

# Introduction to Business

## Course Text

- Nickels, William G., James M. McHugh, and Susan M. McHugh. *Understanding Business*, 8th edition. McGraw-Hill, 2008. ISBN 9780073105970 [This text is available as an etextbook at purchase or students may find used, new, or rental copies at [this link](#)]

## Course Description

Concepts, principles, and operations of the private enterprise system are identified in this course. Students compare and contrast sole proprietorships, partnerships, and corporations, and they learn the advantages and disadvantages of each. This course also discusses the functions of modern business management, marketing, and ethics and social responsibility. Human resource management is described as well as how employers can motivate their employees. Bookkeeping, accounting, financial management, and financial statements are also examined.

## Course Objectives

After completing this course, you will be able to:

- Exhibit an understanding of the concepts, principles, and operation of the private enterprise system.
- Evaluate and contrast major economic systems in businesses throughout the world.
- Describe the various legal forms of business ownership such as sole proprietorship, partnership and corporation, the nature of each, the processes involved in creating each and the advantages and disadvantages of each.
- Identify the functions of modern management in business organizations and how these functions are evolving in response to changes in the external and internal environments in technology, diversity, competition and governmental regulations.
- Exhibit an understanding of the marketing function and describe the concepts and processes involved in designing product strategy, promotional strategy, distribution strategy, and pricing strategy.
- Explain the importance of and the role of the financial management function and illustrate the concepts and processes involved in managing the acquisition and allocation of short- and long-term funds.
- Describe the risk management functions and explain the concepts, processes and strategies involved in managing risk in a business.
- Demonstrate the importance of business ethics and social responsibility to the long-term success of businesses and society's well being.

## Course Prerequisites

There are no prerequisites to take Introduction to Business.

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## Important Terms

In this course, different terms are used to designate tasks:

- **Proctoring:** all final exams require proctoring which can be completed conveniently from your home. A webcam is required.
- **Tutoring:** memberships include online tutoring for students to access with any content/subject related questions in the place of faculty. If your tutor is not able to answer your questions please contact a student advisor.
- **Review Activities:** A non-graded assignment to assist you in practicing the skills discussed in a topic.
- **Homework:** non-graded quizzes that help highlight the content which will be assessed on graded exams.
- **Graded Exam:** A graded online assessment.

## Course Evaluation Criteria

StraighterLine provides a percentage score and letter grade for each course. See [Academic Questions](#) section in FAQ for further details on percentage scores and grading scale. A passing percentage is **70%** or higher.

If you have chosen a Partner College to award credit for this course, your final grade will be based upon that college's grading scale. Only passing scores will be considered by Partner Colleges for an award of credit.

There are a total of 1000 points in the course:

Topic	Assessment	Points Available
3	Graded Exam #1	125
5	Graded Exam #2	125
7	Graded Midterm Exam	250
10	Graded Exam #3	125
13	Graded Exam #4	125
15	Graded Final Exam	250
Total		1000

## Course Topics and Objectives

Topic	Topic	Subtopics	Objectives
1	Introduction to Business and	<ul style="list-style-type: none"> <li>• The Nature of Business</li> <li>• Risk and Profit</li> </ul>	<ul style="list-style-type: none"> <li>• List the main elements comprising the business environment and the importance of each.</li> </ul>

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	Economics	<ul style="list-style-type: none"> <li>● Economics</li> <li>● Economic Systems</li> <li>● Supply and Demand</li> </ul>	<ul style="list-style-type: none"> <li>● Describe the process of risk-taking in business and the relationship to profit or loss.</li> <li>● Define economics, classify the key economic indicators, and the impact on the American economy.</li> <li>● Identify and describe the four major economic systems and distinguish which type the U.S. system most closely resembles.</li> <li>● Define supply and demand and explain how the equilibrium price is found.</li> </ul>
2	International Business	<ul style="list-style-type: none"> <li>● Theories of Comparative and Absolute Advantage</li> <li>● Importing and Exporting</li> <li>● International Business Strategies</li> <li>● Forces Affecting Trade</li> <li>● Trade Agreements and Organizations</li> </ul>	<ul style="list-style-type: none"> <li>● Describe the roles of comparative and absolute advantage in the global market.</li> <li>● Compare and contrast the effects of importing and exporting on a country's economy.</li> <li>● Examine the different methods of expanding a business internationally.</li> <li>● Identify and characterize the different forces affecting international trade.</li> <li>● Appraise the trade agreements and trade organizations that structure the international marketplace.</li> </ul>
3	Ethical Business Behavior	<ul style="list-style-type: none"> <li>● Social Responsibility</li> <li>● Types of Corporate Responsibility</li> </ul>	<ul style="list-style-type: none"> <li>● Explain why a business should be held to certain standards of ethics and in what ways a business is responsible to the community.</li> <li>● Describe the responsibilities a business has to its employees, customers, and investors.</li> </ul>
4	Types of Business Ownership	<ul style="list-style-type: none"> <li>● Sole Proprietorship</li> <li>● Partnerships</li> <li>● Corporations</li> <li>● Mergers and Acquisitions</li> <li>● Other Forms of Ownership</li> </ul>	<ul style="list-style-type: none"> <li>● Describe the features of a sole proprietorship.</li> <li>● Compare and contrast the two types of partnerships.</li> <li>● List the main types of corporations and the advantages and disadvantages of each.</li> <li>● Explain the various ways that a business can be purchased or merged.</li> <li>● Identify other forms of business ownership and the reasons for not choosing a conventional form of ownership.</li> </ul>

5	Small Business	<ul style="list-style-type: none"> <li>● Entrepreneurship</li> <li>● Starting a Small Business</li> <li>● Small Business Difficulties</li> <li>● Small Business Resources</li> </ul>	<ul style="list-style-type: none"> <li>● Define entrepreneur and describe the characteristics one should possess.</li> <li>● Explain the steps in starting a small business and the importance of a comprehensive business plan.</li> <li>● Analyze reasons why small a business may succeed or fail.</li> <li>● Evaluate the resources a small business can use.</li> </ul>
6	Management	<ul style="list-style-type: none"> <li>● The Functions and Responsibilities of Management</li> <li>● Levels of Management</li> <li>● Planning</li> </ul>	<ul style="list-style-type: none"> <li>● Express the purpose of business management and its position in business procedures.</li> <li>● Describe specific functions management serves and the various types of responsibilities.</li> <li>● Define the levels of management and diagram a simple management structure.</li> <li>● Examine the methods of planning management employs and how it affects the operations of a business.</li> </ul>
7	Business Organizations	<ul style="list-style-type: none"> <li>● Centralized and Decentralized Authority</li> <li>● Broad and Narrow Span of Control</li> <li>● Departmentalization</li> <li>● Organizational Structure</li> </ul>	<ul style="list-style-type: none"> <li>● Examine both structures of authority and how each structure affects the management of a business.</li> <li>● Assess the process of determining the optimum number of employees per member of management.</li> <li>● Describe the various ways that a business can departmentalize its organization.</li> <li>● Explain the different ways of structuring an organization.</li> </ul>
8	Human Resource Motivation	<ul style="list-style-type: none"> <li>● Maslow's Hierarchy of Needs</li> <li>● Herzberg's Theory</li> <li>● McGregor's Theory X and Theory Y</li> <li>● Ouchi's Theory Z</li> <li>● Other Motivational Theories</li> </ul>	<ul style="list-style-type: none"> <li>● Explain Maslow's level of needs theory.</li> <li>● Describe Herzberg's two factors.</li> <li>● Differentiate between Theory X and Theory Y.</li> <li>● Identify the aspects of Theory Z.</li> <li>● Evaluate any additional theories that concern the motivation of employees.</li> </ul>
9	Human Resource Management	<ul style="list-style-type: none"> <li>● Planning and Needs Assessment</li> <li>● Recruiting and Selecting</li> </ul>	<ul style="list-style-type: none"> <li>● Explain how human resources plans and assesses the company's hiring needs.</li> <li>● Describe recruiting and examine</li> </ul>

		<ul style="list-style-type: none"> <li>● Training and Developing</li> <li>● Appraising and Compensating</li> <li>● Turnover and Legal Issues</li> </ul>	<p>how candidates are selected.</p> <ul style="list-style-type: none"> <li>● Explain the different methods of training and development.</li> <li>● Identify the ways a business appraises an employee's performance and the different forms of compensation.</li> <li>● Describe the ways an employee can leave a business and explain the laws affecting employment.</li> </ul>
10	Marketing	<ul style="list-style-type: none"> <li>● Purpose of Marketing</li> <li>● Marketing Mix</li> <li>● Market Research</li> <li>● Marketing Environment</li> <li>● Buying Behavior</li> </ul>	<ul style="list-style-type: none"> <li>● Describe the goals and purpose of marketing.</li> <li>● Identify the four P's of the marketing mix and explain the significance of each.</li> <li>● Examine the ways a business can collect data on its target group and how the information is used.</li> <li>● Identify the factors that influence marketing strategies.</li> <li>● Define consumers' buying habits and examine how marketers react to these habits.</li> </ul>
11	Pricing Products and Services	<ul style="list-style-type: none"> <li>● Product Differentiation</li> <li>● Packaging</li> <li>● Branding</li> <li>● The Product Life Cycle</li> <li>● Price and Nonprice Competition</li> </ul>	<ul style="list-style-type: none"> <li>● Assess how and why a business differentiates its product lines.</li> <li>● List what must be on a label and explain why there is legislation concerning this.</li> <li>● Compare and contrast the major kinds of brand categories.</li> <li>● Analyze the rise and decline of a product.</li> <li>● Examine the ways a product can be competitive, based on both pricing and nonpricing strategies.</li> </ul>
12	Accounting	<ul style="list-style-type: none"> <li>● Accounting Versus Bookkeeping</li> <li>● The Uses of Accounting</li> <li>● The Accounting Cycle</li> <li>● Types of Financial Statements</li> <li>● Ratio Analysis of Financial Statements</li> </ul>	<ul style="list-style-type: none"> <li>● Differentiate the purposes of accounting and bookkeeping.</li> <li>● Identify the uses of accounting as they pertain to a business.</li> <li>● Illustrate the accounting cycle and describe the various steps.</li> <li>● Examine the types of financial statements and the relevance of each.</li> <li>● Demonstrate the different ratios used to assess the financial health of a business.</li> </ul>
13	Financial	<ul style="list-style-type: none"> <li>● Financial Planning</li> </ul>	<ul style="list-style-type: none"> <li>● Explain the need to plan and</li> </ul>

	Management	<ul style="list-style-type: none"> <li>● Funding</li> <li>● Capital Budgeting</li> <li>● Loans</li> <li>● Debt and Equity Financing</li> </ul>	<p>budget the flow of money in a business.</p> <ul style="list-style-type: none"> <li>● Describe the sources of funding a business can seek for operating expenses.</li> <li>● Illustrate the process of capital budgeting.</li> <li>● Assess the different types of loans and the benefits associated with each.</li> <li>● Compare and contrast debt and equity financing and the advantages and disadvantages of each.</li> </ul>
14	Financial Institutions and Money	<ul style="list-style-type: none"> <li>● The Function of Money</li> <li>● Federal Reserve</li> <li>● Types of Banking Institutions</li> <li>● Nonbanking Institutions</li> <li>● Technology in Banking</li> </ul>	<ul style="list-style-type: none"> <li>● Explain the purpose and function of money.</li> <li>● Classify the roles of the Federal Reserve System.</li> <li>● Compare and contrast the types of banking institutions.</li> <li>● Evaluate the merits of the different nonbanking institutions.</li> <li>● Describe the various means of electronic banking.</li> </ul>
15	Review Topic	Review	Review