



POWELL CENTER FOR
ECONOMIC LITERACY

Lesson Plan

WRITTEN BY Diane Shoemake

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Could You Be an Entrepreneur?

Time Required

2 weeks

Grade Level and Subject

Primary Grades; Children's Literature and Social Studies

Keystone Economic Principles

Principle #8 – The quantity and quality of resources impact living standards

Voluntary National Content Standards in Economics

Standard #14 – [Profit and the Entrepreneur](#)

Economic Concepts

Capital Resources – Money or other goods and services used to further production.

Entrepreneur – Someone with an idea for a new good or service or a new method of producing or marketing an existing good or service and takes a risk to do so.

Human Resources – The labor (mental or physical) in the process of producing a good or service.

Natural Resources – Plants, animals, minerals and other products of nature that can be used to produce goods and services to satisfy human wants.

Profit – Money left over from selling goods after the costs of making them and getting them to market have been subtracted.

Overview

An entrepreneur is an individual who assumes the risk of starting a new business or introduces a new good or service to the marketplace in the hope of earning a profit. Entrepreneurs take on the main risk and responsibility for planning, organizing, and operating a business. In fact, the word entrepreneur derives from the French word meaning "to undertake."

Entrepreneurs use a variety of resources (*human, natural, and capital*) in order to create a new good or service. By developing their ideas, they help solve an existing problem. Entrepreneurial ideas for change generally help society by providing a better way to accomplish a task.

The following activities will help teach these concepts to the budding entrepreneurs in your class. As a result, students will think about themselves as entrepreneurs of the future.

Objectives

- Students learn the definitions of and relationships between entrepreneur, goods, and human, natural, and capital resources.
- Students learn the historical significance of the Industrial Revolution.
- Students learn when an inventor is also an entrepreneur.
- Students will be able to identify entrepreneurs in their community.

Materials and Handouts

- **Handout 1** -- Vocabulary Terms
- [Resource Cards](#)
- **Handout 2** -- Inventor and Entrepreneur?
- Variety of books, magazines, and textbooks about inventors
- Computer (if possible)
- Poster board and markers
- *The Kid Who Invented the Popsicle and Other Surprising Stories About Inventions*, by Don L. Wulffson, Cobblehill Books, 1997

Teaching Activity

Introduction

Begin the lesson by asking students the following questions:

- Do you like to come up with new ideas or inventions?
- Do you like a challenge?
- Do you think about how to make things better?
- Are you willing to look at a failure and try to make it a successful adventure?
- Do you have ideas about using a variety of resources in different ways?

- Do you like to use many different approaches in the hopes of developing new solutions to problems?

Tell students who answered yes, "You could become entrepreneurs!"

Vocabulary Activity

Distribute **Handout 1**, "Vocabulary Terms," to your class. Then discuss the terms as a group to make sure students understand their meanings.

Once the class grasps these terms, distribute one **Resource Card** to each student. Instruct students to classify their resource as either human, natural, or capital. Have students read their answers aloud to the class and discuss as a group.

Social Studies Activity — Entrepreneurship in the Industrial Revolution

While studying the Industrial Revolution, break the class into groups and assign an inventor for each to research. Ask students to complete **Handout 2**, "Inventor and Entrepreneur," and create a poster on their inventor.

As a group explores an inventor and the resources he used, students should discuss what makes an inventor also an entrepreneur. Students should discover that entrepreneurs develop ideas based on the need for better goods and services. Provide books, magazines, and textbook materials, as well as access to a computer if possible. Allow plenty of time for research so students can become familiar with their inventor. After students have completed the exercises, ask them to present their poster to the class and discuss what they have learned. Ask students in each group whether their inventor was an entrepreneur and why.

Reading Activity — Inventors and Entrepreneurs

Read several short selections from *The Kid Who Invented the Popsicle and Other Surprising Stories About Inventions*, by Don L. Wulffson, to the class. This book contains an alphabetical listing of 114 inventions, including badminton, chewing gum, dominoes, Kleenex, motion pictures, potato chips, root beer, stethoscopes, toothbrushes, wire coat hangers, and much more. After each selection, consider these questions with the class:

- What invention did this passage tell about?
- Who was the inventor?
- Was the inventor an entrepreneur?
- Why or why not?

Student responses to the questions allow the teacher to assess student understanding of entrepreneurship. Certain passages from the book simply explain the origin of the product. In order to decide whether the passage describes entrepreneurship, students must also know whether the product was marketed and sold for a profit. Other passages refer to

an inventor and to another person who took the idea and the risk to produce the product, thereby providing the entrepreneurship. These examples help clarify the concepts for students.

Interviewing Entrepreneurs

To further explore entrepreneurship, ask students to interview an entrepreneur or someone who knows one. Parents should be informed as to how the class has defined entrepreneur. Ask parents to help students generate a list of entrepreneurs in their community.

Handout #1
Vocabulary Terms

Capital Resources – Money or other goods and services used to further production.

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HANDOUT 2
Inventor and Entrepreneur?

Student names _____

Inventor _____

What problem was your inventor trying to solve? _____

How did he or she solve the problem? What did he or she invent? _____

List facts about the inventor and his or her invention. _____

List both natural resources and human resources used by the inventor. _____

Was your inventor also an entrepreneur? Why? _____