



JA Cayman Islands

A member of JA Worldwide

JA Company Programme

Cayman Islands Advisor Manual



Work Readiness | Entrepreneurship | Financial Literacy

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Practical tips for Advisors

| | |
|-----------------------------|--|
| Overall Principle | The program is trying to simulate the real business world as much as possible. If in doubt ask yourself - would a real company do this? |
| US JA Advisor Manual | Do not get carried away with following the US JA manual. Refer to sample agenda page 9 for initial & final weeks attached. |
| <i>Involve all</i> | Most rewarding is progressing the weaker students – key objective of JA, encourage everyone to have a role |
| <i>Product</i> | Have a sample of 2 or 3 products ready for 1 st meeting – don't expect or rely on the students Require students to bring in sample of their product to the 2 nd meeting <u>Select a product by 2nd meeting, latest 3rd meeting</u> |
| <i>Advisors</i> | One advisor should take the lead role at each meeting |
| <i>Meetings</i> | Have an agenda for each meeting |
| <i>Officer Selection</i> | Choose President 1 st to enable unsuccessful candidates to run for other Officer positions Coach students that it is not a popularity vote for liked students – choose leaders who are doers <u>(Elections can be done as late as week 3)</u> |
| <i>Behavior at meetings</i> | Guide the students on rules but allow them to make their rules & enforce them themselves |
| <i>Parent pickup</i> | Impress upon the students the need for their parents to pick them up on Time as the end result could be expulsion from the programme. |
| <i>Officer meetings</i> | Persuade the officers to have officer meetings to manage the affairs of the company preferably immediately before the main meeting or if not afterwards |
| <i>First few meetings</i> | Advisors should be running the meeting. Coach the officers to take ownership of the management of the company and encourage all students to take on roles. |
| <i>Sales</i> | Remember important Christmas sales period. Take advantage of special events at Camana Bay, other shopping centres & Agricultural fair |
| <i>No spoon feeding</i> | Objective of program is education, not profits or prize winning Coach and talk through pot holes etc ... let them make their own mistakes Do not do the work for them |

Last 3 weeks

Guide the students during last few weeks which are very busy with winding down the company and preparing final report

Products Should be:

- safe to produce & to use,
- easy to produce – without the need to use prohibited tools
- materials available from reliable vendors
- suitable to student skills,
- portable
- have market appeal & appropriate shelf life
- have numerous production steps to involve all
- can be sold at a reasonable price \$10- \$20 at a reasonable profit
- appropriate packaging

Achiever contact

Advisors need to contact all achievers beforehand to confirm day, time & meeting place

Student manuals

Don't allow achievers to take home manuals or officer materials (IE any company records)

Record Keeping

Receipts/payments, payroll etc - Important to monitor – will be required for final report,
And for tracking for individual sales for Sales Person of the Year.

Bank account

Make sure it is opened up by week 3 and all cash received lodged

Final Report

Must submit it by the hard deadline – otherwise your company will not be considered for awards

Must include financial statements – Profit & Loss and Balance sheet), cost of producing product and sales price

Profits

Profits remaining in the bank account at the end of the programme should be paid to Junior Achievement itself, a not-for-profit organization. Such funds go towards the running of the programmes. **Students can make a donation to a charity from the profits but cannot not exceed 10% of total profit. Corporate Giving is a very important concept we would like included in all business plans.**



Quick Facts

| | |
|-----------------------|--|
| <i>Wages</i> | <p>No Wages to accrue for first & last meeting</p> <p>\$ 0.50 per hour for achievers</p> <p>\$ 2.00 per meeting for each officer</p> <p>Sales commission - 10% of sales</p> |
| <i>Shares / stock</i> | <p>\$ 2 per share – 75 shares in total</p> <p>Each achiever must buy at least 1 share</p> <p>Maximum dividend is \$ 2 per share – balance of profit paid over to the JA office</p> |
| <i>Company name</i> | <p>Must end in “A Junior Achievement Company”</p> |
| <i>Bank Account</i> | <p>TBA one bank usually handles most of the company accounts save for sponsor banks.</p> <p>Dual signatory – at least one signatory must be an Advisor, an Advisor to countersign all cheques</p> |
| <i>Loan</i> | <p>To be obtained from Rotary Club of Grand Cayman Central</p> <p>Credit Application Form (can be obtained from JA Office) + business plan + interview required</p> <p>Maximum amount of CI\$ 400</p> <p>Interest rate of 10% flat rate.</p> |

Company fee

Total of C1\$ 135 (a fixed cost payable to the JA Office on Week 12 – JA Office will provide an invoice).

Expected standards of Behaviour

Advisor Code of Conduct

- The code is designed to help Advisors understand the conduct expected of them while in the program.
- Advisors should not have any inappropriate contact inside or outside the meeting location with any student met through the JA program, including those that are 18 years of age or older.
- Advisors should not be in contact with any student inside or outside the meeting location unless another Advisor, student's parent or guardian or teacher is present or aware of the situation. This includes any company business sessions including extra production evenings and sales events.
- Allegations of violation of these standards will result in the immediate suspension as a JA Advisor. If an investigation by the JA Board determines a violation occurred, it will result in the immediate and permanent dismissal as a JA Advisor.

Some practical tips

- You are not allowed to give a lift home to any achiever. In the highly unlikely event that you have to give a lift home to an achiever make sure that you are accompanied by another Advisor. This includes sales days and extra production evenings.
- At least one advisor should accompany the achievers while they wait outside to be picked up by their parents.
- Check with parents if achievers do not attend a meeting.
- Make sure you have a contact number for the Achiever and their parents/guardian.
- All JA sessions (including extra production days/ sales days etc) have to be supervised by the Advisors.

Conduct expected from the Achievers

- Focus discussion that being accepted into the program as an achiever is a privilege and that poor behaviour and poor attendance will not be tolerated. Advisors are volunteering their time. As such they should be given proper respect and courtesy.

- Coach Achievers to take ownership of their meetings. Persuade them early on to set their own rules and enforcement policies (fines etc) on such issues as late arrival, dress code, mobile phone use, talking while an Advisor/officer is speaking and disruptive behaviour. ...no point having the rules if they are not enforced
- Achievers should appreciate that the meeting place is a workplace and treat it with appropriate care & respect.
- Any serious misconduct should be notified to the JA office
- Advisors remember we are dealing with teenagers who are dealing with their own challenges, don't take things too seriously and have a laugh every now and again!
- Busy achievers do not have time for mischief ...keep them busy by choosing a product that has lots of steps

Expectations for the Parents

- The parent must sign the parent consent forms which must be returned to the JA office by the **2nd week** of the program.
- Impress upon the kids the importance of being picked up on time. Where this does not happen achievers will be excluded from the program.



Raising Funds Guidelines

Selling of Shares

Raising capital to start up a JA company is done by selling shares to prospective shareholders. Included in the kits are 75 shares valued at \$2.00 each. Thus the company can raise \$150.00 in capital. All Achievers must purchase at least one share in his/her company!

There is no other way of acquiring capital. Companies may **not** host car washes, bake sales etc. for the sole purpose of raising capital as a “real world company” wouldn’t typically do this. The objective of the programme is to simulate as much as possible the real business world.

Loan from Rotary

Should additional funds be required, companies may apply to the Rotary Club of Grand Cayman Central, for a loan of up to \$400.00 at the set interest rate.

To apply for a loan, achievers must complete a credit application form along with a business plan to submit to the representative of Rotary Club of Grand Cayman Central. The Officers of the Company will be invited to an interview to review the application. Pending approval of the loan, a promissory note must be completed and a cheque will be issued. Further details & loan application form can be obtained from the JA office.

Guidance for preparing a business plan is contained in Advisor and student manuals. Ideally it should include details of the following:

- ✓ Product description
- ✓ Market appeal and marketing strategy
- ✓ Analysis of production costs
- ✓ Selling price and profit margin
- ✓ Variable costs
- ✓ Breakeven analysis
- ✓ List of directors

Loans must be paid back to Rotary by week 16 of the programme.

Sample Agenda

Recommend changes from manual

Week 1

- Introductions
- Ice breakers
- Share capital & loans
- Officer positions
- Parent consent forms
- Talk about leadership / officer selection
- Product, product, product

Week 2

- Election of Officers-can be put off until week 4 at the latest
- Product and product evaluation form-product selection is a high priority.
- Make final decision on product
- Company name
- Types of enterprise

Week 3

- Make final product decision if not done in week 2
- Finalise company name
- Prepare business plan

Week 4

- Advisors for each VP explain the forms
- Complete other matters in Manual
- Start production

Week 5 onwards

- it's recommended to meet with officers prior to each meeting
- Advisors to pull back and allow achievers to manage the company

Mid Point

- Check your inventory of raw materials and completed products. Will additional raw materials be needed to reach sales goals or to keep pace with sales? If so can materials be obtained in time? Can our production teams reach their goals in the time available? Will you have a surplus of raw materials? Can these materials be returned to the vendor?
- **Suggested additional activities:**
- Provide students with Sales Training before products begin selling.
- Provide guest speakers for each VP department to the entire group for optimal understanding by all of each department.
- Organize a yearend report training for all or coordinate with the JA office to provide to groups.

Awards Information & Selection process-Next Generation Leaders



- 1) The students in each company to select 5 students
- 2) The Advisors then to select 2 out of these 5

Selection criteria for Advisors:

Subjective:

- Enthusiasm
- Initiative
- Effort
- Team player

Objective:

- Attendance at meetings/sales events
- Sales of company product/s

- 3) The 2 nominated students from each company will be interviewed by JA Board members
Top 14 students will be invited to give an oral presentation
- 4) Top 8 students from the oral presentation are selected to represent Cayman at the JA Canada Global Youth Conference, **Next Generation Leadership Forum.**

Stressing Leadership qualities early on in the programme and the ultimate prize of being invited to Canada is a life changing experience for the attendees. This is the best of the best from across the world and the relationships built in this process and connections can last a lifetime.

Selection Process-Company & Individual Awards

Company of the year

Criteria : Comprehensive final report, wind down of the company, preparation for Governor's visit, day break appearance, sales, profitability, attendance, teamwork, business plan for loan and corporate responsibility strategy

Individual

Most Promising Achiever Male & Female Award (non officer)

Officers: President, VP Production, VP Finance, VP Marketing & VP Human Resources

Salesperson of the year- based upon sales volume.

Criteria: Enthusiasm, initiative, attitude, teamwork, learning from mistakes and experiences, leadership, selling skills, participation in decision making, completing administrative issues, dealing with conflict, motivate others



Ice Breakers

Hero-Shambo

- Everyone gets into pairs and plays rock paper scissors
- The loser becomes the victors' most ardent cheerleader (Go Frank!)
- The winner finds another winner
- Every time you win, you also win over that individual's cheerleaders

Peek A Who

- Split the group into two teams
- Each team sits behind one side of the sheet so that they are out of the view of the other side
- One person from each side will sit facing the sheet; when the sheet is lowered, the team that says the name of the person on the opposite side first gets that player on their team
- The game ends when everyone is on the same side

Name Boogie

- Have everyone stand in a circle
- Each person will say his/her first name followed by a dance move
- The rest of the group imitates the move, while repeating the person's name 3 times (e.g. "Joe!, Joe!, Joe!" while doing the sprinkler dance)
- For an added challenge, have each person say the name and do the dance move of all the people previous to them in the circle

Energizers

Human Spring

- Pairs stand facing one another with arms positioned elbows in, palms facing partner
- Participants should start standing approximately 1 foot apart.
- With hands out, partners lean forward so that hands meet flat against one another with no interlocking fingers (keeping elbows in) and push against one another creating a springboard
- Partners then take small steps back, repeating the activity at increasingly further distances apart
- The objective is for partners to complete the activity, standing as far apart as possible while maintaining safety and a sense of trust.

The North Wind Blows

- The caller announces "The North Wind blows for anyone who"...followed by a particular characteristic that the caller shares

- Everyone to whom that characteristic applies then runs into the circle and switches places with someone else from the circle who also shares that characteristic
- The caller must also find a place in the circle
- whoever is left without a place becomes the new caller.
 - It's very easy for this game to become mundane (eg, TNWB for anyone who's wearing jeans, has glasses, etc.) so encourage participants to be creative and unique.

Moving box

- Have delegates get into four equal-sized groups
- Have each group form a straight line shoulder to shoulder
- tell them to remember who is to their left and who is to their right
- Have the four lines of people surround you making a square, with everyone facing inward, so that one group is directly to your left, right, front and back
- Inform the group that you are going to move people around, while you move they are not allowed to move
- Once you are done moving people around, they must get back into their original formation as quickly as possible

Team Builders

Magic Carpet

- While standing on top of a completely open tarp, the group must create a plan to get everyone on the opposite side of the tarp without anyone stepping off
- Variation: group members begin by holding the edges of a tarp with both hands
 - A ball is placed in the middle of the tarp
 - The objective is to flip the tarp so that the object rests on the opposite side of the tarp, facing up
 - Participants cannot let go of the tarp at any time and the object should remain on the tarp at all time (or start over)

Five Pointed Star

- participants gather around a rope on the ground in the shape of a circle
- Participants are instructed to pick up the rope with both hands and then shape the rope into a 5 pointed star, with all the overlaps and criss-crosses (just like the kind you drew in elementary school)
- The team must take 4 minutes to come up with a plan and while they are talking they cannot start moving
- If some eager person starts taking action during planning time there are penalties: blindfolds, ankles tied together, walk backwards everywhere you go, etc.
- The team must implement their plan (move) without talking, then plan again, then move again. Once they have moved through the four sequences and formed the best star possible they lay the rope on the ground and examine their handiwork

Silent Opera

- one person is blindfolded (this person will be "the collector") and stands in the middle of the objects
- one person may talk but may not move
- The remaining members of the group are not allowed to speak, and must stand behind the collector (they communicate the instructions without talking)
- Put several objects around the "collector"
- Hand the large group the directions (the more specific the task, the more challenging). Tasks may include: collect as many objects as possible or collect specific objects (by color, shape, type, etc.)
- The collector collects the objects (if he/she collects an incorrect object, start over with a different direction)



Product Evaluation Worksheet

Complete the following to evaluate possible JA company products. Circle the points awarded. As you evaluate a product, keep in mind other products or services your company is providing. For example, a special holiday item may be an appropriate supplement to your regular product line. Similarly, it may be wise to produce an easy assembled product if you also are producing a more complex product.

Product Features

Market appeal- The product will be considered useful or ornamental by most customers.

- 0- The product is tacky, cheap or gaudy
- 1- Appeals to a very limited market (left-handed fly fisherman)
- 2- Appeals to a specific but large group (high school students)
- 3- Appeals to a large and varied group of people

Size- If products are too large, they are difficult to store and deliver.

- 0- Needs a pick-up truck
- 1- Just fits in my school locker
- 2- Easy to carry
- 3- Fits in a pocket or purse.

Shelf life- Yesterday's doughnuts are hard to sell, and so are last year's fads!

- 0- Will easily spoil, will melt or get stale
- 1- Seasonal or fad
- 2- Likely to last a year or more
- 3- Unlimited shelf life

Safety- Products should be safe for consumers to use. Avoid baby toys with small parts or sharp edges, cosmetics that may produce allergic reactions, foods that could spoil etc.

- 0- Requires customer training or detailed instructions for proper use.
- 1- Has sharp edges or burns
- 2- Safely used or displayed
- 3- Even a baby can handle it

Production

JA company products must be produced without the use of power tools or special facilities. The best Products are labour intensive and interesting to produce.

Material, supplies- Materials should be available from local supplier or a known regional or national vendor.

- 0- All materials must be purchased from a separate vendor
- 1- Most materials available locally, key items must be ordered from unknown vendors
- 2- Materials available from a single local or national vendor
- 3- Materials available from a vendor with experience working with JA companies

Labour- The product should keep the production staff busy for most of the life of the company

- 0- Entire inventory is produced in one session by a few members
- 1- Entire inventory is produced in just a few sessions by all members
- 2- The rate of production exceeds the rate of sales
- 3- Production and sales rates are balanced

Packaging- Packaging should be unnecessary, or simple and attractive

- 0- The packaging is more complicated than production
- 1- Packaging is easy but expensive
- 2- Packaging is easy and inexpensive
- 3- The product only needs a simple label or product tag



Financial Considerations

The price should be reasonable and the products should be profitable. Note: If your company has multiple products, it may be appropriate to have high-, middle-, and low priced products. The guidelines below are for your main product.

Price- Can the product be sold at a competitive price and still provide a profit margin and commission? Most JA company products sell for \$5-\$12. Low price items require a large sales volume. High priced items may be difficult to sell.

- 0- Retail price more than \$25 or less than \$2
- 1- Retail price \$13-\$25 or \$2-\$3
- 2- Retail price \$3-\$5
- 3- Retail price \$5-\$12

Gross margin- The gross margin should be at least 35%. $\text{Gross margin} = \frac{\text{cost of materials}}{\text{sales price}} \times 100$

- 0- Gross margin < 35%
- 1- Gross margin = 35%-40%
- 2- Gross margin = 41%-45%
- 3- Gross margin > 45%

Total the points here. If you believe your company will take extra pride in producing and selling this product, give it a two-point bonus..

| Points | Rating |
|--------|------------|
| 23-27 | Excellent |
| 18-22 | Good |
| 13-17 | Acceptable |
| 0-12 | Poor |

NON Approved Products

Anything to do with Animals including Pet Grooming
Babysitting Services
Candle Making and/or Candle Holders
Car Washes
Carnivals/Circuses/Amusement Rides
Clothing Manufacturing
Cookbooks
Cosmetics (any kind, including lip balm)
E-Commerce (any type)
Food of any sort except pre-packaged candies etc. that are sealed
Fire-Starters
Hot Glue Guns
House-Sitting Services
Lamps
Lawn or House Maintenance Services
Manufacturing and or selling of Fireworks
Manufacturing Toys, Games or Stuffed Animals
Painting Houses, Fences or Numbers on Curbs
Power Tools
Rice Bags (used as heating pads)
Safety or First Aid Kits
Soaps or Lotions (manufactured by JA students)
Swimming Lessons
Window Washing
Any product that can cause bodily injury or property damage
Gift Baskets are strongly discouraged
Jewellery making will be limited to first come first serve. (3 per year)

Product Approval Application

JA Company Name: _____

VP of Public Relations: _____

Email: _____ Date: _____

Sponsor Company: _____

Lead Advisor: _____

Meeting Location: _____ Time/Day: _____

Brief description of product: _____

Send this form **AFTER** you have selected your product. **YOU MUST OBTAIN PRODUCT APPROVAL BEFORE PRODUCTION** submitted by email. Please also include a photographic image of your product to avoid duplication.

You will receive a response within 24 to 48 hours, either approving or rejecting your JA Company product.

jacaymanislands@gmail.com



Marketing & PR

Use as many free media outlets as possible such as community calendars, radio and television interviews. Have the VP of marketing identify a list of potential locations to sell products such as grocery stores, community events etc. Utilize the sponsor company for a selling day as well as any companies the student's parent's work if possible.

Product Ideas

Innovation and creativity are paramount to finding the right product for your group. Below are a few suggestions that have been found elsewhere in the JA world:



Hand made bracelets and jewellery, lots of techniques available on line.

Other items can include, trivets made from discontinued tiles, finger socks for no texting and driving, recycled aluminum cans made into barrettes and hair pins... The list goes on, and many ideas are available on the internet.



Chalkboard paint on a coffee mug for daily messages



USB flash drive sculpted from modelling clay



Wallets made from the back side of keyboards



Tissue holder made from recyclable coffee cups for the car

Liquidation Time Line

Adjust the duties, combining or eliminating them as necessary for the limited amount of time you are spending with the JA Company Programme.

Following Your Midpoint Evaluation-

Five Weeks before the Final Meeting

Make plans for an annual report- Assign responsibility for writing, producing and distributing your annual report.

Return unsold products- If you have unsold products at home, try to sell them, or return them to the company for someone else to sell. Your company may deduct the cost of unsold products from your final pay check

Four Weeks before the Final Meeting

Conclude production- You will only have one more week to sell your company's products. For this reason your company will probably conclude production at this session and focus on selling remaining inventory. It may even need to put items on sale to clear inventory.

Three Weeks before the Final Meeting

Turn in your sales receipts- Start to close the books and prepare for the liquidation board of directors meeting. Total all columns, check math and compare figures with the sales receipts.

Two Weeks before the Final Meeting

Complete all record-. Prepare to make the final report to the board of directors.

One Week before the Final Meeting

Review records- Review the records, prepare the final payroll, write dividend checks, and complete other last minute tasks.

Hold the liquidation meeting- Meet to conduct final review. Approve dividends to be paid to stockholders.

Complete the annual report- Duplicate and mail the annual report.

Final Meeting

Hold final company meeting- Review what you learned, discuss the challenges you faced and celebrate your accomplishments

Conclude tasks- Distribute dividend and payroll checks. Deliver or mail annual report and any other forms to the local JA office. Clean your work area, return rented tools and dispose of surplus materials.

Close checking account according to local policy. (All accounts need to be closed by July 30 to allow for achiever payments to clear the accounts. All proceeds are to be forwarded to the JA office.



Please be sure to complete the liquidation, repay the shareholders and pay employees. If funds are short, the shareholders need to be paid first and then a percentage of funds left to the employees. Completing the liquidation process is as important as the formation of the company.

JA Cayman Video Challenge

Challenge Rules:

- This contest is for JA Companies currently in the JA Cayman Islands Company Programme 2014-15.
- The contest will officially launch February 15, 2015 and submissions are due March 31, 2015 at 5:00 pm.
- One submission per company is allowed.
- Contestants must agree to comply with all applicable rules and regulations and agree to conduct themselves professionally at all times and in keeping with the reputation of Junior Achievement. JA reserves the right at any time to eliminate a submission based on language and content.
- Entries will be received by email only to jacaymanislands@gmail.com. Entries must be received before March 31, 2015 at 5:00 pm. All Entries must provide a valid email address and a day time telephone number to reach a member of the executive team/ producer of the video. A full list of all team members involved must be provided.

Entry Requirements:

1. Video timed limit of 2 minutes (120 seconds) max and 1 minute minimum.
2. Innovation and creativity of product, sustainability.
3. Presentation, professionalism and image of company/employees and officers.
4. Companies are not allowed to work with any professional video development groups on this project. It must be student managed and have credits at the end.
5. JA will upload all qualified videos to the JA Facebook and Twitter page via YouTube on April 1st for a public vote for a period of 2 weeks from April 1, 2015 to April 15, 2015, votes will be tabulated by the number of Likes and Shares on FB and Favourites and Retweets on Twitter.

*Note if background music is used please include the artist in the credits.

Any video's pre-loaded to social media will be disqualified.

Winner Announcement:

The winner of the JA Cayman Islands Video Challenge will be announced on the Day Break Show Thursday April 16 and the winners will appear on the show Friday April 17, 2015

Release Form:

All contestants agree by participating in the contest to have their names and personal information as collected, shared with local media. Photographs will also be taken of the winning team and used for marketing purposes on the JA Website, Twitter and Facebook page in the promotion of JA Cayman Islands.

Forms of Business Organization

Advantages

Disadvantages

Sole Proprietorship- A single business owned by a single individual

Personal satisfaction and incentives. A sole proprietor is his or her own boss. Sole proprietors are responsible for making the key decisions and they receive the profit.

Easily organized and dissolved. Sole proprietors are free to start a business or dissolve it with few legal difficulties.

Tax savings. The profits from sole proprietorships are taxed as simple income.

Partnership- A business owned by two or more Individuals.

Resources. Partners bring extra financial resources to the business as well as additional talents and management skills.

Continuity. Partners are usually involved in the day-to-day operation of the business.

Liability. Except in the special case of limited partnerships, partnership debts are each partner's responsibility, regardless of the individual's original investment.

Legal Status. A partnership agreement clearly defines each partner's responsibilities and obligations.

Management. Sole proprietors often lack the skill to effectively manage all phases of a business operation.

Limited resources. Lack of financial resources can limit the growth of the business and career opportunities for employees.

Unlimited Liability. The sole proprietor is responsible for all business debts.

Limited Life. The life of the business is limited by the life of the owner.

Management. Disputes among partners can destroy a business.

Resources. It is often difficult to find partners with the necessary financial resources or skills.

Limited Life. When a partner leaves or a new partner joins the firm, the partnership agreement often needs to be redrawn. As a result, partnerships seldom operate as long or as smoothly as corporations.

Unlimited Liability. Often each partner is responsible for the entire debt of the business.

Tax Savings. Partnership profits are Taxed as simple income.

Corporation- A business owned by stockholders and chartered by state government.

Expansion. Corporations obtain money to expand their operations by selling new shares of stock to Interested investors.

Organization. The legal steps involved in organizing a corporation are more difficult, time Consuming and expensive than organizing a partnership or sole proprietorship.

Professional Management. Large Corporations are able to hire professional managers.

Double Taxation. Corporations profits are taxed twice- as corporate profits and as stockholder income.

Transfer of Ownership. Stockholders can sell their shares to any interested buyer. If a stockholder dies, his or her Stock is passed on to the heirs and the corporation can continue to operate as usual. Corporations have unlimited life.

Charter Restrictions. Legal requirements sometimes restrict the freedom of corporations. publically held corporations must meet standards not required of smaller businesses.

Legal Status. Corporations are chartered by the state, and they are treated as individuals under the law.



Leadership

Defining Leadership

The students discover what leadership is and why it is important. They research issues surrounding topics for leadership projects that they will conduct in the school or community to demonstrate the leadership skills they learn.

Objectives. The students will:

- *Discover various definitions of leadership.
- *Identify characteristics of leaders.
- *Name possible school and community leadership opportunities.
- *Develop leadership/service learning projects to apply what they learn (optional)

Preparation Check List Read through the material on the next two pages so that you will be prepared to discuss the various definitions and leadership model provided. Photocopy the pages for the students to refer to during the activity.

This activity could be conducted with officers of the company for additional leadership training. It could also be used with the entire group.

Optional: Arrange for the students to practice leadership skills by conducting a service learning project in their school or community. This activity could take a few weeks to plan, conduct, and review. The students should record all details of their project in a journal, including a proposal. Encourage the students to take the initiative to create their own journals.

Presentation. Ask the students to name people they think of when they hear the word “leader.” Encourage the students to think of leaders in their personal lives and the community as well as in various fields such as politics, business, sports, fashion, and religion. Have the students identify those characteristics that they think make them leaders.

Ask the students for examples of activities or events for which they have had leadership roles. Discuss what skills or traits they exhibit that made them leaders. Compare these traits with those of the leaders they just identified.

Tell the students that leaders can’t lead without followers. Read the following definition of leadership excerpted from Nation’s Business (May 1997)

In the foreword to *The Leader of the Future*, management thinker Peter F. Drucker says “The only definition of a leader is someone who has followers.” He says leadership is characterized by results- that is, by the followers doing the right things. Because they are highly visible, leaders set examples. “Leadership is not rank, privileges, titles or money,” he says, “It is responsibility.”

In discussing differences in the roles of managers and leaders, Zaleznik judged that “managers act to limit choices.” While “leaders work in the opposite direction, to develop fresh approaches to long-standing problems and to open issues for new options.”

What is Leadership?

When thinking about business leadership, people typically focus on the roles of *manager* and *administrator*. They envision one leader at the top of a pyramid controlling the work of others to achieve business goals. However, leadership experts and successful leaders distinguish between leaders and managers. In the foreword to *The leader of the Future*, management thinker Peter F. Drucker said,

“The only definition of a leader is someone who has followers.” He says leadership is characterized by results- that is, by the followers doing the right things. Because they are highly visible, leaders set examples. “Leadership is not rank, privileges, titles or money, he says, “It is responsibility.

As defined in *The American Heritage Dictionary*, leadership is 1) the position or office of leader, or 2) the capacity or ability to lead. Both of these definitions are involved in the age-old debate about whether leaders are born or made. Regardless, leadership involves complex relationships among people everywhere.

Stephan Covey, author of *The Seven Habits of Highly Effective People*, stated, “Leadership consists of providing vision and direction (values and purpose), and inspiring and motivating people to work together toward the common vision and purpose.”

Leadership is a process of influencing others in developing group objectives, organizing work to accomplish the objectives, motivating followers to achieve the objectives, maintaining cooperative work relationships, and ensuring cooperation and support from people outside the organization.

Leadership Model

Learning & Accountability

Leaders encourage learning and accountability

Integrity. Leaders have to draw upon fundamental beliefs and character to be able to act consistently and according to personal moral values.

Vision. Taking a long-range view, leaders have a personal dream and can visualize what the organization can accomplish in a month or in 10 years.

Commitment. Leaders derive fundamental personal motivation, which others can sense and emulate, from personal commitment to excellence and the goals of their groups.

Desire to serve. Leaders have to be more dedicated to their organizations than themselves and want to serve the needs of others.

Communication Skills. To motivate followers, leaders must be able to listen to others and express their visions and ideas clearly.

Inclusivity. In order to identify new leaders and keep an organization open to new ideas, leaders have to ensure that their organizations aren't cliquish.

Willingness to take risks and embrace change. Leaders have to take chances to realize their visions for advancing the goals of their organizations.

Delegation. Leaders have to resist micro-management and give responsibility and authority to other organization members to carry out group tasks.

Organizational skills. The ability to plan and keep track of many different aspect of an organization's activities, while encouraging colleagues to do well is essential to leaders.

Resources

Leaders create and use resources for personal, business,

Policy

Leaders establish procedures to further goals and sustain core values

Climate and Culture

Leaders foster integrity while promoting personal, business and civic

Corporate Responsibility

Junior Achievement would like to request that each company adopt a charity, social concept or awareness programme as part of their corporate structure. This can be done in the form of public awareness through their sales and marketing programmes, by donating up to 10% of profits to a charity of choice or by encouraging community involvement outside of work. We would like to see corporate responsibility part of the overall business plan with a bit of thought into the charity or concept selected. Corporate Responsibility is very much part of the business culture of the future and we believe the students will gain a greater understanding of this concept and how it merges into the work place. If the sponsor company is involved in corporate giving please share this with your students to encourage them to also include this in their company philosophy. ECO Friendly products are also a great way to support the corporate responsibility.

Miscellaneous Items

JA T-shirts This year early on in the programme JA Cayman will be providing each group with T-shirts with the JA name, a different colour for each group and the ability to have the company name and the sponsor logo printed on the shirts. Please bare this in mind when designing the logos for your company to keep them uncluttered and simplistic.

The T-Shirts are for social occasions for JA which will include sales programmes, DayBeak Interviews, Press Releases etc. We will be asking the companies once the T-shirts are distributed to provide the JA office with a photo of everyone wearing the shirts for a press release.

Student Advisor & Social Media One student needs to be elected or selected as the Student Advisor, this position will be one of great responsibility. The individual will become part of the advisory email group from the JA office for all correspondence, they will be charged with maintaining a correct listing of students and all their contact details. Having accurate records are paramount to effectively managing a company and this is an area we have fallen short on in prior years. We encourage the companies to have a facebook page and twitter account. Some of the grading for the awards will be updated this year and as part of the review of the companies those are areas we are looking for improvement. **Photographer for each company is strongly encouraged. Photos of the groups in action during the JA year will be used at the annual awards banquet, on the JA Cayman Facebook page and in the media. We need lots of pictures!!! Please.**

Good luck to everyone, we know this will be a fantastic year!