



# Is My Business Your Business?\*

Activity M.k

GRADE LEVELS: 4 - 6

## OBJECTIVES:

Students will:

- Gain an appreciation of the hard choices involved in conducting a business.
- Understand the concepts of short-term and long-term gains and losses.

## MATERIALS:

Business Costs Worksheet

Supplies for a Kool-Aid stand (optional extended learning), such as a table or stand, a table covering, cups, flavoring or fresh fruit for juice, etc.

## RATIONALE:

Businesses need to make a profit in order to survive. Sometimes actions taken by businesses to increase profits can result in harm to the environment. Short-term gains need to be balanced against long-term harm. Businesses can realize long-term gains with sound waste management practices.

## PROCEDURE:

1. Write the number 300,000,000,000 on the board. Ask students how large they think this number is. Is it bigger than the number of people in our country? The world? what does it represent?
2. Say: "This represents the dollars some people think we need to spend to clean up all the dumping grounds in this country containing substances harmful to humans and wildlife." Ask: "Where did these dumps come from?" (Mostly from industries that manufacture products that we use every day such as cars, toys, bicycles, paper, etc.)
3. Ask: "Where will the money come from to clean up these dangerous dumps?" "Who should pay to make the sites safe again?" (The companies responsible? The people closest to the dumps? Government taxes on some businesses?)
4. Ask: "Why did companies dump dangerous substances?" (It's cheaper, easy to do, no laws against it, didn't know about danger, a better products could be manufactured, etc.)  
"Can companies still do this now?" (No, there are federal and state laws against putting poisonous substances into dumps.)
5. Today, federal and state laws prohibit disposing of poisonous substances into dumps. Businesses must factor the high cost of hazardous waste disposal and management into their cost of doing business. Some businesses do not produce hazardous waste themselves, but use products which created hazardous waste when they were made. Conscientious business persons might also consider the environmental impact of the manufacturing process of products they use in their business and may be willing to purchase higher priced items for lower impact during production. There is, of course, less incentive to consider these impacts because they do not cost the company directly.

Ask: "If you were a business person, would you be willing to pay more for a product if its manufacture did not produce harmful by-products?" "What if your business was only making a small profit and a cheaper, more harmful product was available?" "How can we strengthen the public conscience regarding the products people buy so that an environmentally sound manufacturing process would be profitable?" "Would this require strengthening laws?"

6. On the board, list some businesses and ways that students can earn money, such as a juice/Kool-Aid stand, yard cleaning service, car washing service, a neighborhood newsletter, etc. Have students suggest other businesses they think they could start or other ways they might propose to earn money.

7. Decisions regarding which products to use and sell in the business are among the many tough issues a business person must consider.

Ask: "What kind of information do we need to plan a business?" (Discuss the product of service the business will offer, the costs involved in offering the product or service, the price the product or service will be sold at in order to make a profit, whether there is a demand for the product, and if so, who the market will be.)

Ask: "What kind of questions should we ask to make sure our products or the things we use to provide a service do not harm the environment?" (Discuss whether the supply or product is recyclable and whether it breaks down into a harmless substance so it will not harm the environment in the future.)

Remind the students that some products we use may not harm the environment now, but when they were made they created wastes that may cause problems in the future.

8. Tell the students that sometimes an environmental checklist is necessary to help a business person assess the environmental impact of the many potential products he might use or produce. Tell students they are now going to consider the choices involved in running a business. Hand out the Business Costs Worksheet for the Kool-Aid juice stand. Give students five to ten minutes to fill out, as best they can, the environmental checklist for the supplies.

Ask: "Which drink flavorings would be best in terms of environmental safety?" "Which types cost the most?" "Which should we choose to make the biggest profit?" "Which should we choose to cause the least harm to our environment in the future?" "Are they the same?"

9. Ask: "Which type of cup should we choose as safest for the environment?" "What type of cup is easiest to use?" "Which cup keeps the drinks the coolest?" "What cup should we choose to make the biggest profit?"

Ask: "What do you think your customers would choose?" "How can you find out?" (Market surveys, questionnaires) "Do you think your customers would be willing to pay more if they knew that the products were environmentally safe?" "How could you influence their decisions?"

Ask: "What would you do if a Kool-Aid stand opened down the street and sold its drinks for less than your price?" "Would you buy different supplies?" "If it is consistently more profitable to use environmentally damaging products over less environmentally damaging ones, what can be done to persuade businesses to use the less damaging product?"

#### EXTENDED LEARNING:

1. Set up the juice/Kool-Aid stand at a School Science Fair or other schoolwide event. Using the Business Costs Worksheet as a guide, have students gather information on the prices of the supplies the stand will need. Form groups and assign a different supply to each group. Have students sell drinks which are prepared using the supplies determined to be the most environmentally safe. Make posters and charts and/or graphs comparing the costs of the different choices. Have students prepare a display that explains the advantages of using recyclable, renewable, or nonhazardous supplies.

2. Hand out a completely blank Business Costs Worksheet. Tell students to figure the costs for various supplies needed to run a business of their choice. Have them determine the costs of several different alternatives for each of the supplies and complete the checklist on the worksheet. Have students write a short report summarizing their choices of supplies and their reasons for choosing them.

\*Source: Washington State Dept. of Ecology A-Way With Waste