

LEARNING PLAN I



Business

In this Learning Plan, we start the process of building an appreciation of what business is and how it affects us in so many ways. First, we identify the three main meanings of the term: business as commerce, business as an occupation, and business as an organization. We describe the nature of business commerce and trade, along with how the forces of supply and demand determine the price of a product. We then discuss the way

business occupations develop because of the process of specialization and the division of labor. Then, the way business organizations emerge to provide a stable platform on which people can engage in business commerce is described. We will look at the evolution of business and how and why the nature of business has changed over time. We go back in history and trace the way the control of land and labor have been used to build capital and

wealth. First, we chart the development of Feudalism, a business system based on the control of property rights to land and labor. Second, we look at the operation of money in a business system, the way it facilitates trade, and promotes the accumulation of capital. Third, we examine mercantilism, the business system in which products are traded across markets and countries until they are put to their most highly valued use.



The Business of Business

So far Kroger has met the challenge posed by Wal-Mart because its managers were aware of the changes taking place in the supermarket business; in June 2005 Kroger reported a much bigger than expected increase in profit. Many of its managers have risen through the ranks; many more have business degrees, and they all have wide experience of the supermarket business. This made them alert to the threat posed by Wal-Mart's fast growth and low prices. They also knew it was necessary to build attractive new supermarkets, offer a better shopping experience and superior produce. Many people, however, have not had much contact with the world of business and are not familiar with the way it operates.

**SOCIETY CHANGES EVERY DAY.
CONSUMERS CHANGE EVERY
DAY. BUSINESSES CHANGE
EVERY DAY.**

We can tell a lot about why business is the way it is today by looking at how it has evolved over time. The history of business is the story of people's constant struggle to obtain scarce resources to increase their well-being - resources such as the food, shelter, land, money, and savings people need to survive, protect their futures, and improve the future prospects of those they care about.

By the end of this Learning Plan you will appreciate how business has always centered on the quest to obtain capital, wealth, and the power and influence that goes with them.



LEARNING ACTIVITIES

1. READ CHAPTER 1

THE FOLLOWING ACTIVITIES ARE COMPLETED ONLINE AT WWW.MHHE.COM/FERRELLM2E

2. VIEW ONE OF THE FOLLOWING:

- ☐ NARRATED LECTURE
- ☐ AUDIO LECTURE
- ☐ LECTURE SLIDESHOW

3. COMPLETE THE QUIZ. DON'T SUBMIT THE RESULTS TO ME. THIS ACTIVITY IS FOR YOUR SELF-IMPROVEMENT. YOU SHOULD NOT HAVE TO DOWNLOAD THE VIDEO TO WATCH IT.



ASSESSMENT ACTIVITIES

1. PLEASE COMPLETE LP1| BUSINESS PLANS ACTIVITY.
2. PLEASE COMPLETE LP1| 200 YEARS IN BUSINESS ACTIVITY.
3. COMPLETE THE G.W.E.N. DISCUSSION FORUM
4. RESPOND TO YOUR CLASSMATES DISCUSSION POSTS