**Middle School MBA - Curriculum Outline**

35-40 hours of class time

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|  | **Learning Concepts** | **Class Description** |
| **Lesson 1:**  Poverty, Rags, Riches | The central role of “tools” in human progress, starting with cavemen (this concept of “tools” will later be expanded to “capital”).  How the proliferation of tools leads to specialization and trade.  The structure of a market economy with emphasis on the step by step nature of transforming natural resources into consumer products.  The role of businesses in bringing specialized “tools” and workers together, and then playing a particular part in the economy.  The purpose of an economy is to serve people, not vice-versa. | Short videos present our proprietary 3-D economic model, showing the connection between natural resources, capital (tools), labor, and consumer products.  Interactive check boxes cement understanding of the differences between raw materials, products, tools, and labor.  Simple experiment to extract iron filings from corn flakes. Spoiler alert: wet, mashed cornflakes, magnets, magnifying glasses, and actual iron filings extracted from breakfast cereal make for big fun and fascinating science! The iron filings on your magnet line up with its magnetic field like little whiskers. Hang your magnet on a string and watch it line up with the Earth’s magnetic field. |
| **Lesson 2:**  Tools Rule! | Firsthand feel for the importance of tools and the functioning of capital markets.  Curiosity about money and financial markets.  The origins of financing for capital. | Two students compete in transferring (radioactive) cornflakes from one container to another with various tools: chop sticks, forks, spoons, etc. No touching!  Our software provides a scoreboard to track the competition for the rest of the class, which invests in real time based on technological advancement in tools (capital).  A bit chaotic, but that’s how markets are (as is seen from a brief futures pit clip at the end of the lesson). |
| **Lesson 3:**  Howdy, Stranger! | Business is about people; about being ethical and empathetic and personable. It’s about making and keeping promises. People deal with others whom they know, like, and trust. Being trustworthy and known is a huge advantage. Customer Relationship Managers (CRM’s) are one tool people use to keep track of their contacts. | Students think about their futures and create business cards which reflect that future. They then practice meeting each other and exchanging cards in a professional way, and create their own mini-CRM. Next, they examine an on-line CRM to see the mechanics and contents of CRM’s (just what do you most want to know about your contacts?). Terrific for kids who don’t already know each other well (like a summer camp). |
| **Lesson 4:**  Price, Supply, Demand | The law of supply and the law of demand as the result of normal human behavior. The universal validity and unchanging nature of these Laws. Price discovery as the intersection of human behaviors on the market. Market price as the point of maximum consumer satisfaction. Surplus and shortage as the result of interfering with market prices. Real world examples. | No graphs or charts! Only hot dogs! We use an interactive visual to demonstrate the price/quantity relationship of each law separately and then working together. Simply the clearest exposition anywhere of these two laws and their vast consequences. |
| **Lesson 5:**  You Talkin' to Me? | Social skills, conduct, and confidence from head-to-head negotiations, both individual and team. The critical factors of Time and Next Best Option. How upfront preparation improves one’s negotiating position. Negotiating techniques; discussed, explored, and implemented. Unethical and illegal techniques highlighted and warned against. Proper personal conduct when negotiating. Reading and “word problem” skills; weeding out noise and focusing on pertinent information. | We start with simple drills to teach Opening, Anchoring, and Counter-anchors, as well as calculation of distance from Target Outcomes. Then using our buyer/seller scenarios, kids analyze their situation and develop their negotiating strategy. The timekeeper manages the negotiation while other students act as judges, looking for various tactics and counter moves.  Post negotiation recaps clarify and cement the concepts learned. |
| **Lesson 6:**  Billy Bob's Parts | Team work, specialization, managing time constraints, organizing production, optimizing profits, following specifications, building P&L’s, international operations, nationalization, impact of varying business conditions, impact of regulations on production and profits, free trade, location of production facilities, the relationship of supplier to customer. | We give very few instructions; the activity explains itself. Kids get a spec sheet and price list for parts made from pipe cleaners. They buy as many pipe cleaners (raws) as they like and choose which products to make (under time pressure). They then create a P&L and present it to the class. Subsequent rounds expose them to many real-life business problems. |
| **Lesson 7:**  Factory Fun! | Allocation of scarce production resources, the impossibility of rational allocation without prices, calculation and maximization of profit, the impact of price discovery on resource allocation and its constantly evolving nature, real world example of non market allocation (N. Korea), profits are measured over time, using Payback to make investment decisions, introduction to opportunity cost. STEM kicker: using unit analysis to solve math problems. An in-depth look at the price discovery process. | Our software presents a hypothetical factory and the class figures out which products to make based on constraints given. The first two go-rounds include no prices and the class fails to find solutions. Once prices are introduced, the class quickly finds optimal solutions. We then use the same factory structure to ask how much it’s worth to have more capacity and whether that capacity justifies various amounts of investment (payback analysis). |
| **Lesson 8:**  You Still Talkin' to Me? | Continuation of the negotiating and social skills outlined above in You Talking to Me? Negotiations are more challenging and build upon the work previously done. | We provide scenarios that range from simple to very complex, as well as curveballs to throw negotiators off their games at the last second. Real life skills. |
| **Lesson 9:**  Capital | Tools as capital. Characteristics of capital. Types of capital (tangible, intangible, intellectual, human, financial). | Various types of capital converse with each other and compare their characteristics to discover whether they are in fact capital, and if so, what type of capital. Drag and drops cement the learning. |

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| L**esson 10:**  Review Sweepstakes! | Integrates the concepts we’ve learned so far: Capital, Specialization, Trade, Prices, Business, Profit, and Investment. Students win points by answering questions as we diagram the hardware and software of an economy. | Electrifying! The class has limited time to answer questions and score points. Hints are available, but reduce the number of points scored. The intro slide threatens high-voltage shocks for low scores. We recommend bringing jumper cables to class (for effect only, of course). You’ve never seen kids so happy about learning. |
| **Lesson 11:**  The Good, the Bad, and the Scarce | Goods (and Bads), Goods and Services, Scarcity, Price (as it relates to scarcity), Scarcity as it relates to price discovery. Money as a good, Interest as the price of money. The evolution of money from barter. | Another class so intuitive it almost teaches itself. Drag and drop, reorder items, think about the price of air on the moon. Juxtapose abundance/scarcity and goods/bads. See how it all relates to prices. Easy to grasp, impossible to forget. |
| **Lesson 12:**  Price Structure | The purpose of prices in the economy, how prices relate to each other, Price Propagation, implications of the subjective theory of value vs. the labor theory of value. The exact mechanism by which consumers direct the economy. | We use the 3-D model so kids can SEE this illusive concept, and quickly understand why it’s so important to profits and capital structure. |
| **Lesson 13:**  Marxism | The roles of entrepreneurs and employees. Risk, profit, loss, wages… What is “work”? How markets and specialization promote cooperation.  Marx’s theory on how economies function and the conclusions derived therefrom. The practical consequences of Marxist economies around the world. | Students use their previously developed skills with P&L’s and factory operations to analyze a chair factory which is then visited by Karl, who tells the labor force that they are being exploited. Students explore the fundamental differences between free markets and Marxism and play Economic Jeopardy to cement their understanding. |
| **Lesson 14:**  What's in it for me?? | The role of angel investors and venture capitalists, the criteria investors look for, the relationship between investors and entrepreneurs, how entrepreneurs pitch to investors, how it feels to have your own money at risk, the risk/reward ratio that angels face, word problem skills, presentation skills, critical thinking. | Six kids become entrepreneurs and pitch their companies using pro forma P&L’s (they know P&L’s from the Billy Bob lesson). The rest of the class decide whether to invest their own funds. The results are dramatically revealed as professional investors highlight the good and bad features of each company. |
| **Lesson 15:**  Due Diligence | Application of the above elements in the real world. Kids show up primed to engage the owners about their greatest challenges regarding costs, expansion, employees, customers, and business conditions. No business ever hosted a group like this… | The class visits a local business (or is visited by owner) but comes armed with questions for the owner about sales, product issues, operations, etc. The kids can apply what they know to ANY business and lively, meaningful discussions ensue. |
| **Lesson 16:**  The Great Depression | Business Cycles; the historical backdrop of the Great Depression; Keynes v. Hayek; critical thinking about complex and contentious issues. | Students review the history of economic downturns starting mid 1700’s in the context of the Industrial Revolution, the Farm Migration, and the development of Mercantilism, Laissez-faire, and Managed Economies. Russ Robert’s Boom & Bust video anchors! |