

Teaching Plan

Game Title	The CEO's Plan 總裁的大計
Topic	Integration of Firms
Instructional Objectives	<ul style="list-style-type: none"> ➤ To explore the motives for integration of firms ➤ To identify different types of integration
Keywords and Concepts Illustrated	<ul style="list-style-type: none"> ➤ Vertical integration (Backward & Forward integration) ➤ Horizontal integration ➤ Lateral & Conglomerate integration ➤ Motives for integration
Needed Time	➤ A double period

Sessions	Details	Time Spent
Activity/ Announcement	<ol style="list-style-type: none"> 1. Cut out Table 1 and 3 before the lesson. 2. Ask every student to draw a slip (i.e. Table 1). Each slip represents a firm. Students become the Chief Executive Officer (CEO) / boss of those firms and they can use their own name to complete the firm's name. For example, if XXX student is the owner of a boutique, XXX student can name her boutique as "XXX Boutique." Distribute each student an A4 paper to write his/her firm's name on. 3. T: Everyone is either the CEO or owner of the firm, you want to earn as much profit as possible, don't you? Suppose your firm is a listed company, you do not only want to earn as much profit as possible, but you also want to increase your share price! Therefore, you have to be very careful in your decision-making. It may affect your share price. 4. Ask students to set the classroom up as the sitting plan suggested in Table 4. As soon as students find their partners in the coming 4 rounds, they should sit down with their partners according to the sitting plan. 	5 mins 10 mins
	<p>ROUND ONE – Horizontal Integration (for Warm Up)</p> <ol style="list-style-type: none"> 5. T: What we will do today is to see if you can co-operate with another firm to <u>enlarge the market share and reduce competition</u>. I will give you 2 minutes to go and find one partner to work together. After you have found your partner, you should sit with your partner and show me your company names on the desk. 	5 mins

	<p>6. (After 2 minutes) Distribute Worksheet 1 to each student. Ask students to fill in Round 1 information. Choose 1 to 2 pairs of students to share:</p> <p>6.1. Whom he/she integrated with;</p> <p>6.2. The reason(s) for such integration</p> <p>Ask 1 to 2 students (if there is any) who could not find a partner to integrate to comment on integration of other groups.</p> <ul style="list-style-type: none"> ➤ Teacher should drop down students' points on board (please refer to Table 2 for suggested blackboard arrangement). Teacher may consider giving out instant prizes to groups with correct elaboration or creative ideas. ➤ Teacher should introduce the concept of “horizontal integration” with reference to its related motives. <p>ROUND TWO – Lateral Integration (to distinguish horizontal and lateral integration)</p> <p>7. T: This time, you want to <u>extend your brand name to another product</u>, see if you can find some new partners to integrate for this purpose.</p> <p>8. (2 minutes later) Ask students to sit down and fill in Round 2 information (Worksheet 1). Choose 1 to 2 groups to:</p> <p>8.1. Introduce the newly formed company;</p> <p>8.2. Explain the reason(s) for such integration.</p> <p>Ask 1 to 2 students (if there is any) who could not find a partner to integrate to comment on integration of other groups.</p> <ul style="list-style-type: none"> ➤ Teacher should drop down students' points on board. ➤ Teacher may consider giving out instant prizes to groups with correct elaboration or creative ideas. ➤ Teacher should compare the concept of “lateral integration” & “horizontal integration”. 	10 mins
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ROUND THREE – Vertical Integration (to distinguish forward and backward integration) 10 mins

9. T: Now, your Board of Directors are changing their strategies. They would like to ensure that there are steady supply of materials for production and adequate market outlets for the company. Try in 2 mins and see if you can find another firm that you can co-operate with.

10. (2 minutes later) Ask students to sit down and fill in Round 3 information. Choose 1 to 2 groups to introduce the newly formed company. Ask 1 to 2 students (if there is any) who could not find a partner to integrate to comment on integration of other groups.

- Teacher should drop down students' points on board.
- Teacher may consider giving out instant prizes to groups with correct elaboration.
- Teacher should help student to distinguish “forward vertical integration” and “backward vertical integration” by more daily examples.
- All paired students should state clearly who are merging firm and who are merged firm in the integration.

Briefly explain ALL types of integration. Distribute “Fact Sheet on Integration of Firms” to each student. 10 mins

- Teacher should help student to distinguish different types of integration by definition.
- Teacher should help student to distinguish whether the motive is general motive or specific motive.

	<p>ROUND FOUR – Distinguish different types of integration by definitions.</p> <p>11 T: Now, in this round, each of you will be given an assignment to integrate with another firm according to type of integration. (Distribute a slip from Table 3 to each student). You will have another 2 mins to do so.</p> <p>12 (2 minutes later) Ask students to sit down and fill in Round 4 information. Choose 1 to 2 groups to introduce the newly formed company.</p> <ul style="list-style-type: none"> ➤ Teacher can ask students to check whether other groups integrated according to its given definition. ➤ Teacher may consider giving out instant prizes to groups with correct elaboration. <p>Round up and Explanation</p> <p>13 Collect students' worksheets to grade each integration. Award winner in the next lesson.</p> <p>14 Compare & contrast students' points with textbook to elaborate &/or consolidate types and motives of integration.</p> <p>15 Teacher may like to play 1 or 2 more rounds before consolidation if time permits.</p>	<p>10 mins</p> <p>10-20 mins</p>
Variation	<ul style="list-style-type: none"> ➤ If some students are having difficulties in finding the right firms to integrate, encourage them to observe, record and comment on other group's integration on Worksheet 1 instead. They will also get points if they have got the right answer. ➤ This activity need more space than that of a normal classroom can provide. It is better to use a larger room to conduct the game. 	
Tools	<ul style="list-style-type: none"> ➤ Print & cut up Table 1 & 3 for students to draw ➤ A4 paper for each students ➤ Markers ➤ Prize for winner 	
Author	<ul style="list-style-type: none"> ➤ Mr Wai-chung LO of the CNEC Lau Wing Sang Secondary School. 	
References	<ul style="list-style-type: none"> ➤ Li, W. S, 1992. "New Introductory Economics 1. 2nd Ed". (Hong Kong: Longman Hong Kong Education). ➤ Wong, D.M.B, Chan, T., 1997. "Elementary Economics for 	

	<p>Hong Kong 1B, 4th Ed. (Hong Kong: Pilot Publishing Company Ltd).</p> <p>▶ 李兆麟，陳劍雄，2000 •《生活經濟學 1》〔香港：培生教育出版亞洲有限公司〕</p>	
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Appendix

Materials for Teacher

Table 1	Firms in Country _____ (<i>Class</i>)
Table 2	Blackboard Arrangement
Table 3	Integration Assignment
Table 4	Suggested Sitting Plan
Worksheet 1	Integration Record of _____ (<i>Student's Company Name</i>)
Fact Sheet on Integration of Firms	
Powerpoint slides – Types and definitions of Integration	

Acknowledgement:

This experiment and its teaching plan are based on the teaching experience shared by Mr Wai-chung LO. Mr LO is a devoted secondary school teacher at the CNEC Lau Wing Sang Secondary School. We would like to express our gratitude to Mr. LO for sharing his experience of this experiment with us. We also benefited greatly from his comments and suggestions on the earlier drafts of this teaching plan.