

MONEY AND YOUTH



Module 4

DECISION-MAKING

Teacher's Guide

The following can be used as a companion set of lessons for Module 4 of Money and Youth – Decision-Making.

Relevant Subjects and Topics:

Money, Personal Finance, Saving, Economic Literacy, Financial Literacy, Investing and Investments, Life Skills

Background Information:

The proliferation of computers, smart phones and similar devices that provide easy and constant access to the Internet and modes of communication has dramatically changed many aspects of our lives. We are now able to stay in constant communication with friends, family, chat groups, news networks and a wealth of other information sources. Our access to information is immediate and continuous and we are able to respond to these sources in a matter of seconds.

The youth of today use this technology like no other generation. They have grown up in an electronic age of immediate and informal communication, where more formal and methodical communication methods have been replaced by text messages (IM), e-mail and blogs. Their one-to-one communication is e-mail, IM and cell phones; their one-to-many communication is social media; their collaborative level is chat rooms, message boards and wikis; and their consumer behavior is rapidly evolving towards on-line shopping, where they compare prices and products. They are highly attuned to the knowledge community, researching on the Internet rather than in a library.

Their need for this ability to stay connected has never been greater and the expectation from family and friends is that they will be contactable virtually every minute of every day. So there is increased pressure and desire to have the necessary technological devices. Many people, including parents, stress that, with safety being a paramount concern, this is a critical need and not simply a matter of luxury. Even institutions such as universities are using e-mail to alert students to potential problems and are posting such items as exam schedules on-line.

Our world has changed. The way we live, communicate, and do business has increased in rapidity and immediacy. The most popular communication tool of all of these new technologies is the smartphone, a device with features and capabilities that vary greatly from manufacturer to manufacturer. Consumer demand is so high that, in large, urban centres in Canada there are more than nine carriers offering more than 191 different plans. In order to be wise decision-makers and consumers, young people must understand the role these devices play in our lives and have the knowledge and skill necessary to assess the various benefits and costs of these technologies. The focus of this lesson will be on developing and reinforcing those skills and insights necessary to understand the role of these communication devices, research the various options available, make informed and wise selections and appreciate the differences in the choices available.

Through the use of small groups, students will be charged with the real-life task of evaluating the appropriateness of a cell phone plan. Students will be asked to: reflect on the role of the cell phone; decide which cell phone features are necessary; determine the way in which the phone will be used and examine the related costs of those features and usage. They will be challenged to investigate the varying structures of different plans and be asked to apply a decision-making model in order to determine which plan is most appropriate for them.

Outcomes:

At the end of this lesson, students will be able to:

- Demonstrate and describe the key steps a person should take to make an informed consumer decision
- Apply the decision-making steps to a specific consumer decision
- Describe the advantages of comparing costs and benefits when making a consumer decision
- Describe the trade-offs and “opportunity cost” that results when a consumer decision is made – that is, the loss of the next best alternative
- Provide examples of possible consequences of making uninformed or impulsive consumer decisions
- Propose possible actions that could be undertaken by a consumer if there is a justifiable complaint with the product or service or seller.

Time for Implementation:

Two or three class periods plus time at a later date for any class presentations.

Teaching and Learning Strategies:

The period break for this lesson will be determined by the progress of the class through the various activities.

- Begin the lesson by putting the students in pairs and completing the following brief exercise: have each of the pair select an emotion and, without talking and in turn, convey that emotion to their partner through body language and facial expression.
- Once that has been completed, ask the students to explain how they felt having to communicate with the other person without being able to speak.
- Indicate to them that the development of language, both in oral and written form, enabled people to communicate with each other more effectively and led to the rapid advancement of our civilization.
- Organize the class into groups of six to eight students and assign the following tasks which will require them to prepare a brief report for the class:
 1. Starting from the time of early settlers in Canada and continuing to the present day, list the three most important inventions that have helped us communicate more effectively and quickly.
 2. Identify the one your group feels is most important and explain why.
 3. Compile a list of the devices your group uses to communicate with their friends.
 4. Identify what you consider to be the value of each of the items listed.
 5. State which device members of your group use most often.
- Having allowed the groups time to complete their activity, have each group summarize their information and report their findings to the class.
- Inform the students that the focus of the lesson will be to examine the role of the cell phone and to determine the related benefits, drawbacks and costs.
- With the students remaining in their groups, indicate to them that they are now going to compile some general statistics about their cell phone use and indicate to them that this type of information is used by the service providers to establish plans and rates.
- Each group is to:
 - Estimate what percentage of the students in the school have a personal smart phone or at least access to a cell phone on a regular basis.
 - Indicate what uses they make of the smart phone and how often they use it.
 - Indicate what percentage of usage is in the morning, afternoon and evening.
- Have the groups prepare their report and present their findings to the class.
- From their responses have them summarize the information and determine, on average, what the percentage is for each of the time periods.
- Reconvene the class as a whole and ask the students to consider their personal cell phone situation and ask if a comparison check was done with different providers before they or their parents selected a plan.
- Ask them if they found it a difficult and confusing process.
- Survey the class to see how many of the students pay their cell phone bills themselves.
- Have the students take a piece of paper and write down what the monthly bill is for their cell phone (or what they think it is if someone else pays for it).
- In order to ensure anonymity, have them curl the piece of paper into a ball and place it in a container.
- Once all have added their paper, unfurl the papers and list the costs indicated by each.
- Have the students do a quick calculation to see what the average cost is per month.
- Indicate to the students that smart consumers do comparisons of equipment, suppliers and services before they enter into any type of contract and that the focus of the lesson will be to research various cell phone plans to see the differences and, utilizing the basic steps of a good decision-making model, determine what plan or plans might be best for them.
- Begin the formal part of the lesson by using the accompanying PowerPoint presentation to show them a six-step decision-making model.
- Once this has been reviewed with them, use the following slides to have the students reflect upon the issues associated with the purchase of a cell phone plan.
- Stop the presentation just prior to presenting the group assignment outlined on the PowerPoint slide and get any reactions or comments from the students to the information presented.
- Reconvene the students into their groups.
- Show the slide that outlines the group assignment and review it with them.
- Review with the students the criteria for each user which appear on the PowerPoint on the slide entitled "The Data" and make any adjustments that the students feel are necessary to more accurately reflect features and usage.
- Assign one of the nine specific plans to each group (see the Handouts/Resources section below). (Each plan is advertised at \$25 a month or less.)
- Provide each group with an appropriate number of copies of the plan they are to assess.
- Have each group research the available information and complete the worksheet (see the Support Materials/Illustrations section below) and prepare a report for the class that indicates what the actual costs of their plan would be for each user and whether the group felt this would be an appropriate plan. In their report they are to list benefits and drawbacks of the plan and indicate any special features of the plan.
- Allow any remaining class time for the groups to begin their task.
- Begin the second period of the lesson by giving the students time to complete their report and then have the groups present their findings to the class as a whole.
- Once the groups have reported, hold a plenary session to do a comparison of the findings and discuss the true costs of a cell phone plan.
- Review with them the final slide of the presentation which offers summary advice and, having examined real-life examples of the costs of various cell phone plans, assign the following three questions for homework:
 1. What would be the consequences of making a bad decision about a cell phone plan?
 2. What could I do if I find that the plan is too expensive?
 3. What other important things am I giving up in order to have a cell phone?
- As a concluding activity, revisit the Six Steps for Effective Decision Making to reinforce the concept with them and explain that this approach can be used in all situations where a decision regarding various choices has to be made.
- Have the students offer opinions about the kinds of situations where they could use this model.

Handouts/Resources:

- [Cell Phone Plan Worksheet](#)
- [Nine generic cell phone plans](#) (all advertised as under \$25 a month)
- [So You Want to Buy a Cell Phone?](#) (PowerPoint presentation to be used throughout the lesson.)

Evaluation:

- Students should submit their group budget calculations.
- The homework assignment should be checked.
- Students should submit their chosen assignment.

Modifications or Suggestions for Different Learners:

- With the varied activities involved in the lesson there is ample opportunity for students to utilize their various strengths and modify their activity to address any individual need.

Additional Related Links:

- [The City](#) (The Financial Consumer Agency of Canada)
- [The Expansion of Cell Phone Services](#) (Canada's Office of Consumer Affairs)
- [Third of teens use cell to cheat](#) (*The Globe and Mail*)

Additional Possible Activities:

- Students could take a field trip to a mobile communications store to examine equipment first hand and discuss plans with store representatives.
- Students could research cell phone usages to determine why companies set the rates they do.
- Students could hold a debate on whether cell phones should be allowed in school.