

L.5 Investment



Objectives:

Students will:

1. Learn about investment
2. Analyze the risks and rewards associated with investment
3. Evaluate the importance of investing in human capital through education

Standards: TK

Skills: Compare/contrast, critical thinking

Setting: Classroom

Time: 50 minutes

Vocabulary:

Investment, Risk, Reward, Human Capital, Fertile, Synthetic Fertilizers, Organic Fertilizers

(Using Key words: Students can create a glossary, in books or on wall in classroom (word wall). Students are encouraged to practice using vocab in written or verbal sentences - perhaps writing example sentences and displaying them).

Introduction

Overview:

In this lesson, students will learn about investment and how different groups invest in projects and businesses.

Using the school garden as an example of investment, the students will complete a worksheet analyzing the risks and rewards.

Before beginning this lesson, check homework from L.4. (What do their parents spend money on each week, and what percentage of their income is spent on food, housing, vehicles, phone bills, etc.?)

Ask the students briefly about what they were surprised by or what they expected.

Teacher Background:

This is a great lesson to invite one of your School Champions to. They can speak about investment and the risks and rewards associated with their company.

Encourage your class to ask questions about where your School Champion invests their resources and why. For example, why did they invest in your school garden? What are the risks and rewards they found when deciding whether or not to invest in your school garden?

Create a dialogue between the School Champion and the class that follows the suggestions and examples in the **Discussion** section.

Most high school students graduate with no understanding of the basic principles of financial planning. In today's society, more and more companies are expecting their workers to plan and prepare for their own futures. However, companies are no longer guaranteeing a pension for their employees upon retirement, so today's future employees need to learn about money and how to put it to work for their future. This expectation is very confusing to many workers who have no understanding of the value of investing and long-term planning.

With this in mind, try to approach the subject of investment seriously, and encourage students to recognize that their investment in the garden reflects on their investment in their own lives.

Materials:

Students:

- Risks & Rewards Worksheet (one per student)
- Activity 1 (one sheet per group)
- Activity 2 (one packet per group)
- Garden Journals

Teachers:

- Sticky Notes
- Risks & Rewards Answer Key

Preparation:

Be prepared to have students work in groups for part of the activity.

ACTIVITY

Enterprise Project In-Class

1. Review the winning business plan with students. Ask the students to write down on sticky notes the thoughts/ideas they brainstormed from their last homework assignment. (One thought/idea per stick note).
2. Have the students put all of their sticky notes on the board for the whole class to see.
3. As a class, categorize the sticky notes into the following groups by literally moving the sticky notes around:
 1. Gathering Resources
 2. Marketing
 3. Research
 4. Promotion/Presentation
 5. Retail/Selling
 6. Community Engagement
4. Ask the students to each choose one of those groups that most interests them. Make sure to **note who is interested in what group**, as this will be used to divide the class into working teams in L.6.

Enterprise Project Homework

1. Write down **three competencies** you can bring to the Enterprise Project.
2. Write a sentence for each explaining how you would aid the Enterprise Project.

Discussion

1. Pass out the Risks & Rewards worksheet.
2. If a School Champion is present, ask them to introduce themselves to the class (name, company they work for, brief history of company, etc.).
3. Ask the class, “who invests their time, energy and money in the school garden? Why do they invest?”
4. Have the School Champion go over the Risks & Rewards worksheet with the class OR use the Risks & Rewards Answer Key to lead the discussion.
5. What lessons can you learn from these examples? When reducing the risks involved in an enterprise, do you always gain rewards?

6. Why is it important to analyze risks/rewards of different actions taken in the garden? What about in your enterprise project?

Activity (Optional)

1. Ask the class to define human capital: *[Human capital is the skills, knowledge, and experience possessed by an individual or population in terms of their value or cost to an organization or country.]*
 2. What are some examples of human capital? Knowledge, Talents, Skills, Abilities, Experience, Intelligence, Training, Judgment, Wisdom
3. Break the class into groups and give each group “Education and Human Capital” Activity 1. Review the data with class and ask students to answer each question as a group.
4. Ask class, “now that we know education plays a large role in human capital, what other skills or competencies might someone need to succeed and increase their human capital?”
5. Examples of these are: Creativity, Planning, Reading, Writing, Networking, Computer Skills, Critical Thinking, Mathematics
6. Give each group the first sheet of “Entrepreneurship Competencies” Activity 2. Have the group fill out the sheet together. If you have more time, pass out remaining two sheets for Activity 2 to fill out and discuss or have the students complete as homework.
7. Discuss the following questions with the class:
 - What did this activity teach you about the importance of human capital?
 - In what situations can the competencies studied today be used?
 - Which competencies did the students feel they had, and which do they need to work on?
 - How does human capital and education relate to investment?

Wrap-Up

Remind students to write down 3 competencies that they could bring to the Enterprise Project and how each could help the Enterprise Project.

EXTENSIONS

Activity 1 & Activity 2 can both be used as extension activities.