

# Teaching Introduction to Business

## Is your textbook keeping up with the changes sweeping through the business world?



If you teach introduction to business, you know how quickly the world of business is changing, with industry after industry being reshaped by digital systems and artificial intelligence.

The question is: Does your textbook know about this revolution? Unless it has already embraced these new concepts, chances are it is preparing students for yesterday's business world, not tomorrow's.

### Every Enterprise Is Now a Digital Enterprise

The business world is experiencing waves of technological and social disruptions that are reshaping what it's like to launch, lead, and work for companies. Consider this stunning change: In a 2015 survey, fewer than 1 percent of executives believed digital technology would disrupt their industries. Only two years later, more than 75% said digital would have a "major" or "transformative" impact on their industries.

In a fundamental way, virtually all businesses are becoming digital enterprises, regardless of what they produce, because digital systems are essential to how they create value and connect with customers. And this digital transformation is affecting every aspect of business, from HR to finance to marketing.

#### EXHIBIT 13.8 Virtual Reality

At Ford, designers use virtual reality to envision design ideas before building physical cars.



Ford Motor Company

### The Exciting—and Unsettling—Prospect of Digital Transformation

Students need to be ready for this new world of business for two key reasons. First, executives who are scrambling to implement their own digital transformations are looking for employees who are tuned into these concepts and technologies.

Second, students can't afford to set their sights on traditional career paths without understanding how those career paths are changing—or in some cases, disappearing. Many of today's jobs are vulnerable to disruption from artificial intelligence and related technologies, and many graduates will be working in jobs we can't even envision today.

### Preparing Students to Thrive in the Digital Enterprise

Clearly, the business curriculum needs to prepare students for a vastly different world of work—while still helping them grasp the core principles of business. The new Ninth Edition of *Business in Action* tackles this challenge with a unique approach called Thriving in the Digital Enterprise.

#### Thriving in the Digital Enterprise: Disruptive Technologies and Digital Transformation

To a large extent, business strategy revolves around change—whether creating change, capitalizing on change, or surviving change. The basic concept of business is fixed: It's always going to be a question of adding value to satisfy customers in a way that generates a sustainable level of profit. However, the way that companies go about adding value and satisfying customers is always evolving, and the business world is currently going through an extraordinary set of changes that are likely to influence your career path for years to come.

These changes all revolve around digital technology and involve connectivity, communication (including mobile devices and social media), and AI. A **digital enterprise** is any company that uses these technologies as one of the foundations of its value-creation processes, regardless of what industry it is in or what products it makes.

As you get ready to enter or reenter the workforce or continue to advance in your career if you're already working, it's important to be aware of this concept of the digital enterprise. Executives across many industries are wrestling with how to apply digital technologies in their companies, and they'll be looking for employees who are comfortable working in a digital environment. And, as you near graduation and begin your job search, you'll want to be able to recognize which companies are succeeding at this complex effort and which are still struggling with it.

To help you prepare, the final section in each chapter of this book explores aspects of life in the digital enterprise, with an emphasis on knowledge you can use to thrive in this dynamic business environment. In this chapter, we look at two important concepts that will give you a better perspective on all these changes: **disruptive innovations** and **digital transformation**.

**7 LEARNING OBJECTIVE**  
Describe the concepts of disruptive innovation and digital transformation.

**digital enterprise**  
Any company that uses digital systems as one of the foundations of its value-creation processes, regardless of what industry it is in or what products it makes.



A digital enterprise relies on a variety of digital tools and systems to maximize productivity and customer satisfaction.

Each chapter features six structured learning objectives devoted to the important principles of that topic, followed by a new, seventh section that features one key aspect of thriving in the digital enterprise. These new sections offer concise, non-technical explanations of disruptive business technologies that are likely to affect students' careers in the coming years.

## Today's Students Are Looking for Business with a Higher Purpose

The changes sweeping through business today are about more than just technology, however. For example, today's younger workers show a keen interest in finding or creating work that involves a more meaningful purpose than simply making a paycheck.

*Business in Action* explains the ways that many companies are moving beyond the concept of corporate social responsibility to become *purpose-driven companies*. It helps students understand the challenges of moving beyond the bottom line, and shows them how companies can do well by managing business as a force for good.

## Exhibits That Teach: Visual Learning for Today's Students

It's no secret that information habits are changing and that today's learners value alternatives to lengthy written accounts. *Business in Action* supports these learners with high-efficiency visual learning. The Ninth Edition features nearly 150 *exhibits that teach*—diagrams, graphs, quick-reference tables, and other exhibits that address the challenge of getting students to read long passages of text by presenting vital concepts visually.

### EXHIBIT 3.2 Strong and Weak Currencies: Who Gains, Who Loses?

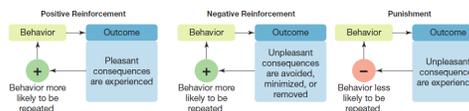
A strong dollar and a weak dollar aren't necessarily good or bad; each condition helps some people and hurts others. Sources: Based in part on John J. Wild and Kenneth L. Wild, *International Business: The Challenges of Globalization*, 8th ed. (New York: Pearson, 2016), 253; Rebecca Patterson, "A Weak Dollar Hurts More Than It Helps," CNBC, 26 January 2018, www.cnbc.com.



The emphasis throughout is on productive learning by helping students minimize the time they spend reading while maximizing their learning outcomes.

### EXHIBIT 10.6 Reinforcement and Punishment

The terminology of reinforcement theory can be confusing because the terms are used differently in everyday speech than in psychology. Three points will help you keep the terms straight in your mind. First, both positive and negative reinforcement encourage a behavior to be repeated—they reinforce it, in order words. The difference is in how they work. Second, punishment (not negative reinforcement) is the opposite of positive reinforcement. Third, positive reinforcement can encourage undesirable behaviors, so it isn't necessarily a good thing, despite the "positive" label.



## Other Highlights of the Ninth Edition

The Ninth Edition is one of the most comprehensive revisions in the long history of *Business in Action*, making it more concise and more effective than ever.

### Streamlined coverage

To better align the textbook with your course curriculum, the text has been streamlined from 20 chapters to 16—without losing any essential coverage.

### New learning and career-development features

*Growing as a Professional* encourages students to apply the business concepts they are learning in each chapter to facets of their academic and personal lives right now.

*Resolving Ethical Dilemmas* challenge students with realistic ethical dilemmas that require thoughtful analysis and decision-making.

*Intelligent Business Technology* helps students grasp the benefits of the smart systems that their future employers are likely to be using.

### Extensive content enhancements

The *Behind the Scenes* chapter-opening vignettes and end-of-chapter case studies show students how professionals apply the same skills and concepts they are reading about in the chapter. All 16 vignette/case study pairs are new in this edition.

Every chapter has fresh project ideas and evaluation questions, with a total of more than 275 new questions and student activities.

Well over a hundred individual sections have been added, updated, or extensively revised throughout the 16 chapters.

# Compare the Leading-Edge Coverage in *Business in Action*, Ninth Edition

- Explains the topic and helps students understand it in the context of contemporary business practices
- ◐ Mentions the topic or offers markedly less coverage than *Business in Action*

(Based on an index search or etext search for the terms listed and for likely synonyms or related coverage)

|  | Bové/Thill<br><i>Business in Action</i><br>9e | Ebert/Griffin<br><i>Business Essentials</i><br>13e | Pride/Hughes/Kapoor<br><i>Foundations of Business</i><br>6e | Nickels/McHugh/McHugh<br><i>Understanding Business</i><br>13e | Solomon/Poatsy/Martin<br><i>Better Business</i><br>5e | Ferrell/Hirt/Ferrell<br><i>Business Foundations</i><br>12e |
|--|---|--|---|---|---|--|
| <b>Strategic planning, management, and business intelligence</b> |   |  |   |   |   |  |
| Artificial intelligence  | ●   | ◐  |   | ●   |   | ●  |
| Big data, data analytics   | ●   | ◐  | ◐   | ●   | ◐   | ●  |
| Cognitive automation   | ●   |  |   |   |   | ◐  |
| Digital transformation   | ●   |  |   |   |   |  |
| Disruptive innovation  | ●   |  |   |   |   |  |
| Machine learning and deep learning                               | ●   | ◐  |   | ◐   |   |  |
| Pivoting   | ●   |  |   | ◐   |   |  |
| <b>Marketing and customer relationships</b>                      |   |  |   |   |   |  |
| Customer experience (CX) design                                  | ●   |  |   | ◐   |   | ◐  |
| Marketing analytics  | ●   | ◐  | ●   | ◐   |   | ●  |
| Pricing innovations:   |   |  |   |   |   |  |
| Algorithmic/dynamic  | ●   | ●  | ●   |   | ●   |  |
| Auction pricing  | ●   | ●  |   |   | ●   |  |
| Device-as-a-service  | ●   |  |   |   |   |  |
| Freemium pricing   | ●   |  |   |   |   |  |
| Subscription pricing   | ●   |  |   |   |   |  |
| Yield management   | ●   |  |   |   |   |  |
| Social commerce  | ●   | ◐  | ●   | ●   | ◐   | ●  |
| Social customer care   | ●   |  | ●   |   |   |  |
| Voice of the customer (VoC)                                      | ●   |  |   | ◐   |   |  |
| <b>Finance and accounting</b>                                    |   |  |   |   |   |  |
| Cryptocurrency   | ●   |  |   | ●   |   | ●  |
| Fintech  | ●   | ◐  |   | ◐   |   | ◐  |
| <b>Business and society</b>                                      |   |  |   |   |   |  |
| Purpose-driven business, purpose-driven companies                | ●   | ◐  | ◐   | ◐   | ●   | ◐  |
| Sustainability   | ●   | ◐  | ●   | ●   | ●   | ●  |
| <b>Human resources</b>   |   |  |   |   |   |  |
| The gig economy  | ●   | ●  |   | ●   |   | ●  |
| Workforce analytics  | ●   | ◐  | ◐   |   |   |  |
| <b>Operations and information systems</b>                        |   |  |   |   |   |  |
| Blockchain, smart contracts                                      | ●   | ◐  |   | ●   |   | ●  |
| Industry 4.0 and the smart factory                               | ●   |  |   | ◐   |   |  |
| Robotic process automation of office work                        | ●   |  |   |   |   |  |
| Virtual and augmented reality                                    | ●   |  |   | ●   |   | ◐  |