PRIDE I HUGHES I KAPOOP

## Business

**Eighth Edition** 

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Boston New York

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Cover Image: © Jennifer Roycroft, Roycroft Design

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Printed in the United States of America.

ISBN: 0-618-49627-0 N03354

2 3 4 5 6 7 8 9-PP-06 05 04



Custom Publishing

222 Berkeley Street . Boston, MA 02116

Address all correspondence and order information to the above address.

CHANGE! No other word better describes the current business environment. Three years ago, when the seventh edition of Pride/Hughes/Kapoor was published, employment opportunities, investment opportunities, and career advancement opportunities had never been greater. Today, the economic picture looks much different. Consider just some of the changes that have occurred.

- There have been a large number of business failures especially in the technology and information industries.
- The number of people unemployed has increased to approximately 6 percent of the nation's work force.
- There are fewer manufacturing jobs in the United States as business firms have begun producing more goods in foreign countries.

These important changes along with the tragic events of September 11, the war on terrorism, and many more are discussed in this new edition of *Business*. In fact, the primary reason behind this new edition is to provide students and instructors with the latest information available. We are especially proud of this edition because we wrote it with two goals in mind: *Achieving Student Success* and *Achieving Great Teaching*.

#### Special Note to Our Customers

Pride/Hughes/Kapoor Business is the best selling introduction to business textbook in the market. We thank you for your support. Certainly, comments and suggestions made by professors and reviewers like you who teach the course, our national advisory board, and students who take the course have helped to make each edition of Business better than the last. As authors, we encourage you to read the preface for an overview of how we have revised the new edition. We invite you to spend some time examining the text, features, illustrations, and cases. We hope you like what you see in this new, eighth edition of Business!

WMP, RJH, JRK

#### **Achieving Student Success!**

For many years, people assumed that business prosperity would continue. When the bubble burst, people were faced with the question: What do we do now? It is a difficult question to answer. Certainly, for a college student taking business courses or a new employee just starting a career, the question is particularly difficult to answer. And yet, there are still opportunities for people who are willing to work hard, continue to learn, and possess the ability to adapt to change. That's where the new Pride/Hughes/Kapoor *Business* learning package can help.

We believe that students deserve the most up-to-date, interesting, and relevant textbook and package. This edition begins with a thoroughly revised, beautifully designed full-color textbook that invites students into the study of business and helps them achieve success by providing the content coverage, real-world examples, pedagogical aids, and career-related information that is important in today's ever-changing business world.

When students purchase a new copy of the eighth edition of *Business*, they get more than a textbook. Shrink-wrapped with every new text is the *Business Bonus Pack: Your Guide to an "A"* that includes a variety of multimedia study aids and tips about how to use them to study more effectively and succeed in the course.

At the same time that we offer a thoroughly revised full-length text and the best learning package in the marketplace, students also get a great low price. The eighth edition of *Business*, available in convenient loose-leaf format that allows flexible use of the text, is priced ½ less than our full-length competitors.

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#### **Achieving Great Teaching!**

Our objective has always been to provide both students and instructors with a textbook and package that is relevant and accurate, and is as interesting as business itself. To that end, we worked hard to make sure that this new edition of Business maintains our tradition of providing quality instructional materials based on our own classroom experiences. All three of us teach college level courses. Collectively, we have over 70 years of experience teaching Introduction to Business, including teaching multiple sections of Introduction to Business every semester. We revise the Business text and package based on our own experiences in the classroom and with the help of comments and suggestions from other professors, reviewers, our national advisory board members, students, and a very committed team of professionals at our publisher—Houghton Mifflin. Finally, we either write each component or are heavily involved in each component of our instructional package. We think that our classroom experience and personal involvement in the publishing process make a difference and help to create a package that enables both students and instructors to achieve success!

#### New to This Edition

Suggestions from both educators and students who have used previous editions have been incorporated into the eighth edition. Here are some of the new ways that we make business accessible and relevant.

- All text content is completely revised and provides a comprehensive survey of the major functional areas of business including management, marketing, accounting, finance, and information technology as well as core topics such as ethics and social responsibility, forms of ownership, small business, and international business.
- In addition to the above topics, this edition provides coverage of today's special hot topics such as the nation's economic problems, efforts to improve accounting standards and corporate credibility, the dot-com meltdown, entrepreneurial businesses, diversity, globalization, and the increasing use of technology and e-business.
- All of the Inside Business opening vignettes for each chapter in this edition are new. Examples of featured companies include The Container Store, Starbucks, MSN, and Google. Return to Inside Business at the end of each chapter provides additional information and questions to stimulate class discussion.
- All of the boxed features in this edition are new. Their themes are Adapting to Change, Examining Ethics, Exploring Business, Going Global, and Talking Technology.
- New video cases accompany every chapter. Examples of highlighted companies include Stonyfield Farms, JetBlue, Remington, and Merrill Lynch Direct.
- A new feature—"Running a Business"—is a continuing video case showcasing Finagle-A-Bagel, a real small business located in the Boston area. Appearing at the conclusion to each part of the text, this multi-part case allows students to integrate and apply their knowledge from each section of the text to a real business situation.
- A new feature—"Building a Business Plan"—helps students to choose a business they would like to start and then develop their own business plans. This series of exercises can be used as a semester-long project and can be completed individually or in teams.

A variety of boxed features highlight today's important issues.

#### **Adapting to Change**

In today's business environment nothing is more certain than change. Business people must deal with both the benefits and challenges of these changes. The workplace changes on which we focus fall into several broad areas, including career information, cultural diversity, and changes in business practices. Sample topics include

- Keep Your Career Moving in the Right Direction (Chapter 1)
- South African Airways Navigates Nontariff Barriers (Chapter 3)
- What Makes a Great Leader? (Chapter 7)
- Labor Unions Play a Bigger Role in Corporate Governance (Chapter 12)
- Reality Accounting 101: Changes for the Better (Chapter 18)

#### **Examining Ethics**

Following up on the ethical coverage provided in Chapter 2, "Being Ethical and Socially Responsible," the Examining Ethics features are designed to develop students' abilities to think critically about typical ethical dilemmas that can arise in business. Questions are provided to encourage classroom discussion. Examples of topics discussed are

- Accounting Scandals: What Went Wrong (Chapter 1)
- Two Companies That Give Something Back (Chapter 5)
- Should Companies Fire 10 Percent of Their Employees Annually? (Chapter 10)
- Lying to Customers (Chapter 13)
- Should Executives Get Preferential IPO Treatment? (Chapter 20)

#### **Exploring Business**

The Exploring Business series examines a wide range of organizations and contemporary topics that include business trends, social issues, success stories, and personal applications for students. Sample topics include

- Big Mergers: Fast Track to Investor Wealth? (Chapter 5)
- Making Decisions Under Pressure (Chapter 7)
- Investing in People at Edward Jones (Chapter 10)
- What Companies Want in Sales Representatives (Chapter 16)
- Identity Theft: A Real Possibility (Chapter 19)

#### Goi This

#### Going Global

This series of features, together with Chapter 3, "Exploring Global Business," is designed to enhance students' awareness of the globalization of the business world. Sample features include

- The World According to Wal-Mart (Chapter 5)
- Automakers Drive Productivity Higher (Chapter 9)
- Protecting Employees in Other Countries (Chapter 11)
- Harlem Globetrotters Bring Basketball Fun to the World (Chapter 13)
- China's Rise in Information Technology (Chapter 17)



#### Talking Technology

Both consumers and businesses are aware of the impact that technology has had on the way we do business. The topics covered in this feature describe some of the latest, state-of-the-art applications that promise to change the way

we live. Selected topics include

- Do Privacy Policies Protect Internet Users? (Chapter 2)
- Easy as Dell (Chapter 4)
- How Does the Work Get Done at Motek? (Chapter 8)
- EDS: The Information Expert (Chapter 17)
- To Pick a Winning Investment, Get Help Online (Chapter 21)

#### **Effective Pedagogical Aids**

This business course doesn't have to be difficult! We have done everything possible to eliminate the problems that students typically encounter. We asked reviewers with years of teaching experience to discuss what tools are most effective. In addition business students were asked to critique each component. Based on this feedback, the text includes the following features.

#### Part Introductions

Each of the text's seven parts begins with a concise description of the materials to follow. From the outset of each part, students are exposed to upcoming content and develop a better understanding of the chapters' context within the text.

#### Learning Objectives

A student with a purpose will learn more effectively than a student wandering aimlessly. Each chapter of Business begins with clearly stated learning objectives signaling important concepts to be mastered. The learning objectives are reinforced as they appear in the margins within the chapter and serve as the chapter summary's organizing framework. To aid instructors, questions in the Test Bank are keyed to the learning objectives.

#### Inside Business

Chapter-opening Inside Business features introduce the theme of each chapter and focus on pertinent activities of real organizations. Sample topics include

- Coca-Cola Thinks Small to Capture Global Markets (Chapter 3)
- There Are No "Yah-Whos" at Yahoo! (Chapter 7)
- Workplace Reforms at Mitsubishi's Illinois Plant (Chapter 11)
- AutoTrader.com Revs Up an Exciting Promotion Mix (Chapter 16)
- Bank of America Banks on Online Banking (Chapter 19)

The decisions and activities of these organizations not only demonstrate what companies are actually doing, but also make the materials in each chapter relevant and absorbing. When students become involved in the chapter material, critical thinking and active participation replace passive acceptance, and real learning takes place.

#### Introductory Chapter Overview

The opening paragraphs of each chapter offer an informal chapter preview while also providing a smooth transition from the Inside Business section. When students are ready to review, each introductory paragraph also serves as a useful reminder of chapter content.

#### **Margin Notes**

Two types of margin notes help students understand and retain important concepts. First, each *learning objective* is positioned at the beginning of the section where it is discussed Second, to aid students in building a basic business vocabulary, the definition of each *key term* is placed in the margin near the introduction of the term in the text.

#### Stimulating Writing Style

One of our major objectives in *Business* is to communicate to students our enthusiasm for business in a direct, engaging manner. Throughout the book we have used a writing style that builds interest and facilitates students' understanding of the concepts discussed. To ensure that the text is stimulating and easy for students to use, we have given special attention to word choice, sentence structure, and the presentation of business language.

#### Real-World Examples and Illustrations

Numerous real-world examples drawn from familiar organizations and recognizable products are used in each chapter. Is Microsoft an illegal monopoly? How can diversity help an organization succeed? What is included on a personal balance sheet and personal income statement? Why do people invest in mutual funds? Contemporary examples such as these catch students' attention and enable them to apply the concepts and issues of each chapter to their personal lives. The *Spotlight* feature highlights up-to-date fun facts; the *Using the Internet* feature highlights useful websites related to particular topics; and the content-based photo captions provide continual, eyecatching examples that reinforce text material.

#### Return to Inside Business

The Return to Inside Business feature offers additional information about the organization profiled at the beginning of the chapter to reinforce the application of specific principles. Accompanying questions can be used for classroom discussion. Suggested answers are included in the *Instructor's Resource Manual*.

#### **Complete End-of-Chapter Review Materials**

We provide the practical applications that make a business course so valuable for students. Several activities are included at the end of each chapter.

- A summary, based on the chapter's learning objectives, that reviews important ideas presented within the chapter.
- A list of key terms with page references.
- A complete set of review questions that reinforce chapter definitions and concepts.
- Discussion questions that encourage careful consideration of selected issues by asking students to engage in critical thinking and writing about chapter topics.



#### **Video Cases**

A video case at the end of each chapter focuses on recognizable organizations. The cases offer descriptions of current business issues and activities, allowing students to consider the real-world implications associated with the concepts covered in the chapter. Related questions suitable for class discussion or individual assignment follow each case. Sample video cases include

- The Global Saga of Subway (Chapter 3)
- Entrepreneurial Spirit Pervades the Percy Inn (Chapter 6)
- Wheelworks Tries to Satisfy Employees and Customers (Chapter 11)
- Fun, Furniture, Movies, and More at Jordan's Furniture (Chapter 16)
- Financial Fusion Fuels Financial Services Transactions (Chapter 19)

#### **Building Skills for Career Success**

Each chapter ends with a section entitled "Building Skills for Career Success." The five exercises in this section are Exploring the Internet, Developing Critical Thinking Skills, Building Team Skills, Researching Different Careers, and Improving Communication Skills. Related questions and activities suitable for class discussion or individual assignments follow each exercise. Suggested answers or teaching tips are included in the Instructor's Resource Manual.

#### Glossary

A glossary of major business terms from the text appears at the end of the book. The glossary serves as a convenient reference tool to reinforce students' learning of basic business vocabulary.

#### Complete Package of Support Materials

Accompanying the eighth edition of Business is a support package that focuses on generating enthusiasm in your class, achieving student success, increasing the effectiveness of instructors, and helping students to learn and apply business concepts.

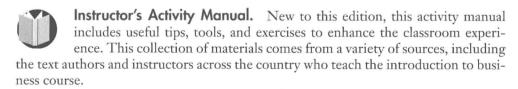
#### For Instructors to Plan, Present, and Assess More Effectively

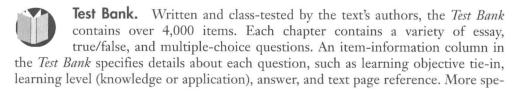


**Instructor's Resource Manual.** The comprehensive *Instructor's Resource* Manual, written by the text's authors, features the following items for each chapter:

- Note from the authors
- Learning objectives
- Brief chapter outline
- Guide for using the transparency acetates
- Comprehensive lecture outline (including transparency cross references, suggestions on where video material can be used, suggested answers to Examining Ethics feature questions, and At Issue debate features for class discussion)
- Answers to the Return to Inside Business questions, review questions, discussion questions, and case questions
- Comments on the Building Skills for Career Success exercises
- Two chapter quizzes with answer keys
- Answer key for transparency class exercise and quizzes

In addition, the *Instructor's Resource Manual* provides a transition guide to the eighth edition, suggestions for planning the course, sample syllabi, and FAQs about teaching introduction to business. The materials in this section and the FAQs are especially useful for adjunct instructors who don't teach on a full-time basis.





cific information about different types of test questions appears in the introduction to the Test Bank.

HMClassPrep with HMTesting CD-ROM. This instructor's CD provides a variety of teaching resources in electronic format allowing for easy customization to meet your specific instructional needs. Files included on the CD include PowerPoint, Word files from the Instructor's Resource Manual, and selected videos.

On the same CD for your convenience is the electronic version of the printed Test Bank. This program allows instructors to generate and change tests easily. The program includes an online testing feature by which instructors can administer tests via their local area network or over the Web. It also has a gradebook feature that lets users set up classes, record and track grades from tests or assignments, analyze grades, and produce class and individual statistics.



**Instructor's Web Site.** This password-protected site includes valuable tools to help instructors design and prepare for the course. The contents include the Pride/Hughes/Kapoor update service that provides real-world

examples of current events that impact individual businesses, consumers, and the economy. Other materials included on the Instructor's Web Site include FAQs about teaching introduction to business, sample syllabi, PowerPoint slides that can be downloaded, Word files from the Instructor's Resource Manual, and more.

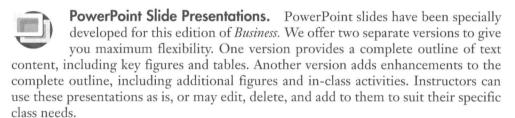


Online/Distance Learning Support. Instructors can create and customize online course materials to use in distance learning, distributed learning, or as a supplement to traditional classes. The Blackboard and

WebCT course materials that accompany the text include a variety of study aids for students as well as course management tools for instructors.



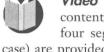
New! Master the Class Game. Written by John Drea, Western Illinois University, this interactive game allows instructors to review key concepts with their students in a fun and engaging way.





**Videos.** There are seven new part-ending videos that relate to the Finagle-A-Bagel part-ending cases. In addition there are twenty-one video modules, one for each chapter, to help instructors bring lectures

to life by providing thought-provoking insights into real-world companies, products, and issues. Each chapter module includes four segments: a chapter overview, two key concept segments, and a segment supporting the end-of-chapter video case. Special note: all end-of-chapter videos are new for this edition of Business. A complete description of the part ending-videos and each chapter's series of video segments is provided in the Video Guide. The videos are available on VHS and DVD.



Video Guide. This guide is designed to help instructors integrate text content with the video series. A video preview and description of each of the four segments (overview, two separate concept segments, and the video case) are provided for each chapter video. Similar information is provided for each part video. Multiple-choice questions that can be used for classroom discussion or testing are also provided.

**Transparencies.** The instructional package includes 300 color transparencies – some drawn from the text and over 150 from outside sources. Supplemental transparencies for each chapter include a chapter outline, a class exercise useful for stimulating class discussion, a debate issue excellent for generating fast-paced class interaction, and a multiple-choice chapter quiz. Additional transparencies for each chapter include definitions and figures not found in the text.

#### For Students to Enhance Knowledge and Application Skills

New! Business Bonus Pack: Your Guide to an "A". This comprehensive multimedia package of student support CDs accompanies every new copy of the textbook. A set of four Audio Review CDs with 10 to 12 minute summaries highlights key concepts and terms for each chapter. These are ideal for students who learn best by listening and students on the go. The new HM eStudy CD includes a variety of tools to help students study: learning objectives in essay-question format, glossaries, chapter summaries, brief chapter outlines that can be annotated with student notes, chapter previews with video overviews for selected chapters, self-test questions (different from those on the website and in the printed study guide), and Business Plan worksheets to accompany the new end-of-part business plan feature.

Student Web Site. This valuable resource includes online true/false and multiple-choice self tests that give students immediate feedback on their progress; career-related information and links; the end-of-chapter Exploring the Internet exercises with links to the assigned sites and any updates that are necessary to keep the exercises current; links to the companies highlighted in the Inside Business opening cases, boxed features, and end-of-chapter cases; downloadable brief chapter outlines that can be used for notetaking; interactive Flash Cards for studying key terms; and more.

**Study Guide.** Written by Kathryn Hegar of Mountain View College, the *Study Guide* is a self-help tool for students to use in learning definitions, concepts, and relationships in each chapter. Based on student feedback, the exercises and questions have been designed to be especially useful for self-evaluation and review purposes. For each chapter in the text, the *Study Guide* provides key terms, matching questions, true/false questions, multiple-choice questions, short answer and analytical questions, and an answer key.

It's Strictly Business Telecourse Guide, 4th edition. For those students enrolled in the It's Strictly Business Telecourse, this guide provides the necessary correlation between the video lessons and the textbook, including assignments, learning objectives, key terms, text focus points, video focus points, and practice tests.

The Ultimate Job Hunter's Guidebook, 4th Edition. This practical, how-to handbook by Susan Greene (Greene Marketing and Advertising) and Melanie Martel (New Hampshire Technical Institute) is a concise manual containing abundant examples, practical advice, and exercises related to each of the job hunter's major tasks: conducting a self-assessment, preparing résumés and cover letters, targeting potential employers, obtaining letters of recommendation, filling out job applications, interviewing, and starting a new job. The guide also covers current topics of interest such as online job hunting, handling rejection, networking, evaluating job offers, negotiating salary, looking ahead to future opportunities, and strategies for long-term career development. It also includes numerous success stories to inspire students.

New! Personal Finance Handbook: A Guide to Securing Your Financial Future. Written by Ray Forgue (University of Kentucky) and Tom Garman (Virginia Tech University), this handbook is intended to be a reference for students to assist them in their financial planning. Figures, tables, boxes, and two sample budgets illustrate key concepts.

#### A Final Note to Students and Instructors

We have worked very hard to bring you a text and support package that is current and will successfully address a variety of needs. Since a text should always be evaluated by the students and instructors who use it, we would welcome and sincerely appreciate your comments and suggestions. Please feel free to contact us.

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We thank Brahm Canzer at John Abbot College for helping us develop technology-related materials for the text and supplements. We thank Kathryn Hegar of Mountain View College for developing the Study Guide. We thank Peggy Borchardt of Richland College for providing the SCANS correlation. We thank John Drea at Western Illinois University for creating the "Master the Class" review game. We thank Mary C. Greene, MATESOL, UC Extension and San Jose State University, for her review of the text for accessibility to non-native speakers. We thank the R. Jan LeCroy Center for Educational Telecommunications of the Dallas County Community College District for the Telecourse partnership and providing the related student and instructor materials. Finally we thank the following people for technical assistance: Adele Lewis, Clarissa Sims, Mark Finch, Sejal Taneja, Niki Manning, Megan O'Leary, Lindsey Dunn, Marian Wood, Theresa Kapoor, David Pierce, Karen Guessford, Kathryn Thumme, Margaret Hill, Nathan Heller, and Karen Tucker.

A special Faculty Advisory Board assisted us in making decisions both large and small throughout the entire development process of the text and the instructional package. For being "on-call" and available to answer questions and make valuable suggestions, we are grateful to those who participated:

Susan Cremins
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For the generous gift of their time and for their thoughtful and useful comments and suggestions, we are indebted to the following reviewers of this and previous editions. Their suggestions have helped us improve and refine the text as well as the whole instructional package.

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#### **XXXII** Acknowledgments

Many talented professionals at Houghton Mifflin have contributed to the development of *Business*, Eighth Edition. We are especially grateful to Charlie Hartford, George Hoffman, Steve Mikels, Lisa Boden, Susan Kahn, Kira Robinson-Keates, Rachel D'Angelo Wimberly, Sarah Cleary, Jill Haber and Marie Barnes. Their inspiration, patience, support, and friendship are invaluable.