**4.00 Understand business operations management.**

**NC CTE 4.03: Understand production’s role and function in business to recognize its need in an organization.**

**Explain the concept of production**

* **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** - The economic process or activity of producing goods and services.
* **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** - A condition resulting from the gap between unlimited wants for goods and services and limited resources.
* **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** - Productive resources; human and natural resources and capital goods
* **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** - Any resource found in nature that is used to produce goods and services
* **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** - People who work to produce goods and services.
* **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** - Manufactured or constructed items (tools, buildings, equipment) that are used in the production of goods and services
* **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** – using/combine Factors of Production resources to create a new product or services
* **Describe the importance of production to an organization**
	+ The process of transforming the **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** of the land into consumer satisfying consumption goods or productive capital goods. This transformation process involves the four scarce resources or **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** --labor, capital, land, and entrepreneurship.
	+ Although production is generally the physical **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  of materials, it often involves the spatial relocation, or transportation, of commodities, as well.
	+ Provides **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** - Usefulness created by altering or changing the form or shape of a good to make it more useful to the consumer.
	+ Enables companies to**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** in business
	+ Allows businesses to turn out the maximum number of products at the **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**
* **Identify production activities**
	+ **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ -** determining how products will be produced and how much of the product to produce.
	+ **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** - buying the resources needed
	+ **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ -** the way in which production will be carried out.
	+ **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** - determining the time table to follow in production
	+ **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** - issuing orders for production to begin
	+ **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** - make sure products meet standard and are completed according to plan