Behind the Repair

Who organizes production, who does the work, and who bears the risk

E.C.7.1 "Define the roles of entrepreneurs and laborers in production of goods and services, including how entrepreneurs organize resources and assume risk while labor provides the human effort necessary for production."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline two ways Maya organizes resources, circle two examples of Luis's or Nia's labor, and number two financial risks Maya takes 1 and 2. Use your marks to compare what each person contributes to the repair stand.

A Repair Stand at the Market

1. On Saturday mornings, Maya runs a mobile bicycle repair stand outside a farmers market. She is the entrepreneur: she decides what service to offer and brings together what it takes to provide it. Before opening, she checks which repairs local riders request, rents a space, buys tire tubes and brake cables, and schedules two workers. She sets prices that might cover supplies, pay, and the rental fee while leaving money for the business. A rider with a flat tire needs more than a tool kit. Someone must arrange the location, parts, time, and people before any repair can happen.

2. At the stand, Luis inspects bicycles, replaces damaged tubes, and adjusts brakes. Nia records repair requests, finds the right parts, and explains pickup times to customers. Their physical and mental effort is labor, the human work that turns parts and tools into a repair service. Maya pays Luis and Nia an agreed hourly wage for their shifts. Their work does not decide the entire business plan, but without it, customers would not receive repairs. Maya sometimes repairs bikes too. During those hours she supplies labor as well as acting as the entrepreneur who organized the stand.

3. A rainy morning tests Maya's plan. Few riders stop, but she still owes Luis and Nia wages for hours worked and must pay the space rental fee. Tubes she purchased might sit unused, tying up money she could have spent elsewhere. Maya bears these financial risks because she committed resources before knowing how many repairs customers would buy. If sales exceed costs, she may keep the remaining money; if costs exceed sales, she absorbs the loss. Luis and Nia still contribute necessary labor, but they do not take on the stand's sales losses just because business is slow.

2 ANSWER WITH EVIDENCE

Use the passage

1. Name two resources Maya organizes before the stand opens. How do they help make repairs possible?

2. How do Luis's and Nia's different kinds of labor help produce the repair service?

3. If rain keeps customers away, what financial risks does Maya bear, and how is her position different from the workers'?

4. Maya sometimes repairs bikes herself. Explain how she can be both an entrepreneur and a laborer at the stand.

3 YOUR TURN

Your own words

Invent a small business that makes a good or provides a service other than bicycle repair. In 4 to 5 sentences, identify the entrepreneur, explain two resources they organize, describe a laborer's work, and explain one financial risk the entrepreneur takes.

ANSWER KEY

Behind the Repair

HIGH SCHOOL · E.C.7.1

PART 1 · READ AND MARK

Underline two ways Maya organizes resources, circle two examples of Luis's or Nia's labor, and number two financial risks Maya takes 1 and 2. Use your marks to compare what each person contributes to the repair stand. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	Name two resources Maya organizes before the stand opens. How do they help make repairs possible?	**Maya rents a space where customers can bring bikes and buys parts needed for repairs. She also schedules workers to perform the repairs.**
2	How do Luis's and Nia's different kinds of labor help produce the repair service?	**Luis inspects and repairs bicycles. Nia handles requests, finds parts, and gives customers pickup information. Both contribute human effort needed to deliver the service.**
3	If rain keeps customers away, what financial risks does Maya bear, and how is her position different from the workers'?	**Maya must pay wages and rent despite low sales, and purchased tubes may go unused. Luis and Nia receive wages for hours worked rather than absorbing the stand's sales losses.**
4	Maya sometimes repairs bikes herself. Explain how she can be both an entrepreneur and a laborer at the stand.	**Maya acts as an entrepreneur when she organizes the stand's resources and accepts its financial risks. She supplies labor when she personally repairs bikes.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

Imani starts a weekend custom notebook business. She buys blank notebooks and ink and reserves a stall at a craft fair. A hired worker prints customers' chosen designs on the covers and packs the finished notebooks. Imani risks losing money on the stall fee and supplies if too few people buy notebooks.

Accept other passage-supported examples of organized resources and labor. For the original business, look for a clear distinction between the entrepreneur's organizing and financial risk and the laborer's human effort.