benefits of trade, such as access to a wider variety of ingredients, cost savings, and increased market reach.
- Now introduce a business regulation into the scenario – such as changes in safety regulations, or environmental standards – something that imposes a direct cost on one of the businesses.
- Allow groups time to discuss and make decisions on how to comply with the new regulations while maintaining profitability and fairness.
- Facilitate discussions on the unintended consequences of regulatory changes, such as increased costs, layoffs, or changes in product quality.

### Discussion and Reflection:

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<sup>2</sup> Use Bakery Minimum Wage game as a trade game instead of focusing on minimum wage

- Lead a class discussion on the outcomes of trade decisions.
- Prompt students to reflect on the benefits of trade for businesses and countries, as well as the challenges and considerations involved in trade relationships.
- Summarize key lessons learned about the reasons for trade and its impact on businesses and countries.
- Summarize key lessons learned about the unintended consequences of business regulations.
- Encourage students to think critically about the complexities of regulatory decisions and their impact on businesses and stakeholders.
- Emphasize the importance of considering unintended consequences when designing and implementing regulations.

#### **Extension Activities (Optional):**

- Research and discuss real-world examples of business regulations and their unintended consequences.
- Role-play scenarios where students propose and debate potential regulatory changes and their potential impacts.
- Analyze case studies of businesses affected by regulatory changes, highlighting both intended and unintended consequences.

## Session 4: Cooperation and Competition<sup>3</sup>

### **Overview:**

Students participate in a simulation where they operate a business in different market structures. The simulation progresses through several rounds, each representing a distinct market scenario – from perfect competition to monopoly. Students, organized into groups, make decisions on production quantity, pricing, and other factors to maximize profits. The exercise explores economic concepts such as competition, cooperation, and market consolidation.

### **Learning Objectives:**

- Compare and contrast different market structures.
- Experience the dynamics of cooperation and competition in different market settings.
- Analyze how production decisions and market conditions influence profits for individual businesses and the industry.

### **Introductory Video**

### **Results—Session 3**

- Begin this Session with results from the previous Session 2.
- After all Session 3 decisions were made, the businesses now see the impact of their trading decisions on resource allocation and business operations.
- Continue to show the supply/demand scale: how well were customers' wants and needs met?

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<sup>3</sup> Bakery Consolidation Game

- Continue to show the efficiency scale: how efficiently were resources allocated?
- Did trade improve efficiency?
- The teams open Session 4 and are given a new set of parameters based on the previous rounds/teams' decisions.
- The teams are told they must continue to operate their businesses amid the different market conditions they will face in this Session (i.e., resources). They will continue to trade with other teams in exchange for the resources they need to grow their business and profits.

**Activity:**

- After each team makes their session 3 decisions, the teams open up session 4 and are given a new set of parameters/impacts based on the previous rounds/teams' decisions. In other words the decisions made by Teams 1-5 result in changed conditions for team 6 and vice versa.
- **Round 1 (Perfect Competition):**
  - Students work in small groups to operate their businesses in a perfectly competitive market in which there is free and fair trade, shared and accurate information, and a competitive environment.
  - They set production levels and prices for their goods based on given market conditions.
  - The game calculates profits and sales based on students' decisions.
  - Students learn that in perfect competition, prices are determined by supply and demand, resulting in zero profits for all bakeries.
- **Round 2 (Oligopoly):**
  - The scenario shifts to an oligopoly where a few suppliers of goods that the businesses rely on dominate the market.
  - Students make decisions on production levels and pricing strategies to maximize profits.
  - They observe changes in prices, profits, and market dynamics compared to perfect competition.
  - The game emphasizes the importance of competition and strategic decision-making in an oligopolistic market.
- **Round 3 (Monopoly):**
  - The game introduces a monopoly situation where one supplier of goods on which all teams' businesses depend bakery controls the entire market. A non-player monopoly that has impacts on the students' businesses. E.g. a non-student "team" from the software sells a product that impacts all of the teams. It gains monopoly control over its market. Its prices skyrocket. How does this have a cascading effect on all of the students' businesses?
  - Students experience the effects of monopoly power on prices, production, and consumer welfare.
  - They learn about the potential drawbacks of monopolies, such as higher prices and reduced consumer choice.
- **Reflection and Discussion:**
  - After completing each round, students reflect on their experiences and discuss the outcomes as a class.

- They analyze the differences between perfect competition, oligopoly, and monopoly in terms of pricing, profits, and consumer satisfaction.
- The game encourages critical thinking and provides opportunities for students to apply economic concepts to real-world scenarios.
- Throughout the game, students engage in hands-on learning, problem-solving, and collaboration within their groups.

## Session 5-6: Globalization<sup>4</sup>

### Overview:

In this simulation game, students experience the dynamics of international trade and the challenges developed and developing nations face. The game is played in multiple rounds, each emphasizing different aspects of global trade such as specialization and the impact of trade barriers. This interactive game structure allows students to explore the complexities of global trade in a dynamic and engaging manner. By progressing through multiple rounds, students develop a deeper understanding of trade dynamics, trade barriers, and the interconnectedness of economies in the modern world.

### Learning Objectives:

- Analyze how countries benefit from trade.
- Analyze examples of international trade to explain why modern countries cannot provide for all of their own wants and needs.
- Reflect on how countries specialize in producing goods and services based on their available resources and expertise.
- Recognize the impact of global events and decisions on different countries and regions.
- Analyze the consequences of trade barriers on businesses, employees, and customers.
- Appreciate the interdependence between countries in the global economy due to specialization and trade.

### Results—Session 4

- Begin this Session with results from the previous Session 4.
- After all Session 4 decisions were made, the businesses now get to see the impact of market conditions and competition on resource allocations
- Continue to show the supply/demand scale: how well were customers' wants and needs met?
- Continue to show the efficiency scale: how efficiently were resources allocated?
- Did free trade improve efficiency?
- The teams open Session 5 and are given a new set of parameters based on the previous rounds/teams' decisions.
- The teams are told they must continue operating their businesses amid different market conditions (i.e., resources) and trade with other teams and other global businesses in exchange for the resources they need to grow their business and profits.

### Activity:

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<sup>4</sup> Global Supply Chain game



- The game consists of multiple rounds, each introducing additional complexities and challenges related to international trade. Students will navigate different scenarios, make decisions, and analyze outcomes to gain insights into global economic dynamics.
- **Round 1: Introduction to Trade:**
  - Students enter the virtual game environment representing various countries or trading blocs.
  - Each player manages their businesses's resources, making decisions about production, trade agreements, and economic policies.
  - Teams review the main import and export for their country.
  - Encourage students to engage in trade negotiations and explore the benefits of specialization and comparative advantage.
- Discussion and Analysis:
  - Transition out of the game and facilitate a discussion about the outcomes of Round 1.
  - Review key concepts such as specialization, comparative advantage, and the gains from trade.
  - Encourage students to reflect on their decisions and consider how trade patterns evolved during the game.

Note: The next round will likely take place during the next class period. Or classes may be able to get through Round 2 before the end of class.

- **Round 2: Introduction of Trade Barriers:**
  - Introduce trade barriers such as tariffs, quotas, and embargoes into the game environment.
  - Students must navigate new challenges, including restrictions on imports and exports, and consider strategies to overcome trade barriers.
  - Encourage students to analyze the impact of trade barriers on their country's economy and explore ways to mitigate adverse effects.
- Discussion and Analysis
  - Gather the class for a debriefing session on the outcomes of Round 2.
  - Facilitate a discussion about the challenges posed by trade barriers and the trade-offs involved in implementing protectionist policies.
  - Encourage students to reflect on the effectiveness of their strategies and the implications of trade barriers for global economic relationships.
- **Round 3: Global Events and Decision-Making:**
  - Introduce global events such as natural disasters, political conflicts, and economic crises into the game.
  - Students must respond to unexpected events and make decisions to protect their country's economy and national interests.
  - Encourage students to consider the interconnectedness of economies and the role of diplomacy in managing global crises.
- Discussion and Analysis:
  - Conclude the game and facilitate a final discussion on the outcomes of Round 3.
  - Guide students in reflecting on the impact of global events on trade dynamics and economic stability.

- Discuss the importance of international cooperation and coordination in addressing shared challenges and promoting economic growth.

**Overall Discussion and Reflection:**

- Summarize key insights and lessons learned from the game experience.
- Encourage students to reflect on their decision-making process and consider how their understanding of global trade dynamics has evolved.
- Invite students to share any additional thoughts or questions about international trade and its implications for the world economy.

**Extension Activity:**

- Assign students to research a real-world case study involving international trade and write a short analysis of its economic, social, and political implications.

## Session 7: Volunteer Visit (DRAFT- TBD)

**Overview**

A volunteer spends a class period with the students debriefing on their simulation experience and providing some insight into how they interact with the global marketplace in their work.