



## FOUNDATION SKILLS

**PATHWAY:** All Pathways  
**COURSE:** All CTAE Courses  
**UNIT 11.4:** The Good and the Bad of Risk



## INTRODUCTION

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**Annotation:**

In this unit, students will learn the role of risk in entrepreneurship through group activities, and students will understand the advantages and disadvantages of entrepreneurship.

**Grade(s):**

X	9 <sup>th</sup>
X	10 <sup>th</sup>
X	11 <sup>th</sup>
X	12 <sup>th</sup>

**Time:**

Three 50 minute periods.

**Author:**

Meghan Cline and Dr. Frank Flanders, based on Entrepreneurship lesson plan from the National FFA Organization

**Additional Author(s):**

Stacey Orr

**Students with Disabilities:**

For students with disabilities, the instructor should refer to the student's IEP to be sure that the accommodations specified are being provided. Instructors should also familiarize themselves with the provisions of Behavior Intervention Plans that may be part of a student's IEP. Frequent consultation with a student's special education instructor will be beneficial in providing appropriate differentiation.



## FOCUS STANDARDS

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### GPS Focus Standards:

**CTAE-FS-3. Communications:** Learners use various communication skills in expressing and interpreting information.

**CTAE-FS-8. Leadership and Teamwork:** Learners apply leadership and teamwork skills in collaborating with others to accomplish organizational goals and objectives.

**CTAE-FS-10. Career Development:** Learners plan and manage academic-career plans and employment relations.

**CTAE-FS-11. Entrepreneurship:** Learners demonstrate understanding of concepts, processes, and behaviors associated with successful entrepreneurial performance.

### GPS Academic Standards:

**SSEPF5** The student will describe how insurance and other risk-management strategies protect against financial loss.

### National / Local Standards / Industry / ISTE:

NL-ENG.K-12.1 Reading for perspective

NSS.EC.9-12.14 Entrepreneurs



## UNDERSTANDINGS & GOALS

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### Enduring Understandings:

Students will understand the role of risk in entrepreneurship and be able to determine if they are a risk taker.

### Essential Questions:

- Why is it important to understand the advantages and disadvantages of entrepreneurship?
- Why is the role of risk important in entrepreneurship?

### Knowledge from this Unit:

- Students will be able to explain the advantages and disadvantages of entrepreneurship. Students will also be able to define risk and identify the difference between personal and business risk.
- Students will learn how to become an educated risk taker in entrepreneurship.

**Skills from this Unit:**



## ASSESSMENT(S)

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**Assessment Method Type:**

- Pre-test
- Objective assessment - multiple-choice, true- false, etc.
  - Quizzes/Tests
  - Unit test
- Group project
- Individual project
- Self-assessment - May include practice quizzes, games, simulations, checklists, etc.
  - Self-check rubrics
  - Self-check during writing/planning process
  - Journal reflections on concepts, personal experiences and impact on one's life
  - Reflect on evaluations of work from teachers, business partners, and competition judges
  - Academic prompts
  - Practice quizzes/tests
- Subjective assessment/Informal observations
  - Essay tests
  - Observe students working with partners
  - Observe students role playing
- Peer-assessment
  - Peer editing & commentary of products/projects/presentations using rubrics
  - Peer editing and/or critiquing
- Dialogue and Discussion
  - Student/teacher conferences
  - Partner and small group discussions
  - Whole group discussions
  - Interaction with/feedback from community members/speakers and business partners
- Constructed Responses
  - Chart good reading/writing/listening/speaking habits
  - Application of skills to real-life situations/scenarios
- Post-test

**Assessment(s) Title:**

Entrepreneurship and Risk Taking Quiz

**Assessment(s) Description/Directions:**

Students will complete the Entrepreneurship and Risk Taking Quiz.

## Attachments for Assessment(s):

Entrepreneurship and Risk Taking Quiz



# LEARNING EXPERIENCES

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## Sequence of Instruction

### 1. Interest Approach

Place the attached business logos around the room. After students enter room, welcome them to class and then read a short bio of the person that started each of the five businesses. Students will be asked which person goes with each logo. Do this until all five are complete.

*“Welcome to class! To begin today we are going to take a journey back in time by reading the biographies of five famous entrepreneurs. After I have read each bio, everyone will have the opportunity as a class to choose which business logo is associated with each entrepreneur. What questions are there? Great! Let’s go back in time!”*

Read the biography of Walt Disney and then allow the students to guess the business logo that is associated with the bio.

*“This man is responsible for which logo? Allow students time to respond.”*

Read the biography of Milton Hershey and then allow the students to guess the business logo that is associated with the bio.

*“This man is responsible for which logo? Allow students time to respond. “*

Read the biography of J.W. Marriott and then allow the students to guess the business logo that is associated with the bio.

*“This man is responsible for which logo? Allow students time to respond. “*

Read the biography of Henry Ford and then allow the students to guess the business logo that is associated with the bio.

*“What business logo is associated with the bio? Allow time for students to respond.”*

Read the biography of Harland Sanders and then allow the students to guess the business logo that is associated with the bio.

*“What business logo is associated with the bio? Allow time for students to respond.”*

After all five biographies have been read, ask the following questions:

- *What do all these individuals have in common? (Answer: All entrepreneurs)*
- *Did any of them have failures before they became successful? If so what made them continue? (Answer: Yes; perseverance and the entrepreneurial spirit)*
- *What are some of the advantages and disadvantages these men had in being an entrepreneur? (Answer: A wide variety of answers, these answers will be used later in the lesson)*

*What a great discussion to start our class today! In our last lesson, we learned about who entrepreneurs are and why they are important. We have just looked at five very successful entrepreneurs and heard their stories. Today we will take a deeper look at some of the advantages and disadvantages of being an entrepreneur. Be ready to take notes and participate when asked.*

## **2. Advantages & Disadvantages of being an Entrepreneur**

Students will break into small groups and brainstorm a list of five advantages of being an entrepreneur and five disadvantages of being an entrepreneur. Have students think back to the discussion earlier in class to assist them in developing their list.

*“When I say, “Go,” everyone will break into groups and develop a list of five advantages and five disadvantages of being an entrepreneur. One person in each group will be selected as your group recorder. There will be five minutes allotted to complete your list, which everyone will share with the class. What questions are there? Go!”*

After students have finished, have each group recorder write the advantages and disadvantages on the board and discuss their reasoning with the class. There may be a wide array of answers, but make sure students have collected each group’s list along with any others not on the board.

*Great job, students! Now, each recorder should please post your group’s list of advantages and disadvantages on the board.*

- I. List of possible advantages:
  - A. Independence
  - B. Freedom to make one’s own decisions
  - C. Challenge of a start-up
  - D. Feelings of achievement
  - E. Financial control
  
- II. List of possible disadvantages:
  - A. Personal sacrifices (family, time, etc.)
  - B. Burden of responsibility
  - C. Little margin for error
  - D. Opportunity to fail
  - E. Loss of money

*Nice lists everyone! Now reflect on each of our five entrepreneurs at the beginning of class. What did each of them have in common that might have been uncomfortable financially? (Solicit the answer: Risk)*

*“That’s right, each of these men took great risks in their endeavors, and each of them failed before they succeeded. The one thing that each of them had in common was the risks that they were willing to take. Let us now define and explain risk and how each of us deals with it.”*

## **3. Defining Risk**

Using the Risk Note Taking Guide, students are to write down the definitions for several vocabulary terms.

*Next we will investigate risk. When you receive a copy of this handout, get something to write with and wait for me to read the definitions to you.*

## I. Risk Definitions

### A. Risk – the chance of loss

1. Personal Risk – Risk that occurs that could affect someone personally. Example: being arrogant
2. Business Risk – Risk that could affect the businesses profit or money. Example: rising prices or taxes

### B. Risk management – dealing with risk so potential losses are minimized

### C. Risk tolerance – the ability to handle losses if they occur

Use the following questions to help students understand risk and how some are more willing to take risks than others. Solicit answers for each question.

*“How do you think our five entrepreneurs dealt with risk?*

*How would you deal with risk if you started your own business?*

*Are there different levels of risk that entrepreneurs are willing to take?*

*Of our five entrepreneurs, who took the greatest risk?*

*What were the three terms we just discussed? risk, risk management, and risk tolerance.”*

## 4. Personal and Business Risk

After recording the definitions to the words, have students continue with the Risk Note Taking Guide and differentiate between personal and business risk. Upon completing the note guide, have students compare their answers with a partner.

*“Let us now continue with the Risk Note Taking Guide and differentiate between personal and business risks that entrepreneurs take. When I say, “Risk,” you will have two minutes to differentiate the six personal risks from the eight business risks in the list. Raise your hand if you could teach these directions to a neighbor.*

*Call on a student to explain. “Risk!”*

At the end of two minutes, have students break into pairs and compare their answers and justify their categorizations to their partner.

*“Time’s up! Now, pair up with the person on your left. Compare answers and justify why you placed the risk under personal or business. You will have two minutes to complete this activity. If you want to change an answer you may as you discuss it with your partner. What questions are there? Please begin.”*

Give students two minutes to work. At the end of two minutes, review the list and ensure that students have each risk in the correct column. Discuss with students why they are in the column they are in.

- I. Personal Risk
  - a. Time
  - b. Away from family
  - c. Obstacles
  - d. Fulfillment vs. loss
  - e. Loss of money and resources
  - f. Pride
  
- II. Business Risk
  - a. Loss of other peoples’ money (investments)
  - b. Loss of other peoples’ jobs

- c. Business failure
- d. Change in economy
- e. Change in weather
- f. New technology
- g. New competitors
- h. Disease or sickness in animals

**Attachments for Learning Experiences:**

Biographies & Business Logos  
Risk Note Taking Guide



## CULMINATING PERFORMANCE TASK

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**Culminating Unit Performance Task Title:**

Are You a Risk Taker? Assignment

**Culminating Unit Performance Task Description/Directions/Differentiated Instruction:**

Students will complete the risk taker assignment. The “Are You a Risk Taker?” assignment asks students to rate their risk taking ability and write about a time when they were a risk taker.

**Attachments for Culminating Performance Task:**

Risk Taker Assignment



## UNIT RESOURCES

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### Web Resources:

### Attachment(s):

### Materials & Equipment:

- One copy of Biographies & Business Logos
- Copies of Risk Note Taking Guide for each student
- Copies of Entrepreneurship and Risk Taking Quiz for each student
- Copies of Risk Taker Assignment for each student

### What 21st Century Technology was used in this unit:

<input type="checkbox"/>	Slide Show Software	<input type="checkbox"/>	Graphing Software	<input type="checkbox"/>	Audio File(s)
<input type="checkbox"/>	Interactive Whiteboard	<input type="checkbox"/>	Calculator	<input checked="" type="checkbox"/>	Graphic Organizer
<input type="checkbox"/>	Student Response System	<input type="checkbox"/>	Desktop Publishing	<input type="checkbox"/>	Image File(s)
<input type="checkbox"/>	Web Design Software	<input type="checkbox"/>	Blog	<input type="checkbox"/>	Video
<input type="checkbox"/>	Animation Software	<input type="checkbox"/>	Wiki	<input type="checkbox"/>	Electronic Game or Puzzle Maker
<input type="checkbox"/>	Email	<input type="checkbox"/>	Website		