



Lesson Plan

CHAPTER 4: Legitimizing Your Business

Chapter Overview

Chapter 4 was created to help students dive into the back-end mechanics of running a business, especially the legalities and increased level of responsibility not usually acknowledged by average employees. Topics in this chapter include contracts, intellectual property, paying business taxes, legal liability, and more! Coupled with multiple student-facing resources, the chapter also explores how owning a business can vary by region and introduces the concept of service professionals that can assist entrepreneurs in their startup journey. After completing this chapter reading and assignments, students will be more equipped to ask business services professionals the right questions.

Learning Outcomes

Student should be able to:

- Understand the role of risk in starting, growing, and scaling a business
- Articulate the need for various legal protections including business registration, contracts, policies, etc.
- Identify types of insurance, taxes, and funding options that help business mitigate risk and avoid debt
- Implement best practices of managing finances to ensure organizational longevity

Resources

- Chapter Lecture Slides



- Worksheets
- List of Legal Resources
- List of Minority-owned Business Owner Resources

Assignments

- Chapter 4 quiz
- Jasmine Abrams Worksheet 4
- Brainstorming Journal Response 4
- Class Project Part 4

Instructor Prep

- Read Chapter 4
- Assign due date for Chapter 4 Quiz
- Review Chapter 4 Slides
- Decide which prep option (1, 2, or 3) best fits your class schedule

Student Prep

- Read Chapter 4
- Complete Chapter 4 Quiz

Instructor Lecture Slides

- Chapter 4 Slides (including slides for flipped classroom instruction)

Prep Options, Daily Breakdowns, and Worksheet Instructions

Option 1: Shorter (3) Class Periods

- Period 1: Cover Section 1 (Legal protections).
- Period 2: Cover any remaining from Section 1 and Section 2 (Liabilities, finances, and funding cash flow).
- Period 3: Cover Section 3 (Business funding and longevity). Discuss any chapter questions. Review quiz content. Discuss the current round of simulation, and assign/discuss Jasmine Abrams and other worksheets.



Option 2: Longer (2) Class Periods

- Period 1: Review Quiz Results and Cover Section 1
- Period 2: Cover Section 2 and Section 3

Option 3: Flipped Classroom

- Direct students to read the chapter and complete the quiz prior to class.
- First class session: Answer student questions & review quiz content, then have a working research session for the Jasmine Abrams worksheet.
- Second class session: Have students break into groups of 2 or 3 to complete/discuss the journal prompts and responses, then answer questions about the simulation. Assign the Creating your Business! Assignment 4.

Jasmine Abrams Worksheet 4 Instructions

Direct students to complete Jasmine Abrams Worksheet 4 (details below).

Jasmine does not know much about the legal side of her business, or of any business.

In this worksheet, students will explain what they learned about the legal work necessary for legitimizing and protecting a business. In addition to helping Jasmine understand areas like intellectual property, liability and insurance, financing risks, Students will help Jasmine help her friend, Alvin, as he researches requirements for starting a business abroad. Students end the worksheet explaining to Jasmine what legal requirements are necessary for starting a business wherever they (the students) are located.

Journal Entry 4 Prompt Instructions

After reading the chapter, students should consider the location for their business's headquarters and answer the following questions (Note: Students may have to do



additional research in order to find the information needed for their specific geographic location):

1. How do you plan to legitimize your business? (What paperwork do you have to file? What is the governing body in your region? How much does it cost to register your business? Do you have to complete registration pre-revenue? etc.)
2. What legal protections will your start-up business need?
3. Consider your stance on risk. Are you a risk-taker, or are you more risk averse? Considering both sides of the spectrum will help you adjust your natural inclinations. Contemplate ways you can embrace the inherent risk that comes with entrepreneurship. Write 1-2 sentences to describe how you might approach risk from both a risk-taking and a risk-averse perspective.
4. Will your business have a need for contracts or legal agreements? If so, which ones? What do you need them for? Identify two to three types of contracts that will help you protect your business and your ideas.
5. What types of insurance do you think would be most applicable for the type of business you want to create, and why? Write two to three sentences to explain your reasoning.

Creating Your Business! Class Project Instructions

Part 4: After completing the reading of Chapter 4, direct the students to do some research and make some decisions about legitimizing the brand they are creating. Remind students that this process takes time and they should put serious thought into how they want to organize the legal protections for their company.

- 1) Do you need any licenses, certifications, or other legal documents to start your particular type of business idea? If so, which ones?
- 2) What legal documents do you need to draft to ensure that the intellectual property and other elements of your business are protected?
- 3) Do you need any contracts in your business? If so, what types of contracts will you need? What parties will be involved in signing these contracts, and what will they do for the business?
- 4) Do you foresee any immediate risks relevant to your business?



- 5) What risks do you think you might be required to take within the first 6 months to one year after starting your business?
- 6) What types of insurance will your business need? How will you afford the premiums and deductibles associated with that insurance?
- 7) How will you raise money to start and sustain your business?
- 8) Are you prepared to contribute your personal funds to the business? If so, where will those funds come from and how will they be used?
- 9) How will you create the finances needed to fund inventory or other start-up costs?