

*Entrepreneurship
First Year*

*Module 3
Something Out of Nothing*



What this module is about

Hi! Here we are again! Have you ever tried looking around to see what you can do to introduce something new out of the things others think worthless? This is what Module 3 is about – doing something out of nothing. Let us join the creative manufacturers in introducing new products for the market.



What you are expected to learn

This module is planned for you. At the end of this module, it is expected that you shall have the capability to do the following tasks:

1. describe manufacturing as an entrepreneurial activity;
2. describe the different types of manufacturing;
3. explain the activities related to manufacturing business;
4. identify specific examples of products being manufactured;
5. recognize the importance of manufacturing to the economy;
6. evaluate the importance of creativity in manufacturing; and
7. form sound judgment in the choice of products to manufacture.

Below are terms you will meet while you are working on this module. Try to learn and understand the terms for a fuller grasp of insights in each of the activities.

Terms	Meaning of the Terms
1. Manufacturing	The process of converting raw materials into new products; producing goods by hand or by machinery.
2. Input	Something put into a system or device.
3. Output	The finished product; the outcome of production.
4. Creativity	Conceiving an idea into concrete realization.



PRETEST

Multiple Choice

Directions: Read and analyze each item and choose the correct answer. Write the letter of the correct answer in your notebook.

1. Your place is abundant in buri palms. People make hats and mats out of buri. What is the process of converting buri palm into finished products?
 - a. processing
 - b. manufacturing
 - c. production
 - d. operation

2. Using rattan as raw material, what is the best product that can be made out of it?
 - a. slippers
 - b. fans
 - c. furniture
 - d. appliance

3. What manufacturing activity is applied when it depends on the customer's order?
 - a. batch manufacturing
 - b. project manufacturing
 - c. flow shop
 - d. intermittent manufacturing

4. When products are made and stocked in a warehouse while waiting to be sold and processed at a specific time during the year, what is the process?
 - a. continuous manufacturing
 - b. job orders
 - c. project manufacturing
 - d. batch manufacturing

5. Which is an input in basket making?
 - a. shells
 - b. bamboo splits
 - c. lumber
 - d. ceramics

6. In producing a new product, which is new at the market?
 - a. idea of manufacturers
 - b. skills of workers
 - c. financial capability of the manufacturers
 - d. technology

7. It is of value to manufacturing because of the demand for new products of improved quality?
 - a. skill
 - b. supply
 - c. creativity
 - d. labor

8. Capital is one of the factors to consider in the choice of products to manufacture. What does it include?
 - a. equipment
 - b. building
 - c. labor force
 - d. land

9. Why is creativity essential to manufacturing?
 - a. business is more profitable
 - b. there is a promotion scheme
 - c. to hold workshops
 - d. competition is strong

10. What should Mrs. Sanchez do for her new product to become well-known in the market?
 - a. plan a product display
 - b. advertise the product
 - c. increase the volume of production
 - d. distribute samples to stores

Lesson 1

Manufacturing as an Entrepreneurial Activity

Types of Manufacturing Business

If we have big establishments in our country, today, we also have farmers and workers who produce products right in their houses by making use of abundant material resources. We are proud of the creativity of Filipinos, because from scratch, they can produce marketable goods for local and foreign consumption.

Activity 1

This has something to do with your lesson in Social Studies about “The Country’s Wealth”. Try to recall as many raw materials as you can which you can find in your community or country.

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

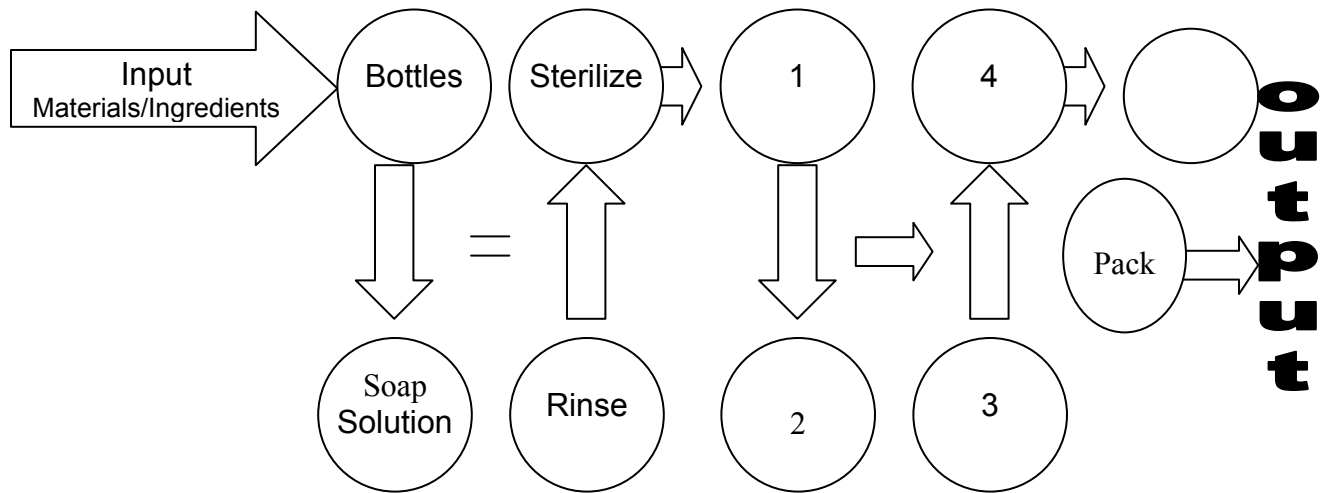
Now, try to examine your listing of raw materials. These raw materials are turned into finished products by manufacturers. The materials have different working qualities which determine what goods can be produced from them.

Before raw materials are manufactured into marketable or saleable products, these undergo several phases or stages of the manufacturing process.

Follow me and I’ll show you the stages.

1. Continuous manufacturing or flow shop

Continuous production takes place. When the equipment breaks down, extent of production decreases. When the product becomes obsolete, changes in demand pattern occur.

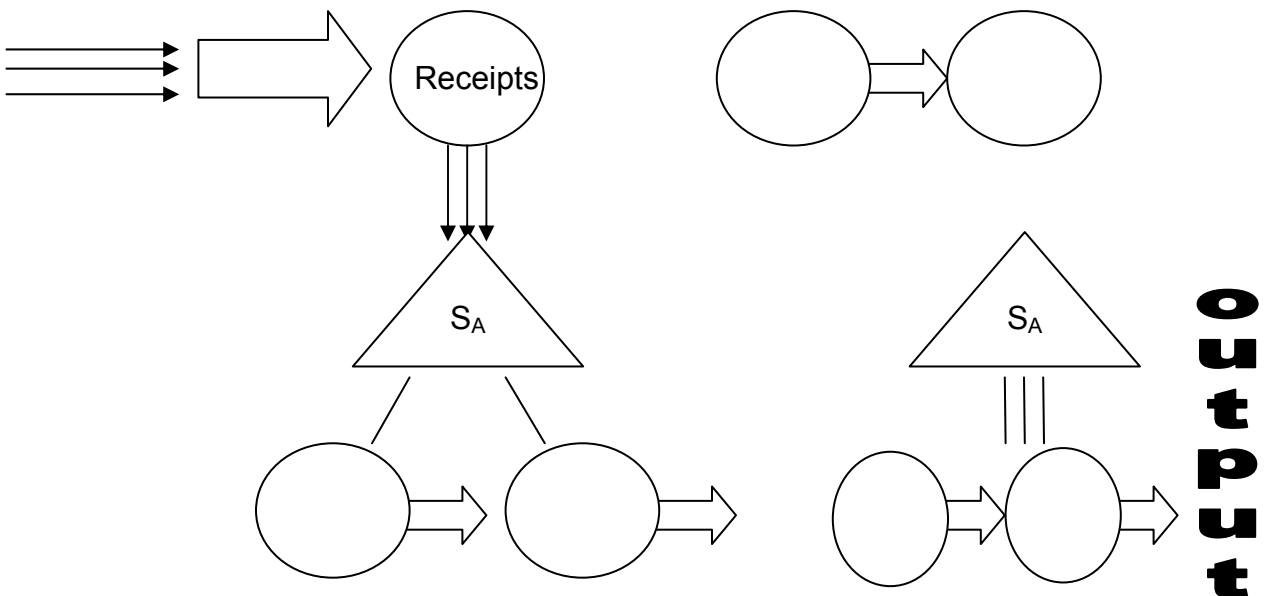


The diagram shows bottles as inputs to be cleaned with soap solution. After cleaning, bottles are rinsed and sterilized. Then, bottles are sealed and packed. The packed bottles are the output.

2. Intermittent manufacturing or job orders

This is characterized by a drop but production goes on for a certain period of time. Later, production again appears in the schedule. It uses several inputs requiring different combinations of processes. The quality of the output varies, depending upon the customer's orders.

Flow Shop of Book Printing



3. Batch manufacturing

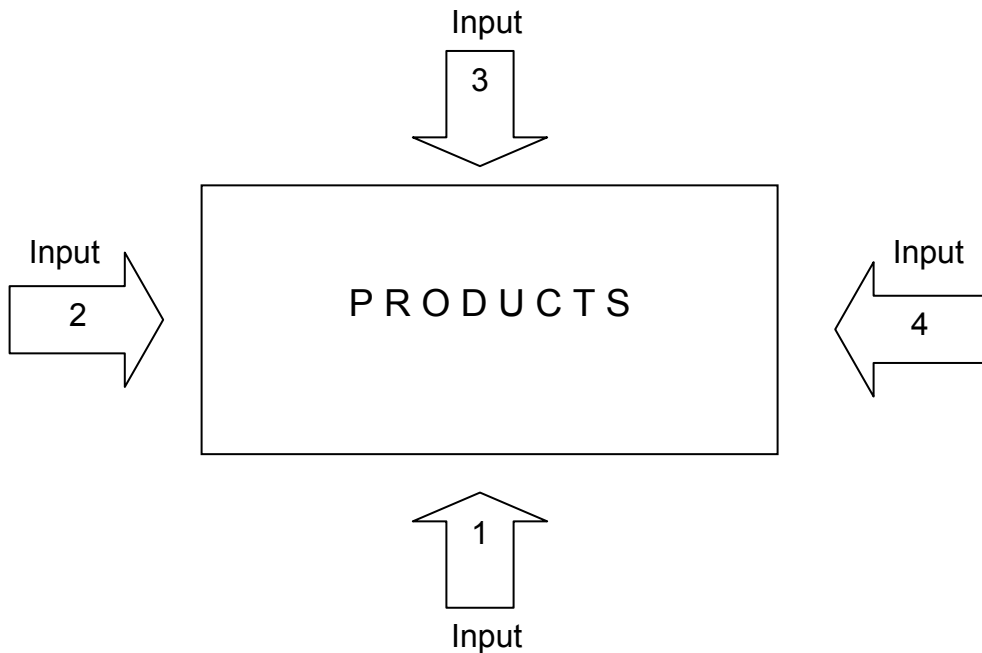
This type falls midway between continuous flow and the job order type. Products are made and stocked in a warehouse, awaiting sales, can be processed in a flow shop by batch during specific time of the year.

Can you give an example?

Canned goods production is an example of batch manufacturing.

4. Project manufacturing

This applies to building construction and shop building where projects differ from one another. The building is in a fixed location and the inputs are brought to the place instead of the product moving from one area to another.



Activity 2

Visit a manufacturing enterprise in your locality. Observe how the manufacturing process operates. Write down your observations in your assignment notebook.

This activity will be discussed when you report to your teacher on the scheduled date.



Self-check:

Matching Type: Match Column A with Column B. Write the letter of the correct answer.

A

1. Continuous production
2. Construction of a building
3. Seashells and buri palm
4. Operation depends upon customer's orders
5. Finished products

B

- a. intermittent manufacturing
- b. raw materials
- c. output
- d. project manufacturing
- e. flow shop
- f. batch manufacturing

Lesson 2

Manufacturing Activities and Examples of Products Manufactured

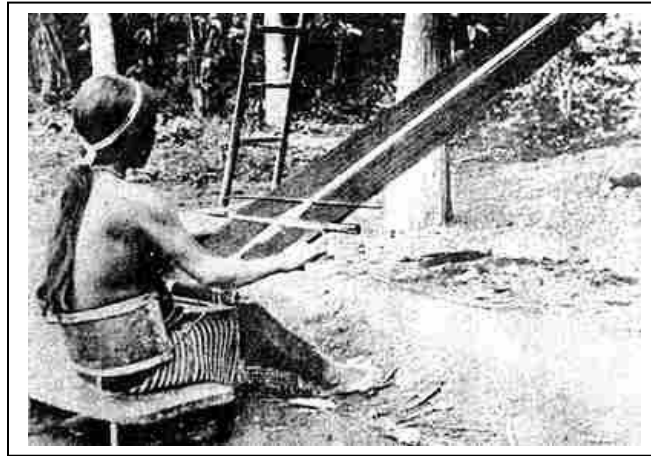
Introducing a new product or service to the market is a great challenge to a manufacturer. When an individual has a good perspective of how to explore resources, using his skills, he is expected to turn the raw materials into saleable products, the outcome of which is a profitable enterprise.

Activity 3

Tell something about the pictures below. Your lesson in Social Studies can guide you.



Picture 1: *Tala-andig* women use the loom for weaving.



Picture 2 : A native of Ifugao weaving

Picture # 1

Picture # 2

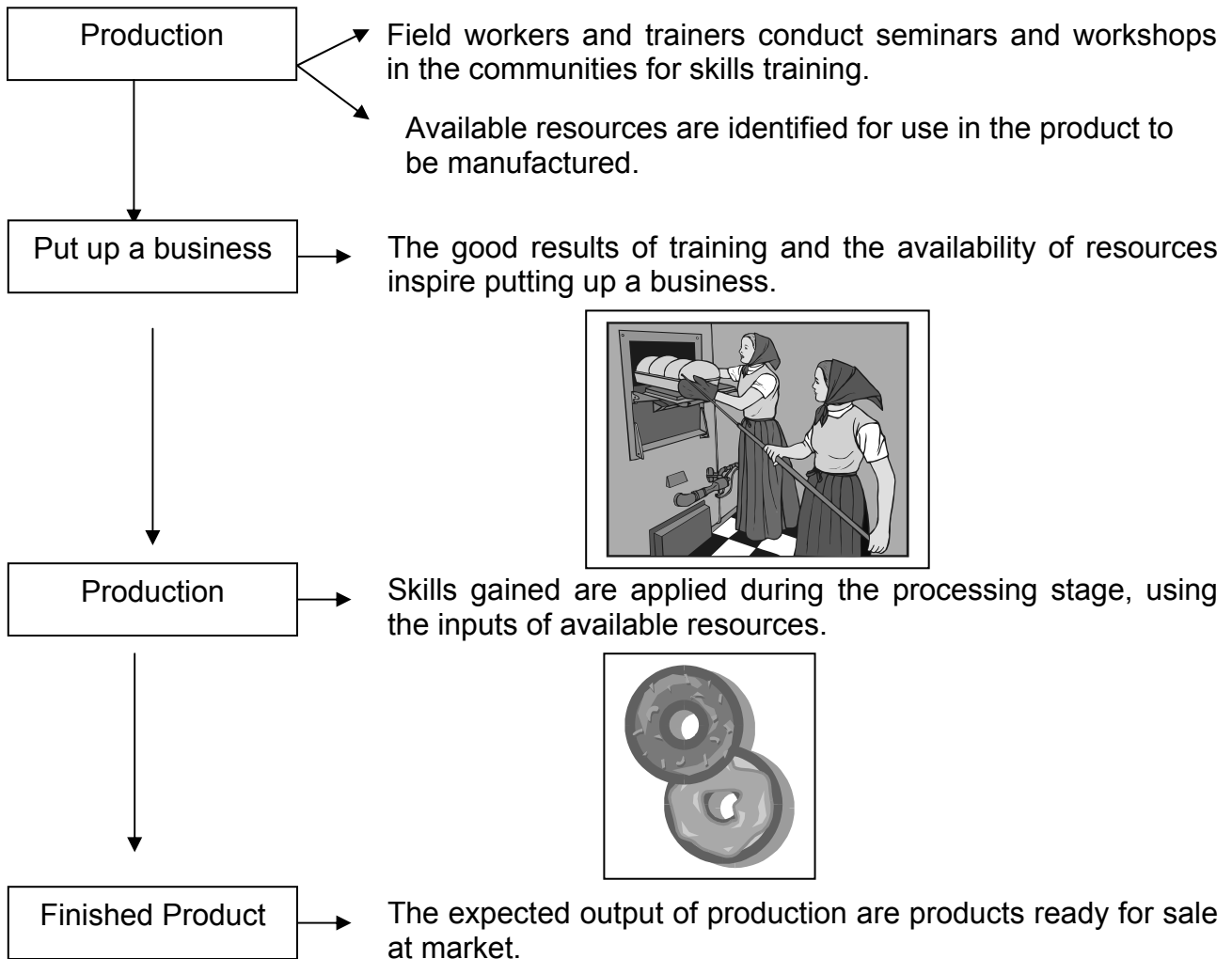
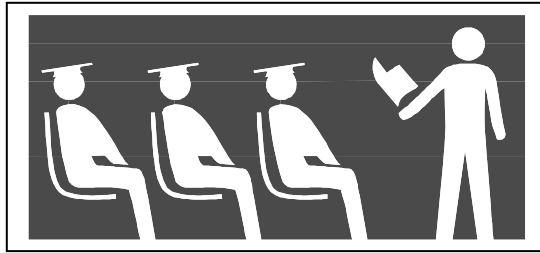
Activity 4

Identify places in your province and the products they are noted for. Remember your past lessons in Social Studies. Recall your stored knowledge and skills to identify easily products that are abundant in a particular place or province of the country.

Places (towns or barangays)	Products Produced

How did you find the activities? I hope you did them well.

The following illustrations show various activities that relate to manufacturing:



Keep in mind that any new product introduced at the market comes from the brilliant ideas of the manufacturer.



Self-check

Place a check (✓) if the statement is correct, and (X), if the statement is wrong.

- _____ 1. Entrepreneurs need to explore before starting business.
- _____ 2. Skills training is optional in hiring workers.
- _____ 3. An individual with skills in sculpture can manufacture wood carvings.
- _____ 4. Products introduced at the market come from the ideas of manufacturers.
- _____ 5. Local products are intended only for local consumption.

Lesson 3

The Value of Manufacturing to the Economy The Importance of Creativity in Manufacturing and Choice of Products to Manufacture

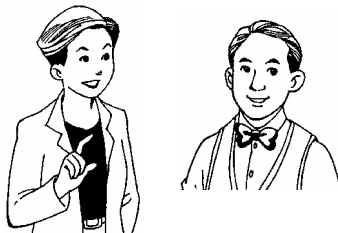
Like other enterprises, manufacturing contributes much to the nation's economy. It provides employment opportunities and purchases resources from the people. Manufacturers pay large taxes to the government, too. The taxes the manufacturers pay are used by the government to finance its projects that benefit the people.

A manufacturer must be imaginative and creative because of stiff competition from other enterprises. Improvement of the quality of products and services should be a continuing concern.

Below is a situation in which Mr. Cruz has the problem of identifying the type of business he may undertake. He seeks the assistance of a friend in this regard.

No problem, Mr. Cruz. Why don't you venture into a manufacturing business? You know, our town has most of the available resources such as bamboo and rattan. You could make use of those to manufacture home decors and furniture.

You are welcome, Mr. Cruz.



Hello, Mrs. Santos. I've been thinking of putting up a business in our locality. But I'm having second thoughts as to what kind of business to put up. Maybe you could give an idea.

Well, that is a brilliant idea. I'll try to make a market survey to consider that business. Thanks a lot, Mrs. Santos.

Activity 5

This is a continuation of Activity 2 in lessons 1.

You visited a manufacturing enterprise in your locality and observed how it operates. Ask the entrepreneurs what traits they possess which help them improve the quality of their products.

Make a write up of your interview.



Self-check:

Loop-a-Word Puzzle

Directions: Look for keywords found in the lesson that you find by carefully studying all the letters in the puzzle. These words may be written diagonally, vertically, and or horizontally. Reflect your answers in your assignment notebook. Don't be shy. Ask your friend or any member of the family to check your output.

C	O	M	P	E	T	I	T	I	O	N
A	R	R	D	G	F	N	K	D	I	P
P	D	E	M	A	N	D	H	G	L	R
I	A	L	A	N	D	C	E	P	M	O
T	C	H	F	T	I	G	J	R	H	D
A	E	W	A	K	I	L	L	Q	M	U
L	J	X	O	O	U	V	S	O	L	C
B	E	Z	B	P	M	I	I	C	F	T
S	X	S	Y	T	Z	Y	T	T	Z	S
E	C	O	N	O	M	Y	B	J	Y	Z

How did you fare in the self-check? Don't worry, just restudy all the missed items before proceeding to the next module.



LET'S SUMMARIZE

- ❖ Manufacturing is a challenging venture. By exploring our natural resources, manufacturers are able to produce goods that are sold to the customers.
- ❖ The kind of product the consumer needs depends on the type of manufacturing activity of the manufacturer.

- ❖ The skills a manufacturer has is an indication of the kind of product he can offer to consumers.
- ❖ Like other small businesses, manufacturing contributes to the growth of the economy. Factors in manufacturing and creativity as a manufacturer enable the entrepreneur to decide what product to manufacture.



POSTTEST

Multiple Choice:

Directions: Read and analyze each item. Choose the correct answer. Write the letter of the correct answer in your answer notebook.

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Okay, dear student. How did you fare in the test? I hope your score has improved. It means that you learned something from this module. But if your score has not improved, it means that you have to study the difficult items or topics again before proceeding to the next module.

Bye and see you again.



ANSWER KEY

Pretest

1. b
2. c
3. d
4. d
5. b
6. a
7. c
8. a
9. d
10. b

Lesson 1 : Self-check

1. e
2. d
3. b
4. a
5. c

Lesson 2: Self-check

1. ✓
2. x
3. ✓
4. ✓
5. x

Lesson 3: Self-check

C	O	M	P	E	T	I	T	I	O	N
A	R	R	D	G	F	N	K	D	I	P
P	D	E	M	A	N	D	H	G	L	R
I	A	L	A	N	D	C	E	P	M	O
T	C	H	F	T	I	G	J	R	H	D
A	E	W	A	K	I	L	L	Q	M	U
L	J	X	O	O	U	V	S	O	L	C
B	E	Z	B	P	M	I	I	C	F	T
S	X	S	Y	T	Z	Y	T	T	Z	S
E	C	O	N	O	M	Y	B	J	Y	Z

Posttest

1. b
2. c
3. d
4. d
5. b
6. a
7. c
8. a
9. d
10. b