

An Introduction to the



AMERICAN
BUSINESS
ENTERPRISE

Sixth Edition

Jerry B. Poe

An Introduction to the

American Business Enterprise

Jerry B. Poe
College of Business
Arizona State University

1986
Sixth Edition

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■ PREFACE

Welcome to the dynamic world of business! You have made a wise decision to include the study of business as part of your college program. Business performs the vital function of producing goods and services for our society and provides jobs for some 90 million Americans.

This Sixth Edition of *An Introduction to the American Business Enterprise* describes the exciting role of business in our private enterprise system and analyzes the changes occurring in business today. Emerging trends explored in this edition include the increased pressure from foreign competition, capitalistic stirrings in the People's Republic of China, the changing relationship between management and labor, and greater domestic competition stemming from deregulation of American industries after decades of government control. The pervasive impact of computers on all aspects of business is discussed throughout the book. Because many of you are interested in starting your own business, a chapter is included on the opportunities and challenges of entrepreneurship.

Chapters open with statements and pictures from recent annual reports of publicly owned corporations. These reflect the wide range of issues facing American business managers.

The first text page of each chapter introduces you to the topic of the chapter and includes several major questions that serve as learning objectives for your study. A system of major and minor subheadings provides a guide for outlining each chapter. An end-of-chapter summary reviews the major topics you have studied.

A Terms for Review list at the end of each chapter highlights some of the key concepts and terminology introduced in the chapter. Because of the importance of learning the language of business, an extensive glossary contains over 600 words and terms which are used in the book.

Career Outlook features throughout the book give detailed information on careers for the 1990s. Career Outlook materials are taken from the *Occupational Outlook Handbook* published by the U.S. Department of Labor's Bureau of Labor Statistics.

Questions at the end of each chapter draw on your understanding of concepts discussed in the text or require outside research or original thinking based on the information presented in the chapter.

The Business Briefs integrated throughout the text provide a basis for understanding business in today's world. Each business brief is taken from public news reports. The basic issues raised by the business briefs reflect future issues as well as matters of current interest.

The Cases contain discussion material to help develop your capabilities for problem identification, evaluation of alternatives, and recommendations for action. The cases present an opportunity for specific application of your understanding of the concepts discussed in the chapters.

Questions at the end of each Business Brief and Case provide a starting point for your analysis. In analyzing a case the following approach is recommended:

1. Identify and state the issues or problems in the case. Indicate the most important or central problem facing management.
2. List the alternative solutions available to management.
3. Identify the positive and negative consequences of each alternative.
4. State your recommended course of action.
5. Why is your recommendation better than other alternatives?

A *Review Guide and Workbook* to accompany this book has been prepared by Lohnie J. Boggs and Barry L. Van Hook of Arizona State University and James A. Carson of City College of San Francisco. This review guide is a useful supplement in furthering your understanding of business.

And now, best wishes for a beneficial learning experience as you begin your study of business.

Jerry B. Poe

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J.B.P.

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