

The Business Game

Objectives:

This purpose of this lesson is to teach students about the expenses of running a business. Students will learn through playing an interactive game called The Business Game.

Time:

1 hour

Materials:

1. Play Money
2. Calculators
3. Pencils
4. Pens
5. A sign that says Wholesale Store
6. A sign that says Retail Store
7. Pieces of paper cut into squares for business product
8. Flipchart with Days of the week and student roles for each day (**View Business Game Chart in this lesson**)
9. Flipchart with store prices (**View Business Game Store Prices Chart in this lesson**)

Activity: The Business Game

The idea of this activity is for groups to understand how marketing and other expenses affects how a business is run. It is strongly recommended that facilitators and volunteers do the activity before it is done with participants.

Prior to activity:

1. Cut each 8'11 paper into 4 squares
 - *You should have at least 200 squares for the game*
2. Put up the Wholesale store sign
3. Put up the Retail store sign
4. Count out \$100 (in 1, 5,10 and 20-dollar bills) for each team (*Each team starts off with \$100*)
5. Distribute calculators
6. Sharpen pencils

Roles of Facilitator(s) and Volunteers

1. **Facilitator** – ensure that all groups understand the activity; answer participants' questions

Start of Activity

1. When participants arrive distribute:
 - Sharpen pencils
 - Calculators
2. Group participants into 4 groups

Leader's Notes - Once you have divided participants into groups, begin the activity by asking the following questions:

1. Have you all ever thought about starting your own business – Have participants respond by a show of hands.
2. What are some things that one may buy in order to run a business? – Guide a brief discussion about some these business expenses
3. Explain the following:
 - a) **Business Expenses** – spending money for your business
 - *For example: website, computer, materials for the product, etc.*
4. Tell the participants that they will experience what it is like to have a business and expenses.

Explain the Game

1. In this game, students will learn what it is like to start a business.
2. Students will pay all their expenses to the banker.
3. This game is played based on 5 of the days of the week.
4. Write the words “Monday, Tuesday, Wednesday, Thursday, and Friday, on a flipchart or chalkboard.
5. Each student in groups will be assigned to a particular day.
6. On Mondays, students will choose how many people they will **Market to**. (*Students assigned to Monday will pay the banker for the amount of people they choose to market to.*)
 - The instructor will decide how much it costs for the students to market to each person. (*It is suggested that marketing cost should be \$2 at the least and \$5 at the most*)
 - Marketing is important because the number of products a group can sell back to the retail store on Thursday equals half the amount of people they chose to market to. (*a full explanation is next*).
 - For example, let's say the instructor says marketing is \$2 today (Monday). Group 1 may decide to market to 10 people. Then Group 1 will send the person assigned to Monday to pay the banker \$20 (10 people x \$2 = \$20). The instructor must tell Group 1 that they can only sell 5 products back to the retail store because 5 is half of 10 (remember 10 is the number of people Group 1 choose to market to).

- The instructor should keep track of how many people each group decides to market to in each round (*this will help the instructor know how many products each group can sell back to the retail store on Thursday.*)
7. The student assigned to Tuesday will buy products from the Wholesale Store. (*The facilitator or volunteer should role play the owner of the Wholesale Store, which will be the instructor or a volunteer.*)
 - Students will buy the pieces of paper cut in squares
 - The instructor will decide how much the product costs each round. It is recommended that products should cost \$1 at the least and \$5 at the most.
 - Students can buy as many pieces of paper as they like as long as they have the money (*The instructor should tell students that the number of products they can sell back to the store has already been determined through their marketing. Therefore, the number of sheets they buy should equal the number of product they can sell back to the store in that round.*)
 - If students do not have enough money, then they can get a loan from the bank (*loans explained below*).
 8. On Wednesday, all students will make their product from the pieces of paper they bought. No student will be assigned to this day because all students will make their product.
 - Students can fold and draw on the piece of paper. (*However, students cannot tear the sheet so that one sheet is made into more than one product.*)
 - Students can only make products that the store sells (*Tell students to refer to the Store Prices Chart below*)
 - Students cannot make more than 2 of each product.
 - Examples of products made are fans, shoes (drawn on the paper), signs, etc
 - Students have 3 minutes to make product
 - Once 3 minutes are up, students have to stop making product. (*Students cannot sell products that have been made after the 3-minute time limit or during other days*)
 9. The students assigned to Thursday will sell the groups' products. This student will sell the owner of the Retail store (*you or a volunteer*) their products.
 - Products should sell for \$1 at the lowest and \$20 at the highest
 - The instructor should buy the products according to the store prices on the flipchart
 - For example, a pair of shoes cost \$7. The group should draw a pair of shoes on the paper. Then the instructor will pay the group \$7 for the shoes.
 10. The students assigned to Friday will pay the groups' rent and employee salary
 - Rent should be \$8 at the least and \$12 at the most. (*It is the*

instructor's decision)

- Employee salary should be at least \$2 per person at the most and \$5 at the most. *(The group should decide their salaries)*

11. Then start the round over with Monday.
12. Remember to push students to make quick decisions. Each day should run, at the most, 3 minutes.
13. The group with the most money at the end of the game wins!

Leader's Notes

Debrief the activity....

1. Ask students, what was their most expensive business expense.
2. Ask students, what would they have done differently in the game.
3. Ask students if they understand what business owners go through when they have expenses.

Business Game Flipchart

Monday – Marketing

Tuesday – Buy Product from Wholesale Store

Wednesday – Make product (3 minutes to make product)

Thursday – Sell Product to Retail Store

Friday – Pay Rent and Employee Salary

Store Prices

12-inch TV - \$10.00

Glue - \$2.00

Pen holders - \$3.00

Nail Polish - \$3.00

Magazine - \$5.00

Notebooks - \$6.00

Pencils - \$1.00

Pencil Case - \$1.00

Markers - \$2.00

Books - \$3.00

Flags - \$1.00

Tissue box - \$3.00

Pack of Paper - \$2.00

Headphones - \$7.00

Basketballs - \$6.00

Light Bulbs - \$3.00

Posters - \$4.00

Pair of Shoes - \$7.00

Hat - \$7.00

Cards - \$5.00