The Saturday Shift

Choices about risk, work, and growth at a bicycle shop

E.C.7 "Analyze the role of entrepreneurs and laborers within a market economy. Define the roles of entrepreneurs and laborers in production of goods and services..."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline two decisions Maya makes by comparing costs and benefits, and circle two ways workers could affect the shop's opportunities.

A Shop That Runs on Choices

1. Maya wants to open a neighborhood bicycle repair shop. She rents a workbench, buys tools and parts, sets prices, and hires two mechanics. Those choices organize equipment, materials, and labor into a service customers will pay for. Maya risks her savings if repairs do not cover rent, wages, and supplies. The mechanics supply the skilled human effort that turns broken bikes into working ones. Training that helps them finish more high-quality repairs per hour can raise the shop's revenue per worker. That may give Maya room to offer higher wages, though customer demand and other costs still matter.

2. On Saturdays, Maya considers staying open an extra hour. She expects $200 in additional repair sales and $140 in additional wages, parts, and electricity. That hour adds $60 toward fixed costs and profit, so she schedules a mechanic. A second extra hour would bring only $100 in sales but cost $130, so she skips it. These choices create one extra paid hour but not two. A mechanic who accepts Saturday shifts may help the shop serve more customers; if no one takes them, Maya might raise Saturday pay, shorten hours, or recruit another worker. Profit rewards her risk and signals whether to expand or use resources elsewhere.

3. To finance a second shop, Maya could incorporate and sell shares to investors. Their money could fund equipment and jobs, while incorporation generally shields owners' personal assets from company debts. Yet filing fees, recordkeeping, and sharing control cost time and money; Maya could still lose her investment. Mechanics might form a union to bargain together for pay, benefits, and safer schedules. Supporters say shared bargaining power helps workers win fair terms and reduces turnover. Critics say higher labor costs or rigid work rules may limit hiring or flexibility. Either outcome depends on the agreement and how the shop responds.

2 ANSWER WITH EVIDENCE

Use the passage

1. How do Maya and the mechanics contribute differently to repairs? Explain how better training could affect the mechanics' wages.

2. Why does Maya schedule one extra Saturday hour but not a second? How does that choice affect paid work?

3. If the shop earns sustained profit, how could that guide Maya's plans for a second shop? Give one benefit and one cost of incorporating.

4. How could a union agreement affect both the mechanics and Maya's shop? Explain one possible benefit and one possible drawback from the passage.

3 YOUR TURN

Your own words

Imagine you run a phone-charger rental booth at local events. In five or six sentences, explain your risk and possible profit, how a worker's skill could affect pay, a hiring choice based on added revenue and cost, and one benefit and one drawback of workers bargaining together.

ANSWER KEY

The Saturday Shift

HIGH SCHOOL · E.C.7

PART 1 · READ AND MARK

Underline two decisions Maya makes by comparing costs and benefits, and circle two ways workers could affect the shop's opportunities. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How do Maya and the mechanics contribute differently to repairs? Explain how better training could affect the mechanics' wages.	**Maya organizes resources and risks her savings; mechanics provide the skilled work. Training could increase repairs and revenue per worker, giving Maya room to raise wages, though a raise is not guaranteed.**
2	Why does Maya schedule one extra Saturday hour but not a second? How does that choice affect paid work?	**The first hour brings in $60 more than its added costs, while the second would cost $30 more than its added sales. She creates one extra paid hour, not two.**
3	If the shop earns sustained profit, how could that guide Maya's plans for a second shop? Give one benefit and one cost of incorporating.	**Profit could signal that expansion is worth considering. Incorporating could bring in investor money for equipment and jobs, but it also brings costs such as filing fees or sharing control.**
4	How could a union agreement affect both the mechanics and Maya's shop? Explain one possible benefit and one possible drawback from the passage.	**Collective bargaining could help mechanics win better terms and reduce turnover. Higher labor costs or rigid rules could limit Maya's hiring or flexibility.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

I would risk losing the money I spend on chargers if few people rent them. If rentals cover all costs, the remaining profit would reward that risk and suggest the booth is worth running again. A worker who handles more rentals accurately per hour could increase revenue and strengthen the case for higher pay. If a second worker brought in $90 in extra rentals but cost $65 in wages and equipment wear, I would hire that worker. Workers bargaining together might win safer schedules and reduce turnover. However, a costly agreement could make me hire fewer people.

Accept other sound examples of how worker productivity may influence, but does not guarantee, higher pay. In the open task, the hiring choice should compare added revenue with added cost.