

Hitting Homeruns and Bringing in Revenue

SUBMITTED BY: K@WHS Summer Educator

SUBJECT(S): Accounting

≡ OVERVIEW:

This accounting lesson introduces ideas about fixed costs versus variable costs. The Wharton Global Youth Program article, “Baseball’s Bottom Line: The Money Behind the Game” sets the stage for an introductory business lesson about revenue.

≡ NBEA STANDARD(S):

- Accounting, V. Accounting Process

≡ RELATED ARTICLES:

- [“The Business Behind XFL Football”](#)
- [“Stories of High School Enterprise and Opportunity from Baseball’s World Series”](#)
- [“Sports and Math: A Winning Combination?”](#)
- [“Scoring Equity at the Women’s World Cup”](#)
- [“Baseball’s Bottom Line: The Money Behind the Game”](#)
- [“Baseball and Big Data: How Statistics and Analytics Are Changing the Game”](#)

Standards:

- Complete the steps in the accounting cycle in order to prepare the financial statements.

Common Core Standard(s):

- CCR Standard for Reading: Read closely to determine what the text says explicitly and to make logical inferences from it, cite specific textual evidence when writing or speaking to support conclusions drawn from the text.
- CCR Standard for Reading: Determine central ideas or themes of a text and analyze their development; summarize the key supporting details and ideas.
- CCR Standard for Language: Demonstrate command of the conventions of standard English grammar and usage when writing or speaking.
- CCR Standard for Speaking & Listening: Prepare for and participate effectively in a range of conversations and collaborations with diverse partners, building on others' ideas and expressing their own clearly and persuasively.

Objectives/Purpose: Students will be able to describe what revenue is, provide examples and then apply the concepts to their own business models. Students will develop 21st century communication and business skills, specifically presenting and speaking.

Resources/Materials: (including one or more Wharton Global Youth Program articles used in this lesson)

- WGYE video glossary term “Revenues” given by Professor Wayne Guay
<https://globalyouth.wharton.upenn.edu/glossary/revenues/>

Activity:

1. Do Now: First 5 minutes of class, students come in and brainstorm answers to the following question: If you were starting up your own company, what would you say are the goals/purposes of your business? As a class, share ideas and write them on the board. Short discussion about social goals, financial goals, etc. Today's lesson is focused on the financial goals, specifically looking at revenue. (5 mins)
2. Teacher plays WGYE video “revenue” for students. Teacher leads a discussion to clarify the term and make sure students understand the concept. (5 mins)
3. In small groups, students will read the article: “*Baseball’s Bottom Line: The Money Behind the Game.*” As a group, they will answer the following questions (20 mins):
 1. In two-to-three sentences, describe the purpose of this article.
 2. What different types of revenue can a baseball team bring in?
 3. Pick a different type of sporting event (i.e. basketball, football, hockey, soccer, skating, gymnastics, polo, The Olympics, The World Cup... you can be creative). What types of revenue can that sport generate? Try to think of some

revenue that is different from baseball. Be creative, you will present your ideas to the class.

4. The article talked about *revenue sharing*, what do you think that means? Give an example. How might that pertain to the sporting team or sporting event your group picked?

4. The teacher will go over questions a, b and the first part of question d together. Then each group will present the sport or event they selected and the type of revenue (question c and then second part to question d). (10 mins)
5. Wrap-up: For the last few minutes, reflect on the following questions about revenue and write your answers down. What does it mean to a different type of company? What does it mean to you in your own personal finances? (5 mins)

Tying It All Together:

This class session is an introduction to revenue and can be tied to a number of different lessons. In a class that is creating its own business, this lesson can be used at the beginning to explain revenue, and then students can apply what they learn to their own businesses. Or this lesson can be used alone.

What Worked and What I Would Do Differently:

Teacher should anticipate some common student misconceptions or the fact that students do not have any understanding of the meaning of revenue. In preparation, the teacher might want to think of some real-life and personal connections his or her students have to revenue.