

Entrepreneurs and Business Organizations

How do entrepreneurs use their resources to start businesses?

S p e a k i n g o f E c o n o m i c s

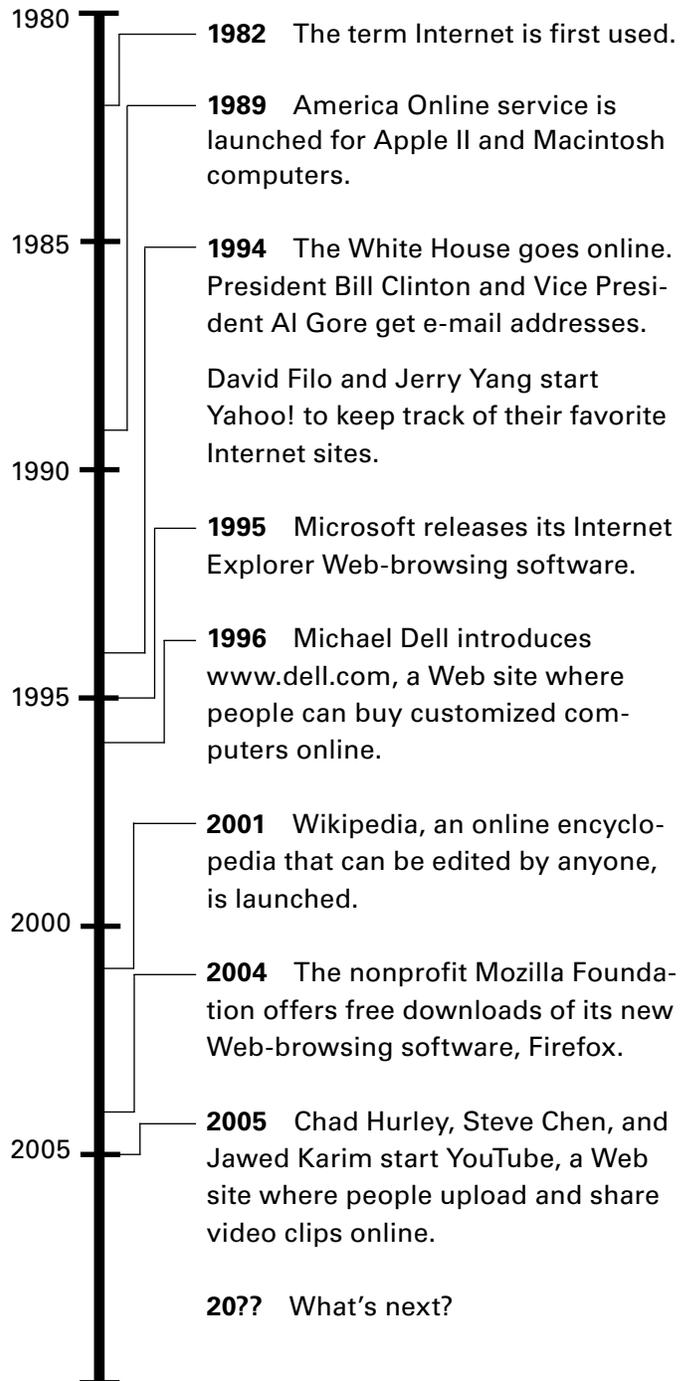
As you complete the Reading Notes, use these terms in your answers:

sole proprietorship	multinational corporation
liability	business franchise
partnership	cooperative
corporation	nonprofit organization

P R E V I E W

Examine the timeline, which shows key events in the development of the Internet. Then answer these questions.

- What interesting details do you see?
- What other innovations to the Internet would you add to this timeline?
- What is the next innovation that could become a new business?
- What resources would an entrepreneur need in order to start this new business?
- What would be the risks of starting this new business? What might be its rewards?



READING NOTES

Section 2

1. Select one of the entrepreneurs described in this section. How does this individual demonstrate the characteristics of a successful entrepreneur?
2. Create a T-chart with risks of starting a new business on one side and rewards on the other side. Then explain how these risks and rewards might influence the decisions entrepreneurs make.

Sections 3 to 5

As you read each section, record information for each type of business organization in a table like this one.

Types of Business Organizations				
	Description	Examples	Advantages	Disadvantages
Sole proprietorship				
Partnership				
Corporation				
Multinational corporation				

Section 6

Create an illustrated dictionary entry for each of these terms: *business franchise*, *cooperative*, *nonprofit organization*. For each dictionary entry,

- create a symbol or an icon to represent the term.
- write a definition of the term in your own words.
- write a sentence using the term.
- provide an example for the term.

As part of each entry, explain why entrepreneurs might choose this model of business organization.

Section 7

1. What is the difference between the rights of businesses and the responsibilities of businesses? Support your answer using one or more examples of each.
2. Do you believe a business should take responsibility for the impact of its actions on society? Why or why not?

PROCESSING

To examine the challenges and rewards of being an entrepreneur, you will speak with someone in your community who owns a business. Record the interviewee's answers in your notebook.