

NICKELS • MCHUGH • MCHUGH

# Understanding Business





EDITION

6

# UNDERSTANDING BUSINESS

**WILLIAM G. NICKELS**

University of Maryland

**JAMES M. McHUGH**

St. Louis Community College at Forest Park

**SUSAN M. McHUGH**

Applied Learning Systems



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## UNDERSTANDING BUSINESS

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# About the Authors



The *Understanding Business (UB)* author team possesses a unique blend of university, community college, industry, public service, small business, and curriculum development experience that helps them breathe life into the dynamic business concepts presented in the text. As instructors who use the *UB* text and supplements in their own classrooms, Bill Nickels and Jim McHugh have a personal stake in the quality of the entire project. As a curriculum specialist, Susan McHugh is committed to making certain that Bill and Jim (and all of the other *UB* users) have the best materials possible for creating interesting and useful classes that make learning business an exciting experience.

**BILL NICKELS** is an associate professor of business at The University of Maryland, College Park. With over 30 years of teaching experience, he teaches introduction to business in large sections (250 students) every semester. He teaches smaller sections in the summer. He also teaches the marketing principles course to large sections (500 students). Bill has won the Outstanding Teacher on Campus Award four times. He received his M.B.A. degree from Western Reserve University and his Ph.D. from The Ohio State University. He has written a marketing communications text and two marketing principles texts in addition to many articles in business publications. He believes in living a balanced life and wrote a book called *Win the Happiness Game* to share his secrets with others. Bill gives marketing and general business lectures to a variety of business and nonprofit organizations. Bill and his wife, Marsha, proudly anticipate the impending graduation of their son, Joel, who will become the third Dr. Nickels in the family.

**JIM McHUGH** is an associate professor of business at St. Louis Community College/Forest Park. He holds an M.B.A. degree from Lindenwood University and had broad experience in education, business, and government. In addition to teaching several sections of introduction to business each semester for 20 years, Jim maintains an adjunct professorship at Lindenwood University, teaching in the marketing and management areas at both the undergraduate and graduate levels. Jim has conducted numerous seminars in business, and maintains several consulting positions with small and large business enterprises. He is also actively involved in the public service sector.

**SUSAN McHUGH** is a learning specialist with extensive training and experience in adult learning and curriculum development. She holds a M.Ed. degree from the University of Missouri and has completed her course work for a Ph.D. in education administration with a specialty in adult learning theory. As a professional curriculum developer, she has directed numerous curriculum projects and educator training programs. She has worked in the public and private sector as a consultant in training and employee development. While Jim and Susan treasure their participation in the *UB* project, their greatest accomplishment is their collaboration on their three children, Casey, Molly, and Michael, who have all grown up regarding *UB* as a fourth sibling. Casey was a fervent user of the 4th edition, Molly eagerly anticipates using this edition, and Michael will have to wait for the next edition.



# Preface

We are grateful that over 500 colleges and universities in the United States and around the world adopted the fifth edition of *Understanding Business*. This again makes it the most widely used text available for the introduction to business course. This is truly a customer-driven text and one that is continuously tested by the authors in our own introduction to business classes. When you teach a course yourself, you have a personal interest in making the text and materials the best possible.

The Preface is the part of the text in which the authors normally brag about how great the book is and how lucky you are that it is available for your course. As authors, it is very difficult to write this section without sounding like we're about to break our arms patting ourselves on the back for doing such splendid work. However, the joy of performing this task for us is that, while we did play a significant role in the development of this text, there are so many other people who deserve credit for the evolution of this remarkable project.

Over 200 faculty who teach the course and hundreds of students who have used the book and its supplements were formally involved in various stages of our research and writing of this edition. We continue to hear informally from students and faculty throughout the country who call and e-mail us with comments and suggestions. We encourage you to do the same. We enjoy the interaction.

Prior to writing this edition, we held 12 close-to-the-customer focus groups in 11 cities around the country. Discussions with over 100 instructors and dozens of students in these sessions helped us define, clarify, and test the needs of the diverse group who teach and take this course.

Additionally, more than 20 instructors provided us with in-depth evaluations of the fifth edition, providing insights for the improvements that you will encounter on every page of this edition. Once the first draft was written, another group of instructors critiqued our initial effort, which led to many more important refinements.

Many consider this process the most extensive product development process ever implemented for a text of this type. While that's probably true, we consider this talking and sharing of ideas with our colleagues and students across the country as one of the greatest perks of our jobs.

Below are a few of the changes and improvements made in response to the recommendations from these dedicated educators (who themselves have now become part of the overall development team).

## **NEW GETTING READY FOR PRIME TIME**

Our focus groups told us that many students do not have the skills they need to succeed in college. The new *Getting Ready for Prime Time* minibooklet at the front of this text is a fresh and friendly summary of the skills it takes to be a success in college and in business. Coverage includes a unique and popular business etiquette discussion, study skills and time management guidance, a primer to surfing the Internet, and advice about how to get a rewarding job that will lead to a successful career. *Getting Ready for Prime Time* combines the fifth edition's very popular "Driver's Ed for the Information Superhighway" and



“Getting the Job You Want” appendices and “Secrets to Your Success” prologue in one engaging resource.

## THE LATEST IN TECHNOLOGY AND E-COMMERCE

Everyone agrees that we are in an era of rapid and constant change. Perhaps the fastest-changing and most dynamic element of business today is the use of the Internet. Many new e-businesses have already come and gone, but even in failure they have left in their wake a new way of doing business: clicks and bricks. That is, companies have learned to reach consumers using their traditional stores and the Internet as well. Although the whole business-to-business (B2B) market is in a state of flux, use of the Internet as a dynamic new business tool has resulted in the rethinking and restructuring of traditional business relationships, redesign of supply chains, and many other new ways of conducting and facilitating customer interaction. We cover them all in this edition.

Our focus groups told us that these changes are so important and pervasive that they should be woven into each chapter rather than segregated in a single chapter. In this way, students can see how these new developments are impacting every aspect of business. Therefore, every chapter contains sections that describe e-commerce related issues.

Every chapter also has new Taking It to the Net exercises that get students involved in using the Internet to find information and to make decisions. In addition to the new Taking It to the Net exercises, reviewers asked us to retain many of the exercises from the fifth edition that their students particularly enjoyed. We did so and labeled these “award-winning” exercises with a Blue Ribbon icon.

Beyond integrating technology and use of the Internet in all chapters, we devote all of Chapter 17 to the latest in information technology. In addition, we provide in-depth coverage of how the new economy affects areas such as human resource management, marketing, production, finance, etc., including new ethical problems with privacy and security.

Finally, with each copy of the book you will receive a Concept Mastery Toolkit CD-ROM, which includes an e-text entitled: *Building an E-Business from the Ground Up*, by Elizabeth Reding. This exciting new text is an “e-commerce” book that moves beyond a survey atmosphere to provide hands-on experience. It is designed specifically for those who want to develop Web skills and business plans for use in starting an e-business.

## KEEPING UP WITH WHAT’S NEW

Users of *Understanding Business* have always appreciated the currency of the material and the large number of examples from companies of *all* sizes and industries (e.g., service, manufacturing, profit, and nonprofit) in the United States and around the world. A glance at the endnotes will show you that few of them are older than the year 2000. Accordingly, this edition features the latest developments and practices in business including:

- The rise, and sometimes fall, of B2C and B2B firms
- E-commerce’s impact on the role of intermediaries
- E-tailing
- Customer relationship management (CRM)
- Application service providers (ASPs)
- Internet 2
- Knowledge management



- Broadband technology
- Virtual private networks
- Firestone's problems with faulty tires
- Viral marketing
- Online banking and smart cards
- Alan Greenspan's latest moves
- Issues surrounding Napster (P2P)

## KEEPING IN TOUCH VIA THE WEB

Instructors across the country have emphasized repeatedly to us how important it is that we teach introduction to business courses ourselves. We, too, must read the latest business journals and keep up to date with the latest developments in business, government, and politics. Then we must find ways of incorporating all of this new information in our courses. Finding the time to read and assimilate information across so many disciplines can be difficult. Therefore, we know firsthand the value of the Web for sharing information. We offer four ways to use the Web to gather and use information:

**NEW! PowerWeb** PowerWeb for *Understanding Business* is the first book-specific version of this dynamic Web tool. PowerWeb harnesses the vast world of Internet resources for you and your students. Our dedicated staff of professionals scour the Web to find the most relevant and interesting resources related to the materials presented in your course. Since this a book-specific site, the material will not just tie into the course, but it will actually correlate with the specific chapters of the text. All of these links are collected in one central area, not only enhancing the course material but also saving time for you along the way. Every user of this text will receive a password for the *Understanding Business*, 6/e, PowerWeb, which can be accessed from the book website.

**NEW! UB6E Online Learning Center ( [www.mhhe.com/ub6e](http://www.mhhe.com/ub6e) )** The popular and robust *Understanding Business* website has been incorporated into a larger tool, the *Understanding Business* Online Learning Center. This interactive site includes such features as links to professional resources and other exciting instructor support tools as well as Web-based projects. All information on the Online Learning Center is formatted for use with such standard course management systems as WebCT and Blackboard.

Also *NEW* for the sixth edition is special e-commerce material for instructors who might prefer a compact presentation of e-commerce concepts. Here students can examine the latest e-commerce information in a concentrated area, while the far-reaching implications are integrated throughout the text's lessons. In addition, website addresses for all companies referenced in the text are located in one central area.

**NEW! e-Learning Sessions** The e-Learning Sessions put the course content in context for your students with a self-quizzing function, a multilingual glossary, Internet exercises, concept checks, sample PowerPoint slides, and even crossword puzzles to help students master the course content in an engaging fashion. These resources are organized into chapter-specific outlines to help students review the material more effectively.

**PageOut** With PageOut even the most inexperienced computer user can quickly and easily create a professional-looking course website. Simply fill in



our templates with your information and with excellent content provided by McGraw-Hill, choose a design, and you've got a bang-up website specifically designed for your course! Best of all, it's FREE! Visit [www.pageout.net](http://www.pageout.net) to find out more.

## **MAINTAINING CURRENCY: THE *BUSINESS WEEK* CONNECTION**

One way that many instructors expect their students to stay current is to read *Business Week* and other such business periodicals. Many instructors tell us that they would like to assign and use selected articles in their classes. In many schools, however, the typical cost of a subscription is too much to make such readings a requirement. In response, you can order a *Business Week* edition of the text, so that students and professors receive *Business Week* for 16 weeks at a special price—substantially less than the lowest subscription rate. Professors will also receive a weekly professor's guide with this option. Additionally, we continue to include a unique box titled “From the Pages of *Business Week*” to emphasize the importance of reading and staying current through business periodicals.

## **INTEGRATION OF IMPORTANT CONCEPTS THROUGHOUT TEXT**

Based on our research and the preferences expressed by both users and nonusers of our text, we have incorporated the following *key* topics as themes throughout the text:

- E-commerce
- Small business and entrepreneurship
- Global business
- Technology and constant change
- Pleasing customers
- Ethics and social responsibility
- Teams
- Quality
- Cultural diversity

These themes reflect a strong consensus among introduction to business instructors that certain topics deserve and need special emphasis. Among these, they encouraged us to add particular focus in the areas of small business/entrepreneurship, international business, and e-commerce (the positive as well as the negative). In response, we have added even more small business, international, and Internet examples throughout. And we continue to feature boxes titled “Spotlight on Small Business,” “Making Ethical Decisions,” and “Reaching Beyond Our Borders” in every chapter.

Our emphasis on entrepreneurship is maintained with an Entrepreneurship Readiness Questionnaire and a whole chapter on Entrepreneurship and the Challenge of Starting a Business. We are confident that no other introduction to business text offers as much coverage of small business and entrepreneurship as does *Understanding Business*, and since the great majority of students taking this course currently work or will work in small companies, reviewers agree that this emphasis is well placed.



## EMPHASIS ON CAREERS

Many students who take this course are uncertain about their career choice or are in the process of changing careers. To accommodate their needs, we discuss careers in each of the topic areas and provide profiles of people who have followed those careers, including income and job descriptions. We provide sample cover letters and résumés so that students can prepare a résumé now and determine where the strengths and weaknesses are in their own résumés. They can then bolster what they've already accomplished with courses and outside studies to build their résumés into strong job-capturing documents. We also give students hints on how to do well at job interviews and how to conduct themselves personally to make the best impression. Sadly, many students today aren't being taught these essential behaviors anywhere else.

## THE TEXT ON AUDIOTAPES

This feature, unique to *Understanding Business*, was another suggestion made by one of our focus groups conducted in connection with the fifth edition. These tapes contain the full text of each chapter minus the endmatter. These cassettes were designed for commuters and other students who are pressed for time and who wish to enhance their learning by *listening* to the text. These tapes have also proven to be invaluable to students who are visually impaired or who have other disabilities that make reading difficult or impossible. And finally, many instructors tell us that their non-native English-speaking students use the tapes to aid them in learning the language.

## LEARNING BUSINESS SKILLS THAT WILL LAST A LIFETIME

The Secretary of Labor appointed a commission, the Secretary's Commission on Achieving Necessary Skills (SCANS), to identify the skills people need to succeed in the workplace. SCANS' fundamental purpose is to encourage a high-performance economy characterized by high-skill, high-wage employment. The commission's message to educators is this: Help your students connect what they learn in class to the world outside. To help educators prepare their students for the workplace, SCANS identified five workplace competencies that should be taught: (1) Resource skills (the ability to allocate time, money, materials, space, and staff); (2) Interpersonal skills (the ability to work on teams, teach others, serve customers, lead, negotiate, and work well with people from culturally diverse backgrounds); (3) Information ability (the ability to acquire and evaluate data, organize and maintain files, interpret and communicate, and use computers to process information); (4) Systems understanding (the ability to operate within various social, organizational, and technological systems and to monitor and correct performance in order to design or improve systems); and (5) Technology ability (the ability to select equipment and tools, apply technology to specific tasks, and maintain and troubleshoot equipment). The pedagogical tools in the text and package are designed to facilitate these SCANS competencies.

Here are the major pedagogical devices used in the text.

- *Learning Goals.* Tied directly to the summaries at the end of the chapter and to the test questions, these learning goals help students preview what they are supposed to know after reading the chapter, and then test that knowledge by answering the questions in the summary. The study



guide is also closely linked to the learning goals as part of the total integrated teaching, learning, and testing system.

- *Getting to Know Business Professionals.* Each chapter begins with a story about a person whose career illustrates an important point covered in the chapter. Not all the personalities are famous since many of them work in small businesses and nonprofit organizations. These profiles provide a transition between chapters and a good introduction to the text material.
- *Progress Assessments.* Throughout the chapters there are Progress Assessments that ask students to assess their understanding of what they have just read. If students are not understanding and retaining the material, the Progress Assessments will stop them and show them that they need to review before proceeding. We have all experienced times when we were studying and our minds wandered. Progress Assessments are a great tool to prevent that from happening for more than a few pages.
- *Critical Thinking Questions.* These unique inserts, found throughout each chapter, ask students to pause and think about how the material they are reading applies to their own lives. This device is an excellent tool for linking the text material to the student's past experience to enhance retention. It greatly increases student involvement in the text and course as recommended by SCANS.
- *Informative Boxes.* Each chapter includes boxed inserts that apply the chapter concepts to particular themes, including small business, legal issues, making ethical decisions, and global business. Although examples of such topics are integrated throughout the text, these boxes highlight the application in a particular area. The *Business Week* boxes were developed in cooperation with *Business Week* magazine. The ethics boxes, entitled "Making Ethical Decisions," pose questions that require students to evaluate their own ethical behavior as recommended by SCANS.
- *Key Terms.* Key terms are developed and reinforced through a three-tiered system. They are introduced in boldface, repeated and defined in the margin, listed at the end of each chapter with page references, and defined in a glossary at the end of the text. *The glossary also contains American slang expressions used in the text.* Students from other countries enjoy learning American slang, but often need some help in translating since the expressions are not found in most dictionaries.
- *Cross-Reference System.* This system, unique to this text, refers students back to the **primary discussion** and examples of all **key** concepts. A specific page reference appears each time a key concept occurs in a chapter subsequent to its original discussion. This feature allows students to quickly review or study that concept (if necessary) in context in order to improve their comprehension of the material. It also eliminates the need to continuously revisit and restate key concepts, thus reducing overall text length.
- *Photo and Illustration Essays.* We sincerely believe that every photo in this edition is pedagogically relevant and we have attempted to treat the illustrative content with as much care as the narrative. As more and more students tell us in our research and classes that they are visually oriented learners, this increased emphasis on the pedagogical value of the illustration program is essential. Please note that each photo and illustration in the text is accompanied by a short paragraph that shows the relevance of the visual to the material in the text. The accompanying descriptions help the student understand what is being shown in the graphic and how it applies to concepts presented in the narrative. In or-



der to enhance their pedagogical value, many of these photos were commissioned specifically for use in this edition.

- *Interactive Summaries.* The end-of-chapter summaries are directly tied with the learning goals and are written in a unique question and answer format. Answering the questions and getting immediate feedback helps prepare students for quizzes and exams. Students are extremely positive about this format.
- *Taking It to the Net Exercises.* Optional exercises at the end of every chapter allow students to research topics and issues on the Web.
- *Developing Workplace Skills.* The Developing Workplace Skills section has activities designed to increase student involvement in the learning process. Some of these miniprojects require library or Internet searches, but many of them involve talking with people to obtain their reactions and advice on certain subjects. Students then come to class better prepared to discuss the topics at hand. These assignments can be divided among groups of students so they can learn a great deal from outside sources and about teamwork without any one student having to do too much work. These are the type of learning experiences that facilitate the SCANS competencies.
- *Practice Cases.* Each chapter concludes with a short case to allow students to practice managerial decision making. They are intentionally brief and meant to be discussion starters rather than take up the entire class period. The answers to the cases are in the instructor's manual. Again these examples of real-world problem solving will help students achieve the SCANS competencies.
- *Video Cases.* Video cases are provided for *each* chapter—and many of them are new to this edition. These are placed at the end of the chapter and are optional as assignments. They feature companies, processes, practices, and managers that highlight and bring to life the key concepts, *and especially the themes of the sixth edition.*

*Understanding Business* is now the *text* that others benchmark for quality, readability, usability, and currency. But no competitor offers the variety and adaptability of the various packages (combinations of text and supplements) that are available to give your students the most value for their money. In addition to the *Business Week* package, where students get *Business Week* for the lowest price anywhere, faculty can order a package that includes a CD-ROM containing other business books worth hundreds of dollars. Talk to your McGraw-Hill/Irwin representative about the package that best suits your students' wants and needs.

## THE BEST INSTRUCTIONAL MATERIALS

Because we use these materials in our own classrooms, we are meticulous with the preparation of the various instructional materials. Jim teaches traditional-size classes of 30-50 students in an urban community college, and Bill teaches large classes of 250 in lecture halls in a four-year institution. As a result, everything in this edition is designed to help instructors be more effective and make this course more practical and interesting for students. Users say that no introductory business text package is as market responsive, easy to use, and *fully integrated* as this one. To accomplish this integration, we designed the entire package of supplements and contributed to the content of the instructor's manual, test bank, and acetate package. The remaining supplements were prepared by outstanding practitioners who used the materials in their own classes.



## KEY SUPPLEMENTS FOR INSTRUCTORS

**Instructor's Manual** All material in the Instructor's Manual is easy to use and has been widely praised by new instructors, adjunct instructors, and experienced educators alike. Many instructors tell us that the IM is a valuable time-saver that makes them look good in class. The Instructor's Manual is unique in its thorough integration with both the text and package. Each chapter opens with a description of the differences between the fifth and sixth editions in order to facilitate the conversion of your own teaching notes to the new edition.

After a short topic outline of the chapter and listing of the chapter objectives and key terms, you will find a resource checklist with all of the supplements that correspond to each chapter. Consequently, there is no need to flip through half a dozen sources to find which supplementary materials are available for each chapter.

To make the system even easier to use, the detailed lecture outline contains marginal notes recommending where to use acetates, supplementary cases, lecture enhancers, and critical thinking exercises. Space is also available to add personal notes of your own so that they too may be integrated into the system.

Each chapter contains several lecture enhancers—short article summaries that provide additional examples for classroom use—allowing you to implement the latest business and social issues. Supplementary cases, similar to those in the text, are provided for each chapter for use as outside assignments and/or classroom discussions. The critical thinking exercises require students to analyze and apply chapter concepts, a tremendous aid in getting students more involved in the learning process. The Instructor's Manual has been revised and reformatted by Gayle Ross, a respected professional and expert in preparing such guides.

**Annotated Instructor's Edition** The AIE is a reproduction of the student edition of the text with the addition of marginal notes that suggest where to use various instructional tools such as the overhead transparencies, supplementary cases, and lecture enhancers. It also identifies the activities that facilitate the SCANS competencies.

**Test Bank** This part of our Integrated Teaching and Testing System always receives more attention than the rest. We're keenly aware that the success of your course depends on tests that are comprehensive and fair, and we have provided questions that measure recall and require students to apply the material to real-world situations.

**The Nickels/McHugh/McHugh Test Bank is like no other on the market.** It is designed to test three levels of learning.

1. **Knowledge** of key terms.
2. **Understanding** of concepts and principles.
3. **Application** of principles.

A rationale for the correct answer and the corresponding text page add to the uniqueness of our 4,000+-question Test Bank. Another helpful tool is our unique "Test Table." This chart helps you develop balanced tests by quickly identifying items according to objective and level of learning.

For the ultimate in ease, each chapter concludes with a Quick Quiz. These 10-item tests are ready for reproduction and distribution for testing or for out-



side assignments. The Test Bank was revised by the very capable team of Dennis Shannon and Jim McGowen of Southwestern Illinois College.

**Diploma for Windows/Exam IV for Macintosh** The Test Bank also comes in a computerized version. This enhanced test-generation software allows users to add and edit questions; save and reload multiple test versions; select questions based on type, difficulty, or key word; and utilize password protection. It supports over 250 printers; links graphics, tables, and text to a series of questions; supports numerous graphics including special characters, complex equations, subscripts, superscripts, bolds, underlines, and italics; and can run on a network.

**Teletest** For those who prefer not to use the computerized test-generator, McGraw-Hill/Irwin provides a Teletest Service. Using a toll-free phone number (800-338-3987, prompt 3), the instructor can order an exam prepared from the *Understanding Business* Test Bank. A master copy of the exam, with answer key, is sent first class mail the same day it is requested. Fax is also available within 30 minutes of the request.

**Overhead Transparency Acetates with Lecture Notes** Over 200 acetates augment the concepts and examples presented in the text. These acetates enable you to illustrate your lectures with colorful visual aids. Detailed lecture notes regarding content and suggested uses for each acetate are found on the acetate divider sheets and in the Instructor's Manual. In addition to being available in traditional transparency acetate form, these images are also reproduced for your convenience as PowerPoint slides (see below).

**PowerPoint Presentation CD-ROM** Over 400 electronic "slides" keyed to the text are available. These slide shows include the transparency acetate images as well many additional slides that support and expand the text discussion. These slides can be modified with PowerPoint. The talented Chuck Bowles from Pikes Peak Community College created the PowerPoint and transparency acetate packages.

**Instructor's Presentation CD-ROM** The instructor's manual, the PowerPoint slides, video clips, all figures from the text (formatted as transparency masters), lecture outlines, business forms, and more are compiled in electronic format on a CD for your convenience in customizing multimedia lectures.

**New Videos for Selected Chapters** In their report, SCANS stated that video and multimedia materials are essential to creating the realistic contexts in which the competencies are used. Most segments are 8 to 15 minutes in length and are suitable for classroom, home, or lab viewing. Detailed notes regarding content, running time, suggestions for use, and answers are included in the multimedia resource guide.

**Media Resource Guide** Puzzled about incorporating media in the classroom? Let this guide be your answer by providing helpful instruction on how to use all media components. In addition, this manual contains teaching notes and test questions for each of the videos.

**Distance Learning Guide** Do you teach Introduction to Business in a telecourse? Now you can use the Distance Learning Guide to make your job easier. This guide gives you step-by-step instructions and hints to tie the sixth edition in with telecourse material. (A student telecourse study guide is also available.)



**Instructor's Orientation CD-ROM** We offer you so much support, it's difficult to absorb it all at once. So we've put together this simple instructional CD that walks you through each supplement—a perfect tool for part-time faculty or as an orientation to effective use of classroom supplements for anyone.

## KEY SUPPLEMENTS FOR STUDENTS

**Text on Audio Tape** A 16-cassette version of the text allows you to brush up on business concepts while commuting in your car, jogging, or wherever and whenever you like! Sight-impaired students and non-native English speakers will also find these tapes extremely useful in exploring the content of *Understanding Business*.

**Student Assessment and Learning Guide** Written by Barbara Barrett of St. Louis Community College/Meramec, the Student Assessment and Learning Guide contains various forms of open-ended questions that require the student to write out his or her personal summary of the material. The guide gives students the opportunity not only to prepare for tests, but also to develop and practice their business knowledge and skills. The following materials are provided for every chapter: learning goals, chapter outline, key terms and definitions, retention questions, critical thinking questions, and a practice test.

**New! Concept Mastery Toolkit CD-ROM** Free with each new copy of the text, this student CD contains a Spanish-English glossary of the terms in the text, chapter specific quizzes and their answers (formerly provided on the exam prep disk with the fifth edition), and the e-text of *Building an E-Business* that was mentioned earlier. This CD is an excellent resource for review and research for students.

**Stock Market Experience** This manual provides coverage using electronic spreadsheets and the Internet to manage a stock portfolio.

**Mind-Q Internet CD-ROM** This interactive software helps students learn to use the Internet at their own pace.

**Essentials of Business CD-ROM** This CD-ROM provides access to eight best-selling business textbooks, including *Understanding Business*. All texts are hyperlinked across disciplines, allowing students to retrieve information in a cross-functional format. Also included on this CD are a variety of business forms and templates. In addition, students will find a dynamic tutorial on New Venture creation.

We firmly believe that no course in college is more important than the introduction to business course. That's why we enjoy teaching it so much and why we are willing to spend so much time helping others make this the best course on campus. We are proud of the text and the integrated teaching and testing system that you have helped us develop over the years. We thank the many text and supplements users who have supported us through the years and welcome new instructors to the team. We look forward to a continuing relationship with all of you and to sharing what we consider the most exciting classroom experience possible: teaching introduction to business.

Bill Nickels  
Jim McHugh  
Susan McHugh



# Acknowledgments

**A**s we said at the outset, the authors are but members of a much larger team dedicated to making this sixth edition and package a success. We have been blessed to work with a remarkable group of talented people. At McGraw-Hill/Irwin, Andy Winston served as our executive editor. He put together and led the exceptional team that made this edition possible.

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Serving as the developmental editors as they have so skillfully done since the fourth edition, Glenn Turner and Meg Turner of Burrston House continued to shepherd all aspects of the project. Their persistence in gathering market research and their diligence in keeping us focused on priorities were indispensable in assuring that the text and package is responsive to market needs. They again conducted the focus groups and managed the text reviews that have proven so helpful in revising the text and the supplements.

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Barbara Barrett of St. Louis Community College/Meramec designed the features and authored the Study Guide—the most widely used one ever published for this course. John Knappenberger wrote the Stock Market Experience. Tom Filmeyer produced the new videos, which add greatly to the classroom experience. Sarah Reed was an invaluable aid in bringing things together when we were facing a deadline. And many more people than we can ever acknowledge worked behind the scenes to translate our manuscript into the text you see; we thank them all.

Having a great text and package doesn't mean a thing if we don't find a way to get it to you. Our exceptional marketing manager, Ellen Cleary, is our liaison with the McGraw-Hill/Irwin sales staff. We appreciate the renowned ser-



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## REVIEWERS AND FOCUS GROUP PARTICIPANTS FOR THE SIXTH EDITION

- |   |   |  |
|---|---|--|
| Larry Aaronson, <i>Catonsville Community College</i>                    | Deborah M. Brown, <i>Santa Fe Community College</i>               | Steve Dolvin, <i>Pensacola Christian College</i>         |
| Dennis G. Allen, <i>Grand Rapids Community College</i>                  | Howard Budner, <i>CUNY-Borough of Manhattan Community College</i> | Frank Dumas, <i>Baker College/Flint</i>                  |
| Kenneth Anderson, <i>Charles S. Mott Community College</i>              | William F. Burtis, <i>DeAnza College</i>                          | Dana Dye, <i>Gulf Coast Community College</i>            |
| Kenneth F. Anderson, <i>CUNY-Borough of Manhattan Community College</i> | Nathaniel Calloway, <i>Univ. of Maryland University College</i>   | Warren Enos, <i>Ohlone College</i>                       |
| Lydia E. Anderson, <i>Fresno City College</i>                           | Lesley Casula, <i>Lord Fairfax Community College</i>              | David Erickson, <i>College of Lake County</i>            |
| Maria Zak Aria, <i>Camden County College</i>                            | Barbara Ching, <i>Los Angeles City College</i>                    | James Fatina, <i>College of Lake Cnty/Harper College</i> |
| Xenia Balabkins, <i>Middlesex County College</i>                        | Nancy Christenson, <i>Brevard Community College</i>               | Kevin Feldt, <i>University of Akron</i>                  |
| Fran Ballard, <i>Florida Community College</i>                          | Peter D. Churchill, <i>Diablo Valley College</i>                  | Ivan Figueroa, <i>Miami-Dade Community College</i>       |
| Robert Bennett, <i>Delaware County Community College</i>                | Gary Ciampa, <i>Wayne County Community College</i>                | Robert Fineran, <i>East-West University</i>              |
| Ellen Benowitz, <i>Mercer County Community College</i>                  | Paul Coakley, <i>The Community College of Baltimore County</i>    | Joseph L. Flack, <i>Washtenaw Community College</i>      |
| Patricia Bernson, <i>County College of Morris</i>                       | Jerry Cohen, <i>Raritan Valley Community College</i>              | Ronald E. Foshee, <i>North Harris College</i>            |
| Jane Bloom, <i>Palm Beach Community College</i>                         | Ron Cooley, <i>South Suburban College</i>                         | Barry Freeman, <i>Bergen Community College</i>           |
| James H. Boeger, <i>Rock Valley College</i>                             | William Crandall, <i>College of San Mateo</i>                     | Edward Friese, <i>Okaloosa Walton Community College</i>  |
| Robert Bouck, <i>Lansing Community College</i>                          | Susan Cremins, <i>Westchester Community College</i>               | John Frith, <i>Central Texas College</i>                 |
| Barbara Ann Boyington, <i>Brookdale Community College</i>               | Rex Cutshall, <i>Vincennes University</i>                         | J. Pat Fuller, <i>Brevard Community College</i>          |
| Sonya Brett, <i>Macomb Community College</i>                            | Lawrence Danks, <i>Camden County College</i>                      | Arlen Gastineau, <i>Valencia Community College</i>       |
| Harvey Bronstein, <i>Oakland Community College</i>                      | Cindy Del Medico, <i>Oakton Community College</i>                 | Michael Geary, <i>Pensacola Christian College</i>        |
| Richard Brooke, <i>Florida Community College at Jacksonville</i>        | Evelyn Delaney, <i>Daytona Beach Community College</i>            | Eileen Baker Glassman, <i>Montgomery College</i>         |
|   | Peter DelPiano, <i>Florida Metropolitan University</i>            | Don Gordon, <i>Illinois Central College</i>              |
|   |   | Mary E. Gorman, <i>Bellevue Community College</i>        |
|   |   | Kay Gough, <i>Bellevue Community College</i>             |



- Gary Greene, *Manatee Community College*  
 Bill Hafer, *South Suburban College*  
 Maurice Hamington, *Lane Community College*  
 Dennis L. Hansen, *Des Moines Area Community College*  
 Jean Harlan, *Glendale College*  
 Karen Harris, *Montgomery College*  
 Lewis Jerome Healy, *Chesapeake College*  
 Linda Hefferin, *Elgin Community College*  
 Charles P. Hiatt, *Central Florida Community College*  
 Dave Hickman, *Frederick Community College*  
 Nathan Himmelstein, *Essex County College*  
 Kevin Hofert, *Elgin Community College*  
 Stacey Hofert, *Elgin Community College*  
 Merrily Hoffman, *San Jacinto College-Central*  
 William Leigh Holt, *Mercer County Community College*  
 Gary Izumo, *Moorpark College*  
 Ralph Jagodka, *Mt. San Antonio College*  
 Velma Jesser, *Lane Community College*  
 Constance Johnson, *Tampa College*  
 Herbert J. Johnson, *Blinn College*  
 M. Gwen Johnson, *Black Hawk College*  
 Valerie Jones, *Kalamazoo Valley Community College*  
 Janice Karlen, *LaGuardia Community College*  
 Roland Kelley, *Tarrant County Junior College-NE Campus*  
 Scott Key, *Pensacola Junior College*  
 James H. King, *McLennan Community College*  
 Jerry Kinskey, *Sinclair Community College*  
 Betty Ann Kirk, *Tallahassee Community College*  
 Gregory Kishel, *Fullerton College*  
 Patricia Kishel, *Cypress College*  
 Karl Kleiner, *Ocean County College*  
 Micheale LaFalce, *Tampa College*  
 Fay Lamphear, *San Antonio College*  
 Keith Lane, *Fresno City College*  
 Bruce Leppien, *Delta College*  
 Dawn Lerman, *CUNY-Bernard Baruch College*  
 Richard Lewis, *Lansing Community College*  
 Ellen Ligons, *Pasadena City College*  
 Stephen Lindsey, *Citrus College*  
 Telissa K. Lindsey, *Peirce College*  
 Paul Londrigan, *Charles S. Mott Community College*  
 Barbara Luck, *Jackson Community College*  
 Carmelo Luna, *DeVry/DuPage*  
 Richard Lyons, *Indian River Community College*  
 James W. Marco, *Wake Technical Community College*  
 Leon E. Markowicz, *Lebanon Valley College*  
 Travaul Martin, *East-West University*  
 Jane Mattes, *Community College of Baltimore College-Dundalk Campus*  
 Stacy McAfee, *College of Southern Maryland*  
 Tom McFarland, *Mt. San Antonio College*  
 Noel McKeon, *Florida Community College*  
 Michael McNutt, *Orlando College South/FL Metropolitan Univ.*  
 Athena Miklos, *The College of Southern Maryland*  
 Kimberly Montney, *Kellogg Community College*  
 Ed Mosher, *Laramie County Community College*  
 Linda Newell, *Saddleback College*  
 Joe Newton, *Bakersfield College*  
 Janet Nichols, *Northeastern University*  
 Ron O'Neal, *Peirce College*  
 Susan Ockert, *Charles County Community College*  
 David Oliver, *Edison Community College*  
 Kenneth Olson, *County College of Morris*  
 Richard Packard, *City College/Richard J. Daley*  
 Jack Partlow, *Northern Virginia Comm. College*  
 Don Paxton, *Pasadena City College*  
 Melinda Philabaum, *Indiana University-Kelley School of Business*  
 Warren Pitcher, *Des Moines Area Community College*  
 Marie Pietak, *Bucks County Community College*  
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 Fred Pragasam, *University of North Florida*  
 Marva Pryor, *Valencia Community College*  
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 Dominic Rella, *Polk Community College*  
 Al Rieger, *Burlington County College*  
 Kathryn Roberts, *Chipola Junior College*  
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