

Patterns and Profits - Brown Eyed Quilter |

Lesson Plan

How can capital expenditures and resource management impact the growth and success of a small business?

Students will learn about the impact of strategic investments and resource management on business growth.

Learning Objectives:

- Define capital expenditures, operational expenditures, investment, resourcing, and return on investment.
- Analyze how strategic investments in equipment can enhance business capabilities and market reach.
- Evaluate the balance between risk and reward in making significant financial decisions for business growth.
- Explore the concept of resourcing as a strategy for acquiring and managing assets that contribute to business expansion.

Key Vocabulary:

- **Capital Expenditures (CapEx):** Long-term investments in essential assets.
- **Operational Expenditures (OpEx):** Daily costs to keep business running.
- **Investment:** Allocating resources with an expectation of profit.
- **Resourcing:** Acquiring assets to support business growth.
- **Return on Investment (ROI):** Efficiency or profitability of an investment.

Educational Standards: CCSS Math Practice Standards: MP1, MP3, MP4;
CCRA Anchor Standards: CCRA.R.10; CCRA.L.7

Academic Subjects: Entrepreneurship, Economics, Small Business

What You'll Need

- Video: *The Hustle: Patterns and Profits - Brown Eyed Quilter* (Watch [Here](#))
- Worksheet: *The Hustle: Patterns and Profits - Brown Eyed Quilter* (Click [Here](#))

Lesson Plan (45 mins.)

Warm-Up: (15 mins.)

1. Briefly explain that businesses often have to make decisions about where to invest their money to grow.



2. Divide students into small groups. Each group represents a small business with a budget for investment (e.g., a restaurant, tech startup, retail store, manufacturing company, healthcare clinic, pet grooming, etc.). Present them with three investment options: (A) Equipment upgrade, (B) Marketing campaign, or (C) Hiring more staff.
3. Each group discusses and decides where to invest, considering potential benefits and risks.
4. Each group shares its decision and rationale with the class. Discuss how each investment can impact a business's growth and its role in its business expansion.
5. Go over the difference between capital expenditures and operational expenditures thoroughly with the students. Explain that capital expenditures often involve machines and equipment needed to run a business, whereas operational expenditures cover supplies and labor.
6. Distribute "The Hustle: Patterns and Profits—Brown-Eyed Quilter Worksheet" and review the instructions as a class. Instruct the students to complete the "Venture Vocab" section as they watch the video.
7. Watch the video.

Work-Out: (20 mins.)

1. After the video, ask follow-up questions that help students identify the key factors that contributed to the success of the Brown Eyed Quilter. Guide students to consider how capital expenditures can be used to help businesses grow. Prompt students to cite specific examples from the video. Consider asking these guided questions:
 - What are some examples of capital expenditures (CapEx) Emily made, and how did they impact her business growth?
 - Identify operational expenditures (OpEx) in Emily's business and discuss their importance in maintaining daily operations.
 - What strategies did Emily use to acquire and manage assets for her quilting business?
 - How did Emily evaluate the efficiency or profitability of her investments?
2. Give the students time to complete "The Hustle: Patterns and Profits - Brown Eyed Quilter Worksheet" individually or collaboratively. Offer support and insights where necessary.

Wrap-Up: (10 mins.)

1. Review the answer to the "Startup Scenario" with the class. Encourage students to share their reasoning.
2. Ask students (or groups) to share their answers to the "Entrepreneurial Insight." Guide discussion on the importance of risk management and scalability in the success of a business venture.
3. Consider collecting the completed worksheet as a formative assessment to gauge understanding and engagement with the lesson's content.

Don't have time for the full lesson? Quick Activity (15 mins.)

Watch the video and distribute the worksheet for homework or as a project. Alternatively, have students watch the video, complete the worksheet at home, and discuss it in class the next day.