# Make It Your Business

### 8109  6 weeks  
### 8112  9 weeks  
### 8113  12 weeks  
### 8114  18 weeks

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## Acknowledgments

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Course Description

Suggested Grade Level: 6 or 7 or 8

Students design, establish, and operate a small group or class business, producing a service or product that meets an identified school or community need. Emphasis is placed on the introduction and application of business terminology, basic entrepreneurship concepts, and fundamental business principles. Basic academic skills (mathematics, science, English, and history/social science) are integrated into this course.

Note: Completer sequences and certifications do not apply.

Task Essentials Table

- Tasks/competencies designated by plus icons (⊕) in the left-hand column(s) are essential
- Tasks/competencies designated by empty-circle icons (◯) are optional
- Tasks/competencies designated by minus icons (⊖) are omitted
- Tasks marked with an asterisk (*) are sensitive.

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Legend: ☐ Essential ☐ Non-essential ☐ Omitted

## Curriculum Framework

## Exploring Entrepreneurship

### Task Number 31
Identify characteristics of successful entrepreneurs.

Definition

Identification should include characteristics such as

- persistent
- innovative
- responsible
- inquisitive
- goal-setter
- self-confident
- risk-taker
- enthusiastic
- ethical
- forward-looking
- highly motivated
- action-oriented.

Process/Skill Questions

- What is entrepreneurship? What is an entrepreneur?
- Why would a person want to be an entrepreneur?
- What type of work ethic is needed to be a successful entrepreneur?
- Is entrepreneurship for everyone? Why, or why not?
- How can a self-assessment help determine a person’s suitability for entrepreneurship?
- How does each characteristic contribute to the success of an entrepreneur?
- How might the lack of each characteristic cause an entrepreneur not to be very successful?

FBLA Competitive Events and Activities Areas

Career Exploration

NBEA Achievement Standards for Entrepreneurship

Analyze the degree to which one possesses the characteristics of an entrepreneur.

Assess one's personal qualifications to become an entrepreneur.

Recognize that entrepreneurs possess unique characteristics and evaluate the degree to which one possesses those characteristics.
Task Number 32

Identify basic skills required of entrepreneurs.

Definition

Identification should include basic skills needed in such areas as

- mathematics
- technology
- organization
- communication (oral and written)
- interpersonal relations (e.g., active listening)
- leadership
- problem solving
- finance
- life-long learning.

Process/Skill Questions

- In which areas are having basic skills most important for entrepreneurs? Why?
- Who are some famous entrepreneurs? What contributions did they make to society? In which skills did they excel?
- Who are some local entrepreneurs in your community? How did they start their businesses?

FBLA Competitive Events and Activities Areas

Career Exploration

NBEA Achievement Standards for Entrepreneurship

Analyze potential business opportunities in relation to personal preferences, financial worthiness, and perceived risk.
Analyze the degree to which one possesses the characteristics of an entrepreneur.

Assess one's personal qualifications to become an entrepreneur.

Recognize the need to obtain professional assistance for solving specific business problems.

**National MBAResearch Standards-Business Administration**

Apply verbal skills to obtain and convey information.

Communicate with staff to clarify workplace objectives.

Control an organization's/department's activities to encourage growth and development.

Implement organizational skills to facilitate others' work efforts.

Read to acquire meaning from written material and to apply the information to a task.

Recognize management's role to understand its contribution to business success.

Staff a business unit to satisfy work demands while adhering to budget constraints.

Write internal and external business correspondence to convey and obtain information effectively.

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**Task Number 33**

**Explain the benefits and risks of starting a business.**

**Definition**

Explanation of the benefits should include

- being one’s own boss
- keeping the profits earned by the business
- gaining prestige as a business owner
- experiencing personal satisfaction from the accomplishment
- providing for family and others in the community
- practicing corporate citizenship.

Explanation of the risks should include
• encountering financial uncertainties and difficulties
• failing to make the venture succeed
• losing the investment (e.g., financial, personal, time)
• working overly long hours
• not being able to secure good employees who will contribute to the success of the business
• finding that you do not possess all of the skills needed to operate the business.

Process/Skill Questions

• Why are entrepreneurs often referred to as risk-takers?
• Why is it important to understand both the benefits and risks before starting a business?
• Why do some entrepreneurs make more money than others?
• Why do some businesses fail?
• How might owning a business adversely affect the owner’s home life?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Analyze the personal advantages and risks of owning a business.

Compare and contrast the advantages and disadvantages of buying an existing business, starting an entirely new business, or purchasing a franchise.

National MBAResearch Standards-Business Administration

Analyze cost/profit relationships to guide business decision making.

Analyze financial needs and goals to determine financial requirements.

Identify potential business threats and opportunities to protect a business's financial wellbeing.

Implement expense-control strategies to enhance a business's financial wellbeing.

Implement financial skills to obtain business credit and to control its use.

Manage personal finances to achieve financial goals.

Understand operation's role and function in business to value its contribution to a company.
Task Number 34

Compare major types of business ownership.

Definition

Comparison should include the definition, examples, and legal ramifications for the major types of business ownership:

- **Sole proprietorship**—owned by one person
- **Partnership (general and limited)**—owned by a small group of people, usually two or three
- **Corporation**—owned by a number of people, operated under written permission from the state, with a separate legal personality from its owners
  - Limited liability company (LLC)—a hybrid form of business that has characteristics of both a corporation and a partnership
  - Limited liability partnership (LLP)—allows partners to enjoy limited personal liability, while general partners have unlimited liability
  - S-corporation—meets specific Internal Revenue Code requirements that give a corporation with 100 or fewer employees the benefit of incorporation while being taxed as a partnership
- **Franchise**—business opportunity that allows the franchisee to start a business by legally using someone else’s (i.e., the franchisor’s) expertise, ideas, and processes
- **Nonprofit corporation**—formed to carry out a charitable, educational, religious, literary, or scientific purpose; does not pay federal or state income taxes from activities in which it engages to carry out its objectives
- **Cooperative**—an association of persons united voluntarily to meet common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise

Comparison should also include the definition of the four kinds of businesses:

- **Service**—provides intangible products with no physical form (e.g., repair shops, banks, accounting and law firms)
- **Merchandising**—buys products at wholesale price and sells the same at retail price; sells a product without changing its form (e.g., grocery stores, convenience stores, distributors, and other retailers)
- **Manufacturing**—buys products with the intention of using them as materials in making a new product; combines raw materials, labor, and factory overhead in its production process; sells manufactured goods to customers
Hybrid—classified in more than one type of business; may be classified according to their major business interest. For example, a restaurant combines ingredients in making a fine meal (manufacturing), sells a cold bottle of refreshment (merchandising), and fills customer orders (service).

Process/Skill Questions

- What are the advantages and disadvantages of a sole proprietorship? Of a partnership? Of a corporation?
- Which of these business types presents the most risk? Why?
- Why should a partnership agreement be drawn up as a legal document?
- How does one become part owner of a corporation?
- What are the major benefits of a franchise?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Management

Compare the forms of business ownership.

Identify and provide examples of the basic forms of business ownership (e.g., sole proprietorship, partnership, cooperative, LLC, and corporation).

National MBAResearch Standards-Business Administration

Understand fundamental economic concepts to obtain a foundation for employment in business.

Understand the nature of business to show its contributions to society.

Conducting a Needs Assessment

Task Number 35

Identify customer needs and wants.
Definition

Identification should begin by explaining the following basic principles:

- Products and services have features.
- Those features have certain benefits to certain customers.
- Customers buy things that they believe will benefit them.
- Customers must be satisfied with their purchases.

Identification should involve assessing the

- types of products and services needed and/or wanted
- features desired in those products and services
- price customers are willing and able to pay for a product or service
- location(s) and time(s) products and services are available for purchase.

Process/Skill Questions

- What is the difference between customer needs and wants?
- Why might it be important to distinguish between needs and wants? How can the fulfillment of a basic need lead to a want?
- How can a good or service be a need for one person and want for another person?
- Why must customers be satisfied with their purchases?
- Why is it important for a business to know whether its good/service is a need or a want?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Analyze customer groups and develop a plan to identify, reach, and keep customers in a specific target market.

Create a customer database to track customer purchases and feedback.

Define and give examples of target markets for specific products.

Design a new product to meet unfilled consumer wants.

Design policies and procedures for serving customers.

Design/select products to meet customer wants.

Determine potential buyers of specific products at various price levels.
Determine the wants of specific consumers.
Discuss the importance of responding to customer concerns.
Formulate a customer profile for a planned business.
Identify ways to respond to customer concerns.
Modify marketing plans based on customer feedback.

National MBA Research Standards-Business Administration

Acquire product knowledge to communicate product benefits and to ensure appropriateness of product for the customer.

Understand marketing's role and function in business to facilitate economic exchanges with customers.

Understand sales processes and techniques to enhance customer relationships and to increase the likelihood of making sales.

Task Number 36

Define the steps of market research.

Definition

Definition should include explanations of these basic steps:

- Define the problem and/or opportunity (e.g., demographics, product category, pricing).
- Select a research method.
- Identify type(s) of data to be collected.
- Collect data.
- Interpret the data.
- Determine a course of action
- Implement the course of action.

Process/Skill Questions

- What is market research?
- Why is each step in conducting market research important?
• What types of data are used for market research?
• What are the pros and cons for different methods of data collection?
• What is the difference between primary and secondary data? Why are both needed in market research?
• How is market research used by a business?

FBLA Competitive Events and Activities Areas

American Enterprise Project

National MBAResearch Standards-Business Administration

Acquire foundational knowledge of marketing-information management to understand its nature and scope.

Evaluate marketing-research procedures and findings to assess their credibility.

Interpret marketing information to test hypotheses and/or resolve issues.

Understand data-collection methods to evaluate their appropriateness for the research problem/issue.

Task Number 37

Conduct market research.

Definition

Conducting market research should include demonstrating the basic marketing-research steps in order to implement the course of action.

Process/Skill Questions

• What might be the outcome of omitting a step in conducting market research?
• How can the results of conducting marketing research be evaluated?
• How can you ensure that your assessment of collected data is valid?
• How is market research used to improve products/services?
• Why is customer privacy important in market research?

FBLA Competitive Events and Activities Areas

American Enterprise Project
NBEA Achievement Standards for Entrepreneurship

Analyze the advantages and disadvantages of possible locations for planned businesses—brick and mortar stores and virtual enterprises.

Describe techniques for obtaining customer feedback.

Determine potential buyers of specific products at various price levels.

Estimate market share for a specific product or service.

Use primary and secondary data sources to locate information about potential target markets.

National MBAResearch Standards-Business Administration

Acquire foundational knowledge of marketing-information management to understand its nature and scope.

Evaluate marketing-research procedures and findings to assess their credibility.

Interpret marketing information to test hypotheses and/or resolve issues.

Understand data-collection methods to evaluate their appropriateness for the research problem/issue.

Task Number 38

Analyze the competitive environment.

Definition

Analysis should include

- the definition of *competition*
- an explanation of the value of competition in the free enterprise system
- an explanation of the basis for competition
- summary of the factors influencing purchasing (e.g., customer service, quality of product or service, availability, location, convenience)
- an explanation of the benefits of competition
• an explanation of the benefits of conducting SWOT (strengths, weaknesses, opportunities, threats) analysis.

Analysis may be guided by answering the following key questions:

• Who are the competitors?
• What volume of the product or service does each one sell?
• How does each advertise/promote the product or service?
• What is the quality level of the product or service?
• What is the availability of the product or service?
• What is the location of the product or service?
• What alternative sales venues does the business offer (e.g., online sales, multiple locations)?
• What are the prices of the product or service?
• What types and levels of customer service does the business offer?
• What is the outlook for each of these competitors (e.g., growing, shrinking, staying the same)?

Process/Skill Questions

• Why should a business owner investigate the competition?
• What is the difference between direct and indirect competition?
• What can a business do to make itself more attractive than the competition?
• Why is competition good for the free enterprise system?
• What is a competition grid? How can completing a competition grid aid a business?
• What is the importance of location of a product or service?
• How does competition benefit consumers?
• Why is it important to analyze the types and levels of customer service offered by competitors?
• What are competitive advantages other than price?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Analyze the advantages and disadvantages of possible locations for planned businesses—brick and mortar stores and virtual enterprises.

Discuss the impact of competition on keeping/increasing market share.

Use primary and secondary data sources to locate information about potential target markets.
National MBA Research Standards—Business Administration

Acquire a foundational knowledge of product/service management to understand its nature and scope.

Acquire foundational knowledge of channel management to understand its role in marketing.

Employ product-mix strategies to meet customer expectations.

Generate product ideas to contribute to ongoing business success.

Identify potential business threats and opportunities to protect a business's financial wellbeing.

Manage channel activities to minimize costs and to determine distribution strategies.

Understand data-collection methods to evaluate their appropriateness for the research problem/issue.

Understand fundamental economic concepts to obtain a foundation for employment in business.

Planning for a Product or Service

Task Number 39

Select a product or service.

Definition

Selection should involve examining alternatives such as

- choosing an existing product or service
- modifying an existing product or service
- developing a new product or service
- constructing a prototype, if needed.

Criteria for selection should include consideration of
• the product life cycle (i.e., introduction, growth, maturity, and decline)
• whether the product or service matches an established or anticipated need and/or want
• the cost of the product or service to the business
• the product or service availability requirements (e.g., for delivery to the business, for modification/manufacture)
• the shelf-life of the product
• the space requirements for display and inventory storage
• the product’s impact on the environment.

Process/Skill Questions

• What is a product?
• What is a service?
• How are products and services similar?
• Why is product or service planning important to a business?
• What is seasonality? What impact can it have on the sale of a product or service?
• How does the product life cycle affect an existing product?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Design a new product to meet unfilled consumer wants.

Design/select products to meet customer wants.

Determine potential buyers of specific products at various price levels.

Identify elements of marketing (e.g., product, place, price, and promotion).

Identify new product/service opportunities.

National MBAResearch Standards-Business Administration

Acquire information to guide business decision making.

Acquire product knowledge to communicate product benefits and to ensure appropriateness of product for the customer.

Determine needed safety policies/procedures to protect employees.

Employ product-mix strategies to meet customer expectations.
Generate product ideas to contribute to ongoing business success.

Implement organizational skills to facilitate others' work efforts.

Utilize information-technology tools to manage and perform work responsibilities.

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**Task Number 40**

**Identify helpful resources, mentors, and professional advisers.**

**Definition**

Identification should include

- chambers of commerce
- media centers
- trade magazines and journals
- the Internet
- the U.S. Small Business Administration [SBA] and local SBA
- the Better Business Bureau
- other agencies (e.g., SCORE, Virginia Department of Business Assistance, Virginia Small Business Development Centers [SBCD], Virginia's regional technology councils).
- other entrepreneurs
- bank representatives
- competitors
- conferences and conventions
- mystery shoppers
- trade association representatives.

**Process/Skill Questions**

- What is the importance of knowing about each of these sources of assistance?
- How might each of these resources be used to start a business?
- What information can be collected from each of these resources?
- What are the benefits of networking?
- What is the purpose of a business advisory board?
- How can attending conferences and conventions provide helpful resources and mentors?
- Why is having a mentor or professional adviser important?

**FBLA Competitive Events and Activities Areas**
American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Decide when professional consultants should be used in preparing a business plan.

Describe situations in which financial experts should be consulted for the interpretation of financial data.

Examine the need for accounting assistance, financial investor planning, and angel networks to aid in the planning for funding.

Identify sources of information to be included in the business plan.

Recognize the need to obtain professional assistance for solving specific business problems.

Use primary and secondary data sources to locate information about potential target markets.

Utilize the problem-solving process to resolve a problem facing consumers of businesses.

National MBAResearch Standards-Business Administration

Acquire information to guide business decision making.

Understanding a Business Plan

Task Number 41

Explain the purpose of a business plan.

Definition

Explanation should address the purpose, vision, and means of operation. The business plan also serves as the company's résumé, explaining the objectives, personal backgrounds, and experience of the owners to investors, partners, employees, and vendors.

Process/Skill Questions
• For whom is a business plan written?
• Why is it necessary to develop a business plan?
• How is a business plan a working document?
• How does a business plan help the business owner communicate vision and goals?
• What are some possible consequences of not having a business plan?
• How can the probability of business success be projected?
• How often should a business plan be edited or changed?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Critique a business plan for a specific business (include an analysis of the company’s use of the Internet and other emerging technologies if appropriate).

Decide when professional consultants should be used in preparing a business plan.

Describe the importance of planning.

Describe the use of a business plan.

Recognize that a business plan is an on-going process and should be often re-visited and updated.

National MBAResearch Standards-Business Administration

Acquire information to guide business decision making.

Task Number 42

Describe the components of a business plan.

Definition

Description should include the following principal components:

• Executive summary
• Description of the business
• Product or service
• Marketing plan
• Operation plan
• Financial plan
• Growth plan
• Appendix
• Profit allocation or distribution (may include bonuses, cash distributions, charitable contributions, investments)

Process/Skill Questions

• Why is research necessary when writing a business plan?
• Why might the executive summary be more important than the body of the business plan?
• What additional information would appear in the appendix of the business plan?
• What are some resources for business plan writing?
• Why should allocation or distribution of future, theoretical profits be included in a business plan?
• Why is it important to chart the first five years of the company’s growth and goals within the business plan?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Critique a business plan for a specific business (include an analysis of the company's use of the Internet and other emerging technologies if appropriate).

Describe why the analysis of financial statements is important for the business.

Develop a business plan.

Identify sources of information to be included in the business plan.

Identify the information to be included in each component of a business plan.

Identify the major components of a business plan.

Recognize that a business plan is an on-going process and should be often re-visited and updated.

National MBAResearch Standards-Business Administration

Acquire a foundational knowledge of accounting to understand its nature and scope.
Acquire a foundational knowledge of product/service management to understand its nature and scope.

Acquire information to guide business decision making.

Implement accounting procedures to track money flow and to determine financial status.

Implement expense-control strategies to enhance a business's financial wellbeing.

Recognize management's role to understand its contribution to business success.

Staff a business unit to satisfy work demands while adhering to budget constraints.

Task Number 43

Present a business plan for a small business.

Definition

Presentation of a business plan should include

- defining the small business for which the plan was created
- outlining the plan, incorporating all components of a business plan so that the reasons and probability that the business will succeed are clear and convincing
- incorporating technology and visual aids
- presenting the plan according to accepted presentation standards
- reflecting on the presentation and applying any changes/suggestions as necessary.

Process/Skill Questions

- What factors make a business plan clear and convincing?
- What are common components of presentations?
- What are commonly accepted presentation standards?
- How can the quality of a presentation affect the audience’s reception of content of the presentation?
- What strategies can be used to make a presentation clear, convincing, and effective?
- What presentation platforms/outlets are best for the selected small business?
- How might the audience influence the determination of which presentation platform/outlet should be used?

FBLA Competitive Events and Activities Areas
Preparing a Marketing Strategy

Task Number 44

Select a target market.

Definition

Selection should involve defining target market and identifying the

- benefits that the product or service can provide
- needs and wants of potential customers
- market segmentation (e.g., demographics and/or psychographics, location/schedule of potential customers)
- number of customers in each potential market group.

Process/Skill Questions

- What is a target market?
- What steps are involved in identifying a target market?
- Why are customers important to a business?
- Why is it critical to understand the customer?
- Why is it important for a business to identify its target market(s)?
- When identifying a target market, what questions should be asked?
- How can some businesses target different customers at once?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Analyze customer groups and develop a plan to identify, reach, and keep customers in a specific target market.

Analyze the advantages and disadvantages of possible locations for planned businesses—brick and mortar stores and virtual enterprises.
Compare and contrast the customer profile for a business today and ten years ago where significant change has occurred in a community (i.e., downtown vs. big box stores).

Define and give examples of target markets for specific products.

Identify target markets for home-based and online businesses.

Identify target markets for potential new businesses.

Use primary and secondary data sources to locate information about potential target markets.

National MBAResearch Standards-Business Administration

Acquire information to guide business decision making.

Acquire product knowledge to communicate product benefits and to ensure appropriateness of product for the customer.

Employ product-mix strategies to meet customer expectations.

Understand marketing's role and function in business to facilitate economic exchanges with customers.

Understand sales processes and techniques to enhance customer relationships and to increase the likelihood of making sales.

Task Number 45

Determine the price of the product or service.

Definition

Determination of the price should involve

- the cost of acquiring or producing the product or service
- all additional costs (e.g., rent, taxes, labor, insurance)
- the price charged by competitors for an equivalent product or service
- the anticipated/projected profit from the sale of the product or service.

Process/Skill Questions
Why is pricing important to the business?
How do businesses determine a price for a product or service?
Why is it important to be aware of the target market when determining the price of an item?
How does originality and quality affect the price that can be charged for a product or service?
Does a high price always mean high-quality merchandise? Why, or why not?
Why is it a good idea to check competition before setting prices?

FBLA Competitive Events and Activities Areas
American Enterprise Project

NBEA Achievement Standards for Entrepreneurship
Calculate the number of products to be sold to make a profit using break-even analysis.
Determine potential buyers of specific products at various price levels.
Discuss factors that affect pricing.
Identify elements of marketing (e.g., product, place, price, and promotion).
Price a product in order to yield a profit.

National MBAResearch Standards-Business Administration
Develop a foundational knowledge of pricing to understand its role in marketing.

Task Number 46
Select the distribution method(s).

Definition
Selection should include consideration of the following potential distribution methods:

- Direct channel (i.e., the producer sells directly to the consumer)
- Indirect channel (i.e., the producer sells to an intermediary, such as a retailer or wholesaler)
- Internet (may be direct or indirect).
Selection among distribution methods should include

- personnel requirements of each method
- cost requirements of each method
- convenience of each method to the customer
- legal and licensing requirements.

**Process/Skill Questions**

- What are the primary methods of retail distribution? What are some examples of each?
- How does a business determine the most advantageous method(s) of distribution?
- Why would a business select to use direct channel? Indirect channel?
- What problems can occur if product distribution breaks down?
- How does a specific product move through the distribution channel, from production to consumer?
- How does the distribution channel affect price?

**FBLA Competitive Events and Activities Areas**

**American Enterprise Project**

**NBEA Achievement Standards for Entrepreneurship**

Design a marketing plan for a business (include the Internet and other emerging technologies if appropriate).

Identify elements of marketing (e.g., product, place, price, and promotion).

Select appropriate channels of distribution to reach a target market.

**National MBAResearch Standards-Business Administration**

Acquire foundational knowledge of channel management to understand its role in marketing.

Manage channel activities to minimize costs and to determine distribution strategies.

Understand production's role and function in business to recognize its need in an organization.

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**Task Number 47**
Develop a promotional campaign.

**Definition**

Development should include the following objectives:

- To establish a positive image of the business.
- To create customer preference for the product or service over the competitors’ products or services.
- To select promotional activities such as personal selling, advertising, sales promotion, and public relations.

**Process/Skill Questions**

- Why should a business advertise?
- What current methods of advertising can be used to reach potential customers?
- What is the goal of a promotional campaign? How does this goal vary depending on the company or product?
- What are the advantages and disadvantages of the various promotional methods?
- What popular brands' campaigns might provide inspiration or guidance for one's own promotional campaign?

**FBLA Competitive Events and Activities Areas**

**American Enterprise Project**

**NBEA Achievement Standards for Entrepreneurship**

Create promotional activities for a given product.

Describe ways to evaluate the effectiveness of promotional efforts.

Select/prepare appropriate advertising activities for a business.

Select/prepare appropriate publicity activities for a business.

**National MBAResearch Standards-Business Administration**

Acquire a foundational knowledge of promotion to understand its nature and scope.

Implement quality-control processes to minimize errors and to expedite workflow.

Manage promotional activities to maximize return on promotional efforts.
Position products/services to acquire desired business image.

Understand the use of an advertisement's components to communicate with targeted audiences.

Developing a Financial Plan

Task Number 48

Estimate business income and expenses.

Definition

Estimation should include

- anticipated sales of the product or service
- the cost of the product or service
- the cost of promotional activities
- operating expenses (e.g., taxes, insurance, labor, regulatory costs, licenses)
- other variable costs
- other fixed costs.

Process/Skill Questions

- What business actions affect profit?
- What is the difference between fixed and variable expenses?
- When developing a budget, how can you estimate variable expenses?
- Why should a business establish a financial plan?
- What financial statements are vital to the development of the financial plan?
- How does seasonality of a product or service affect income?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Analyze for decision-making purposes the cash flow of a business.
Analyze for decision-making purposes the worth of a business.

Compare actual income and expenses to budgeted amounts for a specific period.

Determine the costs of starting a planned business.

Examine a profit/loss statement to determine whether a business is profitable.

Identify ongoing operational expenses.

Identify the costs of producing a specific product.

Project the total cash needed to start a business (e.g., start-up costs, ongoing operational expenses, and cash reserves).

National MBA Research Standards-Business Administration

Acquire a foundational knowledge of accounting to understand its nature and scope.

Implement accounting procedures to track money flow and to determine financial status.

Implement expense-control strategies to enhance a business's financial wellbeing.

Understand operation's role and function in business to value its contribution to a company.

Task Number 49

Create a budget.

Definition

Creation of a budget should involve estimating and listing expected revenues and expenses for a future period of time.

Process/Skill Questions

- Why is a budget necessary for financial evaluation and accountability?
- Who uses the budget? To whom is it important?
- What are the steps involved in creating a budget?
- What is a pro forma income statement?
• Why is it important to establish a budget and then live within that budget?
• Why is it important to save money each month?
• What unexpected events might occur that require one to use savings?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Compare actual income and expenses to budgeted amounts for a specific period.

Describe the importance of comparing plans/budgets with actual data from business records.

National MBAResearch Standards-Business Administration

Acquire a foundational knowledge of accounting to understand its nature and scope.

Analyze financial needs and goals to determine financial requirements.

Identify potential business threats and opportunities to protect a business's financial wellbeing.

Implement accounting procedures to track money flow and to determine financial status.

Manage personal finances to achieve financial goals.

Read to acquire meaning from written material and to apply the information to a task.

Task Number 50

Identify the break-even point.

Definition

Identification should include

• the definition of break-even point (i.e., the point at which sales revenue equals the total cost of producing and distributing the product or service)
• the reason for conducting a break-even analysis (i.e., to evaluate profit potential)
• the formula used to calculate the break-even point (i.e., fixed costs divided by selling price minus variable costs)
• the formula used to calculate net profit or loss (i.e., total revenue [income] minus total expenses [costs]).

Process/Skill Questions

• How does a business determine the break-even point for a product/service?
• How does the break-even point affect business decisions?
• How can the business owner communicate company financial goals to employees?
• Why is it important to determine break-even points before a business starts operation?
• When is equilibrium achieved?
• How does seasonality affect the break-even point projections?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Calculate the number of products to be sold to make a profit using break-even analysis.

Discuss factors that affect pricing.

Price a product in order to yield a profit.

National MBAResearch Standards-Business Administration

Analyze cost/profit relationships to guide business decision making.

Analyze financial needs and goals to determine financial requirements.

Task Number 51

Set a profit goal.

Definition

Setting a profit goal should include the following considerations:
The difference between making a profit and losing money is determined by comparing sales revenue to costs and expenses.
Profits may be increased by raising prices to boost income, or by lowering prices to boost sales volume.
Profit margins can be adjusted.

**Process/Skill Questions**

- What factors help a business set a profit goal?
- What role does the profit goal play in making business decisions?
- What are possible consequences of overestimating profit?
- How can profits be used to benefit the business?

**FBLA Competitive Events and Activities Areas**

**American Enterprise Project**

**NBEA Achievement Standards for Entrepreneurship**

Determine if a business is making a profit based on business records.

Discuss factors that affect pricing.

Identify elements of marketing (e.g., product, place, price, and promotion).

Price a product in order to yield a profit.

**National MBA Research Standards - Business Administration**

Analyze cost/profit relationships to guide business decision making.

Analyze financial needs and goals to determine financial requirements.

Develop a foundational knowledge of pricing to understand its role in marketing.

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**Task Number 52**

**Identify sources of capital.**

**Definition**
Identification should include a definition of *capital* (money, property, and equipment) and sources such as

- banks (particularly those specializing in small-business loans)
- investors, including venture capitalists
- personal assets, family, friends
- government loans.

**Process/Skill Questions**

- Why does a business need capital?
- How can a business attract investors?
- Are multiple sources of capital usually necessary for starting a business? Why, or why not?

**FBLA Competitive Events and Activities Areas**

**American Enterprise Project**

**NBEA Achievement Standards for Entrepreneurship**

Analyze for decision-making purposes the worth of a business.

Determine the resources needed to start a planned business (e.g., materials and labor).

Discuss types of funding within each funding source (e.g., mortgage, short-term loan, long-term loan, angel network, investors, and credit line).

List common sources from which entrepreneurs can borrow money.

**National MBAResearch Standards-Business Administration**

Analyze financial needs and goals to determine financial requirements.

Implement financial skills to obtain business credit and to control its use.

Manage financial resources to ensure solvency.

Manage personal finances to achieve financial goals.

Understand the fundamental principles of money needed to make financial exchanges.

Understand the use of financial-services providers to aid in financial-goal achievement.
Use investment strategies to ensure financial wellbeing.

Planning Business Operations

Task Number 53

Identify the staffing needs of the business.

Definition

Identification should determine the mix of staff needed at the entry, mid-management, and management levels.

Process/Skill Questions

- How does a business determine its staffing needs?
- Why is an organizational structure important to a business?
- How do business owners communicate staffing processes to employees?
- What are advantages and disadvantages of being an employer?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Assess alternatives to hiring permanent full-time employees.

Describe the role of compensation in relation to productivity when hiring individuals.

Design hiring procedures for a specific job, ranging from the initial advertisement to the final interview.

Design personnel policies for a planned business.

Identify situations where outsourcing should be used for hiring needs.

Identify skills and qualities needed for specific jobs and careers.
Identify sources of personnel for a small business.

Plan human resource needs and determine the types of employees required.

National MBAResearch Standards-Business Administration

Manage internal and external business relationships to foster positive interactions.

Manage staff growth and development to increase productivity and employee satisfaction.

Staff a business unit to satisfy work demands while adhering to budget constraints.

Utilize planning tools to guide organization's/department's activities.

Task Number 54

Develop job descriptions.

Definition

Developing job descriptions should include the following for each position:

- Writing a brief explanation of each important job task to be performed by the person in the position
- Listing the specialized knowledge and skills required for success in the position
- Recording the responsibilities (i.e., duties and tasks) required of the position.

Process/Skill Questions

- Why are job descriptions important to the employer? To the employee?
- What elements should be included in a job description?
- How can a job description be used to communicate with employees and new hires?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Design hiring procedures for a specific job, ranging from the initial advertisement to the final interview.
Design personnel policies for a planned business.

Develop job descriptions for positions in a planned business.

Identify skills and qualities needed for specific jobs and careers.

Plan human resource needs and determine the types of employees required.

National MBAResearch Standards-Business Administration

Communicate with staff to clarify workplace objectives.

Implement organizational skills to facilitate others' work efforts.

Write internal and external business correspondence to convey and obtain information effectively.

Task Number 55

Devise a workflow process.

Definition

Devising a workflow process should include a series of activities to achieve a business outcome. The sequence evolves

- from the beginning point
- through the different stages involving interaction among various departments and individuals working in a variety of positions (e.g., design, manufacturing, marketing, sales, finance)
- to completion of a final product or service.

Process/Skill Questions

- What are the benefits of mapping business workflow?
- Why is a documented workflow process necessary?
- How can a business use PERT (program evaluation and review technique) diagrams?
- How can an employee contribute to the workflow process?
- How can teamwork benefit a company’s productivity?

FBLA Competitive Events and Activities Areas
NBEA Achievement Standards for Management

Evaluate the effectiveness and efficiency of a production schedule.

Explain why high quality and efficiency standards are necessary to compete in the global marketplace.

Identify factors used in scheduling and the tools that assist in the process.

National MBA Research Standards - Business Administration

Implement organizational skills to facilitate others' work efforts.

Implement quality-control processes to minimize errors and to expedite workflow.

Utilize project-management skills to improve workflow and minimize costs.

Task Number 56

Develop quality-control procedures.

Definition

Development of quality-control procedures should include description of

- the inspection, testing, and assurance functions to be implemented
- the standard of performance to which employees will be held accountable.

Process/Skill Questions

- What is the purpose of quality control?
- Why should a business evaluate the quality of its product or service?
- How does the business owner communicate quality-control goals?
- What are some of the factors that affect quality control?
- How are products that are rejected in the quality control process recycled and reused?

FBLA Competitive Events and Activities Areas

American Enterprise Project
NBEA Achievement Standards for Entrepreneurship

Develop quality control procedures.

National MBA Research Standards-Business Administration

Apply quality assurances to enhance product/service offerings.

Manage staff growth and development to increase productivity and employee satisfaction.

Understand production's role and function in business to recognize its need in an organization.

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Staffing a Business

Task Number 57

Select employees.

Definition

Selecting or "hiring" employees for the business should include

- identifying a hiring need
- creating a job description
- posting and promoting job openings
- recruiting
- screening applicants
- interviewing applicants
- accessing applicant talent
- performing a background check
- deciding on finalists
- checking references
- extending a job offer
- hiring
- onboarding.
Process/Skill Questions

- What are the steps of the hiring process?
- What are effective methods of recruiting?
- How do companies advertise positions?
- What are the characteristics of a desirable employee?
- How can an employer prepare to interview applicants?
- Why are equal opportunity employment policies and laws important?
- How have the Internet and increased access to information affected the hiring process?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Assess alternatives to hiring permanent full-time employees.

Design hiring procedures for a specific job, ranging from the initial advertisement to the final interview.

Explain why friends and family members may not be an entrepreneur's best potential employees.

Identify characteristics of a good employee.

Identify sources of personnel for a small business.

Plan human resource needs and determine the types of employees required.

National MBAResearch Standards-Business Administration

Acquire foundational knowledge of business laws and regulations to understand their nature and scope.

Apply knowledge of business ownership to establish and continue business operations.

Implement job-seeking skills to obtain employment.

Staff a business unit to satisfy work demands while adhering to budget constraints.

Understand human-resource laws and regulations to facilitate business operations.
Task Number 58

Train employees.

Definition

Training employees for the business should follow established procedures for

- employee orientation
- on-the-job training
- implementation of a training plan.

A training plan ensures that all employees have the technical skills needed to perform the job efficiently.

Process/Skill Questions

- What is the purpose of an employee training plan?
- What types of things are covered in employee orientation? Why is this orientation important?
- Why is employee training important?
- How can a business manager best communicate policies and procedures to new employees?
- What are the long-term benefits of an employee training plan?
- Why is on-the-job training important both to the business and the employee?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Outline a training program for new employees.

National MBAResearch Standards-Business Administration

Acquire self-development skills to enhance relationships and improve efficiency in the work environment.

Communicate with staff to clarify workplace objectives.

Implement organizational skills to facilitate others' work efforts.
Manage staff growth and development to increase productivity and employee satisfaction.

Utilize career-advancement activities to enhance professional development.

Write internal and external business correspondence to convey and obtain information effectively.

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Task Number 59

Evaluate employees.

Definition

Evaluation of employees of the business should include:

- preparing a basic organizational chart for employees
- developing an evaluation method that is performance-based and objective
- addressing the employee’s accomplishment of job tasks
- addressing the employee’s quality of work habits
- addressing the employee’s comments and/or concerns
- reinforcing the employee’s strengths
- offering constructive criticism to help the employee improve
- recommending areas for improvement
- recommending the means for improvement
- presenting evaluation results to the employee
- following up on application of the employee training to improve job performance.

One should regard the following tips when performing an evaluation:

- Be specific.
- Spell out exactly what employees will have to do to achieve the goals and standards set for them.
- Give deadlines.
- Be realistic.
- Be honest.
- Be complete.
- Evaluate performance, not personality.
- Listen to the employees.

Process/Skill Questions

- Why is evaluation important to employee development?
- What methods of evaluation are appropriate for this business?
• How can employers best communicate performance-improvement needs to employees?
• Why is highlighting employee successes as well as areas for improvement important during evaluations?
• How can allowing the employee to self-evaluate affect job performance?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Appraise employee performance.

Outline procedures for handling employee suggestions and complaints.

National MBAResearch Standards-Business Administration

Apply verbal skills to obtain and convey information.

Communicate with staff to clarify workplace objectives.

Manage staff growth and development to increase productivity and employee satisfaction.

Write internal and external business correspondence to convey and obtain information effectively.

Operating and Evaluating a Business

Task Number 60

Offer the product or service for sale.

Definition

Offering the product or service for sale should include using the following steps of the selling process:

• Use pre-approach techniques.
• Approach the customer.
• Determine customer needs and wants.
• Present the product or service features as customer benefits.
• Answer and overcome customer objections.
• Use suggestion selling.
• Close the sale.
• Complete the transaction.
• Apply follow-up relationship-building strategies.

(Note: Length of course will dictate the type and the degree of difficulty/sophistication of this task.)

Process/Skill Questions

• How does a business determine the feasibility of selling a particular product or service?
• What are the steps in selling a product from start to finish?
• What are the steps in selling a service from start to finish?
• What step of the selling process is the most important for the company? For the customer?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Design a new product to meet unfilled consumer wants.

Design/select products to meet customer wants.

Estimate market share for a specific product or service.

Price a product in order to yield a profit.

National MBAResearch Standards-Business Administration

Acquire a foundational knowledge of selling to understand its nature and scope.

Acquire product knowledge to communicate product benefits and to ensure appropriateness of product for the customer.

Understand marketing’s role and function in business to facilitate economic exchanges with customers.
Understand promotional channels used to communicate with targeted audiences.

Understand sales processes and techniques to enhance customer relationships and to increase the likelihood of making sales.

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**Task Number 61**

**Create a basic income statement and balance sheet.**

**Definition**

Creating a basic income statement should include

- recording revenue
- determining cost of sales
- recording expenses
- calculating net income or net loss.

The income statement subtracts the expenses incurred to generate revenue from the total revenue. The net result reflects the company’s profit or loss for the period.

Creating a basic balance sheet should include

- assets, including accounts receivable
- liabilities, including accounts payable
- owners’ equity.

The balance sheet lists a breakdown of current assets, current liabilities, and net worth on a specific date.

Profit and loss statements are valuable accounting tools and effective partial indicators of financial health. They can show how money comes into a company and how it is leaving through expenses of all kinds.

**Process/Skill Questions**

- Why are accurate financial records needed by a business?
- What are the potential consequences of not tracking expenses?
- What are the advantages and disadvantages of using software to track business records? What software packages are popular with businesses today?
- How can up-to-date and accurate records help the business plan for the future?
- How often should a business complete an income statement? A balance sheet?
What are possible consequences of a business neglecting to generate an income statement?
What is the difference between an asset and a liability?
How should a company track business assets?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Compare actual income and expenses to budgeted amounts for a specific period.
Describe the interrelationships of various business records.
Describe the type of data that is kept in each business record.
Identify and complete basic records for a business (e.g., cash sales receipts, credit card receipts, and checkbook entries).
Identify types of financial records.
Prepare an opening day balance sheet for a planned business.
Prepare one-year pro forma statements for a planned business.
Select and complete appropriate records for a planned business.

National MBA Research Standards—Business Administration

Acquire a foundational knowledge of accounting to understand its nature and scope.
Acquire a foundational knowledge of finance to understand its nature and scope.
Acquire foundational knowledge of business laws and regulations to understand their nature and scope.
Acquire knowledge of commerce laws and regulations to continue business operations.
Apply knowledge of business ownership to establish and continue business operations.
Implement accounting procedures to track money flow and to determine financial status.
Implement expense-control strategies to enhance a business's financial wellbeing.
Implement purchasing activities to obtain business supplies, equipment, and services.

Maintain business records to facilitate business operations.

Understand human-resource laws and regulations to facilitate business operations.

Understand tax laws and regulations to adhere to government requirements.

Understand the fundamental principles of money needed to make financial exchanges.

---

**Task Number 62**

**Allocate profit.**

**Definition**

Allocation of profit should include documentation that allocation is based on the business plan and related legal documents (e.g., partnership agreement).

**Process/Skill Questions**

- What is the definition of profit?
- What is the difference between net profit and gross profit?
- What are some options for profit distribution?
- What is the difference between for-profit and non-profit businesses?
- How can businesses be socially responsible with regard to profit allocation?
- Why is it important for companies to be socially responsible?

**FBLA Competitive Events and Activities Areas**

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Determine if a business is making a profit based on business records.

Evaluate the financial condition of a firm based on business records.

Identify types of financial records.

Prepare one-year proforma statements for a planned business.
Task Number 63

Evaluate all functions of the business.

Definition

Evaluation should include the following functions:

- Accounting
- Finance
- Management
- Marketing
- Production and operations
- Sales

Process/Skill Questions

- How can a business measure success?
- Why should a business periodically self-evaluate?
- What steps can be taken if an area of the business falls short of expectations?
- Why is it important for a business to evaluate all functions of business?
- How are all functions important to the business?

FBLA Competitive Events and Activities Areas

American Enterprise Project

NBEA Achievement Standards for Entrepreneurship

Determine if a business is making a profit based on business records.

Establish control practices and procedures for a planned business.

Establish criteria to monitor achievement of the vision for a planned business.
Establish criteria to use for monitoring achievement of a personal vision.

Evaluate the financial condition of a firm based on business records.

Explain ways business owners can protect themselves from risks.

Identify the reasons for keeping business records.

Recognize that entrepreneurs must establish, maintain, and analyze appropriate records to make business decisions.

National MBAResearch Standards-Business Administration

Acquire a foundational knowledge of product/service management to understand its nature and scope.

Acquire a foundational knowledge of promotion to understand its nature and scope.

Acquire a foundational knowledge of selling to understand its nature and scope.

Acquire foundational knowledge of channel management to understand its role in marketing.

Acquire foundational knowledge of marketing-information management to understand its nature and scope.

Acquire information to guide business decision making.

Develop a foundational knowledge of pricing to understand its role in marketing.

Maintain business records to facilitate business operations.

Manage internal and external business relationships to foster positive interactions.

Read to acquire meaning from written material and to apply the information to a task.

Recognize management's role to understand its contribution to business success.

Understand operation's role and function in business to value its contribution to a company.
<table>
<thead>
<tr>
<th>Task</th>
<th>English:</th>
<th>History and Social Science:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identify characteristics of successful entrepreneurs.</td>
<td>6.4, 6.6, 7.4, 7.6, 8.4, 8.6</td>
<td>CE.11</td>
</tr>
<tr>
<td>Identify basic skills required of entrepreneurs.</td>
<td>6.4, 7.4, 8.4</td>
<td>CE.11, WHI.4, WHI.9</td>
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<tr>
<td>Explain the benefits and risks of starting a business.</td>
<td>6.4, 6.6, 7.4, 7.6, 8.4, 8.6</td>
<td>CE.11</td>
</tr>
<tr>
<td>Compare major types of business ownership.</td>
<td>6.6, 7.6, 8.6</td>
<td>CE.11, VUS.10</td>
</tr>
<tr>
<td>Identify customer needs and wants.</td>
<td>6.6, 7.6, 8.6</td>
<td>CE.11, CE.12, CE.13</td>
</tr>
<tr>
<td>Define the steps of market research.</td>
<td>6.4, 6.6, 7.4, 7.6, 8.4, 8.6</td>
<td>CE.11, CE.12, CE.13</td>
</tr>
<tr>
<td>Conduct market research.</td>
<td>6.6, 6.9, 7.6, 7.9, 8.6, 8.9</td>
<td>CE.11, CE.12, CE.13</td>
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<tr>
<td>Analyze the competitive environment.</td>
<td>6.4, 6.6, 7.4, 7.6, 8.4, 8.6</td>
<td>CE.11, CE.12, CE.13</td>
</tr>
<tr>
<td>Select a product or service.</td>
<td>6.1, 6.2, 7.1, 7.2, 8.1, 8.2</td>
<td>CE.11</td>
</tr>
<tr>
<td>Identify helpful resources, mentors, and professional advisers.</td>
<td>6.6, 6.9, 7.6, 7.9, 8.6, 8.9</td>
<td>CE.11, CE.12, CE.13, CE.14, VUS.14, WG.17, WHII.14</td>
</tr>
<tr>
<td>Explain the purpose of a business plan.</td>
<td>6.6, 7.6, 8.6</td>
<td>CE.12, CE.13</td>
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<tr>
<td>Task</td>
<td>Subjects</td>
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<tr>
<td>---------------------------------------------------------------------</td>
<td>-----------------------------------------------------</td>
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<tr>
<td>Describe the components of a business plan.</td>
<td>English: 6.6, 7.6, 8.6</td>
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<tr>
<td></td>
<td>History and Social Science: CE.11, CE.12, CE.13</td>
<td></td>
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<tr>
<td>Present a business plan for a small business.</td>
<td>English: 6.1, 6.2, 6.4, 6.7, 6.8, 7.1, 7.2, 7.4, 7.7, 7.8, 8.2, 8.4, 8.7, 8.8</td>
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<tr>
<td></td>
<td>History and Social Science: CE.1, CE.11, CE.12, CE.13, CE.14</td>
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<tr>
<td>Select a target market.</td>
<td>English: 6.2, 6.4, 6.6, 7.2, 7.4, 7.6, 8.2, 8.4, 8.6</td>
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<tr>
<td></td>
<td>History and Social Science: CE.11</td>
<td></td>
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<tr>
<td>Determine the price of the product or service.</td>
<td>English: 6.2, 7.2, 8.2</td>
<td></td>
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<tr>
<td></td>
<td>History and Social Science: CE.11</td>
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<tr>
<td></td>
<td>Mathematics: 6.5, 7.2, 8.4</td>
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<tr>
<td>Select the distribution method(s).</td>
<td>History and Social Science: CE.11, VUS.14, WG.17, WHII.14</td>
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<tr>
<td>Develop a promotional campaign.</td>
<td>English: 6.6, 7.6, 8.6</td>
<td></td>
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<tr>
<td></td>
<td>History and Social Science: CE.1, CE.11</td>
<td></td>
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<tr>
<td>Estimate business income and expenses.</td>
<td>English: 6.2, 6.6, 7.2, 7.6, 8.2, 8.6</td>
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<tr>
<td></td>
<td>History and Social Science: CE.1, CE.11</td>
<td></td>
</tr>
<tr>
<td>Create a budget.</td>
<td>History and Social Science: CE.14</td>
<td></td>
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<tr>
<td></td>
<td>Mathematics: 8.4</td>
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<tr>
<td>Identify the break-even point.</td>
<td>English: 6.4, 6.6, 7.4, 7.6, 8.4, 8.6</td>
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<tr>
<td></td>
<td>History and Social Science: CE.14</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mathematics: 8.17, A.2, A.4</td>
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<tr>
<td>Set a profit goal.</td>
<td>History and Social Science: CE.1, CE.14</td>
<td></td>
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<tr>
<td>Identify sources of capital.</td>
<td>English: 6.4, 6.6, 7.4, 7.6, 8.4, 8.6</td>
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<tr>
<td></td>
<td>History and Social Science: CE.11, CE.14, VUS.10, WHII.10, WHII.11</td>
<td></td>
</tr>
<tr>
<td>Identify the staffing needs of the business.</td>
<td>English: 6.4, 6.6, 7.4, 7.6, 8.4, 8.6</td>
<td></td>
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<tr>
<td>Develop job descriptions.</td>
<td>English: 6.7, 6.8, 7.7, 7.8, 8.7, 8.8</td>
<td></td>
</tr>
<tr>
<td>Devise a workflow process.</td>
<td>English: 6.1, 6.2, 7.1, 7.2, 8.1, 8.2</td>
<td></td>
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<tr>
<td>Develop quality-control procedures.</td>
<td>English: 6.4, 6.6, 7.4, 7.6, 8.4, 8.6</td>
<td></td>
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<tr>
<td>Select employees.</td>
<td>English: 6.1, 6.2, 7.1, 7.2, 8.1, 8.2</td>
<td></td>
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<tr>
<td></td>
<td>History and Social Science: CE.11</td>
<td></td>
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<tr>
<td>Task</td>
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<td>History and Social Science:</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
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<tr>
<td>Train employees.</td>
<td>6.1, 6.2, 7.1, 7.2, 8.1, 8.2</td>
<td>CE.11</td>
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<tr>
<td>Evaluate employees.</td>
<td>6.1, 6.2, 7.1, 7.2, 8.1, 8.2</td>
<td>CE.1, CE.14</td>
</tr>
<tr>
<td>Offer the product or service for sale.</td>
<td>6.1, 6.2, 7.1, 7.2, 8.1, 8.2</td>
<td>CE.1, CE.11</td>
</tr>
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<td>Create a basic income statement and balance sheet.</td>
<td>6.1, 6.2, 7.1, 7.2, 8.1, 8.2</td>
<td>CE.1, CE.11</td>
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<tr>
<td>Allocate profit.</td>
<td></td>
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<tr>
<td>Evaluate all functions of the business.</td>
<td>6.6, 6.7, 6.8, 6.9, 7.6, 7.7, 7.8, 7.9</td>
<td>CE.1, CE.14</td>
</tr>
</tbody>
</table>

**Instructional Scenarios**

**Mixing the Right Ingredients for a Partnership**

**Duty Area: Exploring Entrepreneurship**

Lisa is a hard-working and well-organized student with lots of entrepreneurial ideas. She enjoys baking cookies, pastries, and quick breads for her family and friends, who rave about her creations. Lisa dreams of starting her own small business, but she recognizes that it’s a lot of work to manage customer orders and complete the baking. So she decides to ask her best friend, Alicia—who is a math whiz—to help her start the home-based bakery. Alicia also has some experience in preparing meals for her siblings and her elderly grandmother, while her mom works nights. Because Alicia has several responsibilities at home, she often struggles to finish her school assignments on time, and she sometimes arrives late for study sessions. After a brief discussion about the business one afternoon, the two friends decide to form a partnership. However, Lisa’s mother is a bit apprehensive about the partnership due to Alicia’s home responsibilities, and she worries that the two friends may not be compatible business partners.

**Big Question**

- Before Lisa and Alicia launch their entrepreneurial business, what key considerations should the prospective partners discuss?

**Focused Questions**

- What entrepreneurial skills does Lisa have?
- What entrepreneurial skills does Alicia have?
- Compare Alicia’s and Lisa’s entrepreneurial characteristics.
- Is a partnership the best form of ownership for their company? Why or why not?
- What are the risks involved in starting an entrepreneurial enterprise?
• What are the risks involved in starting a partnership? A sole proprietorship? A corporation?
• What are the advantages of having your own home bakery business vs. working for a commercial/retail bakery?

Project-Based Assessment

• Complete a problem-solving model or decision-making flow chart for Lisa and Alicia's business partnership.

Resources

• YoungBiz.com
• U.S. Small Business Administration
A Doggone Good Idea for a Business

Duty Area: Conducting a Needs Assessment

Craig, a high school freshman, loves dogs, but his parents have not granted his wish to have a Great Dane. To spend more time with canines and also earn money, Craig would like to start a dog-walking business in his community. He often sees neighbors out with their dogs on the weekends, but he doesn’t see them as much during the week. He suspects that many people are short on time to walk their dogs during the workweek and also would use his services when they need to go away on weekends or on vacation. But Craig’s not totally sure if there are enough potential customers in his neighborhood or within biking distance. He also knows that a retired teacher in the same town offers a similar service, so he has some competition.

Big Question

- How will Craig determine if adequate need exists to support his business idea?

Focused Questions

- How can Craig estimate the number of dog owners in his neighborhood?
- What does Craig need to know about the competition?
- Who could Craig contact for professional advice on dog care?
- What types of additional services could Craig offer to distinguish his business from the competition?
- How will Craig set a price for his service?
- How will Craig promote his service?

Project-based Assessment:

- A written report assessing the pros and cons of Craig’s business idea. What steps should Craig take to be successful? What might cause him to fail? Present report and discuss with class.
Helping Hands

Duty Area: Planning a Product or Service

Toni, a high school senior, and her brother, Max, a sophomore, have been hearing their parents discuss how Toni and Max’s grandparents are needing more assistance around the house as they get older. Junk mail is piling up. The carpets need vacuuming. The leaves need raking. Allowing that there are other older residents in their community with similar needs, the siblings are thinking about introducing a new business service called Helping Hands. The company would assist senior citizens with household and yard chores, errands, and provide companionship for a few hours each week.

Big Question

- How will Toni and Max determine the feasibility of their business idea?

Focused Questions

- Where can they find demographic information on the number of senior citizens in their community?
- Are there professionals in the community who can provide information on the needs of the elderly?
- How will Toni and Max decide which specific services their small business can provide?
- How much time will be required to operate Helping Hands?
- How much start-up costs will be required?
- What resources and equipment will be needed?
- Will they need additional employees? If so, how much will they need to pay them?
- How much will Helping Hands charge clients per hour?

Project-based Assessment

- A multimedia presentation (slideshow, poster, flyer) identifying specific services the business will offer.

Resources

- Local Chamber of Commerce
- Local churches
- Local social services agencies
Kickflipping a New Business

Duty Area: Identifying the Need for a Business Plan

A newly formed partnership has a great idea for a skateboarding store in their town. The partners have conducted market research and have found an overwhelming need for a local business that sells skateboards and accessories, as the closest store is more than 40 miles away. Armed with their research and confident in their idea, the two partners put on their suits and ties for an appointment with their local banker. They have determined that a $50,000 loan, combined with their own savings, will provide the necessary capital to start their small business with a modest storefront in an older building near the university campus. Upon meeting with the bank executive, the two partners are surprised by the banker’s first question: “Where is your business plan?” Dumbfounded, the partners realize they’ve overlooked a crucial step in starting their business. The banker tells the partners that they have a great idea but advises them to return with a business plan in hand.

Big Question

- What is the purpose of a business plan?

Focused Questions

- Why is creating a business plan one of the first steps in a start-up venture?
- What are the components of a business plan?
- Why is each component an integral part of the plan?
- Where could an entrepreneur obtain assistance in creating a business plan?

Project-based Assessment

- Group project: Prepare a business plan for a new skateboard and accessory company. (Each group may be charged with conducting research and writing one component of the business plan, making a presentation, etc.)

Resources

- Local Chamber of Commerce
- Local banks
- Virginia Small Business Administration
- SCORE: Counselors to America's Small Businesses
You Got the Loan! Now What?

Duty Area: Preparing a Market Strategy

Chad and Mike have just secured a $50,000 loan from their local bank to help them launch a business that sells skateboards and accessories. The banker complimented the partners’ thorough business plan and indicated the plan was critical to securing the loan. The partners are now eager to prepare a market strategy for their business.

Big Question

• How will blending the four Ps (price, product, place, promotion) of marketing help the partners be successful?

Focused Questions

• Who is the target market?
• What is the process for determining product prices?
• How does competitor pricing affect the new business?
• How will the partners deliver the product to the customer?
• How will they determine a location for their business?
• How will the business be promoted?

Project-based Assessment

• A poster illustrating the four Ps of Marketing (Price, Product, Place, Promotion) as related to the new skateboarding business

Resources

• Local Chamber of Commerce
• Internet Center for Management and Business Administration
• SCORE: Counselors to America's Small Businesses
Help, Medic! Business Resuscitation Needed

Duty Area: Developing the Financial Plan

New owners have taken over a struggling restaurant chain. The restaurant has a great location, serves tasty food, and enjoys a loyal clientele. Nevertheless, the original owners had a cash flow problem, were unable to pay their bills on time, and thus were forced to sell the restaurant.

Big Question

- What first step must the new owners take to return the restaurant to firm financial footing?

Focused Questions

- Why is it important for the restaurant to estimate future expenses?
- How can a budget help keep the business on track?
- How can the restaurant owners determine the break-even point?
- What financial statements need to be generated and analyzed to help the restaurant owners set a realistic profit goal?
- As the restaurant prospers, where could the restaurant owners secure additional sources of capital?
- Why are loyal customers important to the restaurant’s future?

Project-based Assessment

- Compile a list of financial documents that are required for successful financial planning. Briefly describe the purpose of each document (e.g., income and expense statement, balance sheet, forecasted operating expenses).

Resources

- SCORE: Counselors to America's Small Businesses
Letting Go Without Losing Touch

Duty Area: Planning Business Operations

A few years have passed since Chad and Mike started a skateboard and accessory business in their hometown. They worked many long days and weekends to build their business from its original tiny location. Thanks to some good business decisions, the partners have developed strategic relationships with major skateboard manufacturers that have helped the company expand its product offerings and thus put it in position to enlarge its operations and increase staff. The partners need to hire three additional full-time employees and several part-time associates to keep up with customer demand.

Big Question

• As the business grows, how will the partners manage their expanding staff to ensure that the business retains its excellent reputation for quality products and knowledgeable customer service?

Focused Questions

• How will the needs of the business determine the experience level of new employees?
• Why is a detailed job description necessary for each position?
• How can each employee contribute to the workflow process to ensure a smooth-functioning business (e.g., employee-to-employee relationships, employee-to-customer relationships, and employee-to-supervisor relationships)?
• What could happen to the business if customer service declines?

Project-based Assessment

• Collect a minimum of five help-wanted ads from either print or online, and list the qualifications and skills needed by the applicant.
• Interview a friend, relative, or neighbor about his or her job and summarize the findings in a written job description.
• Develop an organizational chart showing the management structure for the expanded skateboarding company.

Resources

• SCORE: Counselors to America's Small Businesses
Thinking Fast on Your Feet

Duty Area: Staffing the Business

You are the weekend manager for a local fast-food restaurant. Your manager instructs you to hire three new cashiers and get them trained ASAP. The manager has also asked you to design a tool to evaluate the new employees after a 30-day introductory period.

Big Question

- What steps will you take to hire, train, and evaluate new employees?

Focused Questions

- What qualifications do the new employees need?
- How will you recruit applicants?
- What questions should you ask job candidates?
- What questions are illegal to ask job candidates?
- What are various types of training the restaurant could offer?
- What skills and behaviors should the evaluation tool assess?

Project-based Assessment

- Write a help-wanted ad for a fast-food restaurant employee.
- Complete a job application for an entry-level position.
- Perform mock interviews, with attention to appearance, poise, eye contact, voice tone, and active listening.

Resources

- Job applications from local businesses
- Local newspaper help-wanted ads
- CareerBuilder.com
- Employee Training and Development: Reasons and Benefits
Keeping Track of the Bottom Line

Duty Area: Operating the Business

Your FBLA chapter has decided to sell custom-designed T-shirts to the student body at your school. The chapter purchased plain shirts and has employed a local printer to apply the design, which was chosen in a school-wide contest. The T-shirts will be delivered in a few weeks, and now your chapter must build excitement for the product to generate sales. Most sales will involve cash. Your adviser has warned that accounting accuracy is critical to the project’s success and everyone’s final grade.

Big Question

- What steps will you take to ensure maximum sales and maintain accurate accounting of the project?

Focused Questions

- How will your chapter promote the T-shirts?
- When and where will you conduct sales?
- Should you offer any special promotions? Why or why not?
- How will you track T-shirt inventory once sales begin?
- What financial records should be kept?
- How will you handle cash transactions and ensure security of funds?

Project-based Assessment

- Poster or flyer promoting T-shirt sales
- Develop a simple accounting system for tracking sales.
- Develop a simple inventory system for tracking T-shirts sold.
- Written report summarizing the fundraising event and analyzing the overall outcome in terms of profit and loss

Resources

- FBLA-PBL
Giving Your Business a Checkup

Duty Area: Evaluating the Business

A start-up courier business has found great success in its first two years. The courier has increased its client base, realized a profit, and is now looking to evaluate its strengths and weaknesses before it moves to the next stage of growth. As one of the company’s first employees, and an important contributor to the company’s success, you are charged with gathering information for a comprehensive report on the overall health of the business.

Big Question

- Which principal functions of the business should be evaluated?

Focused Questions

- Should the evaluation report be measured against the business plan? Why or why not?
- Should the report include updates on competitors? Why?
- What are benchmarks?
- What key financial records should be evaluated?
- What is the overall outlook for the courier business?
- What opportunities exist for growth and expansion?
- Why should internal strengths and weaknesses be identified and evaluated?
- Why should external strengths and weaknesses be identified and evaluated?

Project-based Assessment

- Create a SWOT diagram summarizing the business’s strengths, weaknesses, opportunities, and threats.
Case Studies

**Human Resources: Emerson Homes and Renovations**
Develop interview questions to create a staff that fits Emerson's work culture and guidelines for reading nonverbal communication to help in the interview process.

**Marketing: Marketing the Entrepreneurial Spirit in an Economic Downturn**
Create a marketing plan using free and/or bartered resources.

Customer Service Infusion Units

Customer Service Infusion Units (CSIU) were designed to be infused with designated CTE courses to help students in those programs achieve additional, focused, validated tasks/competencies in customer service. These units are not mandatory, and, as such, the tasks/competencies are marked as "optional," to be taught at the instructor's discretion.

Entrepreneurship Infusion Units

Entrepreneurship Infusion Units may be used to help students achieve additional, focused competencies and enhance the validated tasks/competencies related to identifying and starting a new business venture. Because the unit is a complement to certain designated courses and is not mandatory, all tasks/competencies are marked “optional.”
# Appendix: Career Cluster Information

## Career Cluster: Business Management and Administration

<table>
<thead>
<tr>
<th>Pathway</th>
<th>Occupations</th>
</tr>
</thead>
</table>
| **General Management**   | Entrepreneur  
Human Resources Manager  
Master Scheduler  
Operations Manager  
Payroll Manager          |
| **Operations Management**| Chief Operating Officer  
Customer Service Representative  
Entrepreneur  
Marketing Manager  
Media Planner, Buyer  
Procurement Specialist  
Purchasing Manager  
Salesperson             |

## Career Cluster: Hospitality and Tourism

<table>
<thead>
<tr>
<th>Pathway</th>
<th>Occupations</th>
</tr>
</thead>
</table>
| **Lodging**                          | Bookkeeping, Accounting, or Auditing Clerk  
Chief Engineer  
Concierge  
Front Desk Clerk  
Front Office Manager  
Lodging Manager  
Marketing Manager |
| **Recreation, Amusements and Attractions** | Advertising and Promotions Manager  
Caterer  
Meeting and Convention Planner  
Recreation Supervisor  
Recreation Worker  
Retail Manager  
Sports Promoter |
| **Restaurants and Food and Beverage Services** | Destination Manager  
Entrepreneur  
Facilities Manager  
Food Service Manager  
Host, Hostess  
Meeting and Convention Planner |
| **Travel and Tourism**               | Human Resources Manager  
Meeting and Convention Planner  
Tour, Travel Guide  
Travel Agent |
<table>
<thead>
<tr>
<th>Pathway</th>
<th>Occupations</th>
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</thead>
</table>
| **Marketing Communications**  | Advertising and Promotions Manager  
Marketing Communication Manager  
Multimedia Artist, Animator  
Public Information Director  
Public Relations Manager |
| **Marketing Management**      | Advertising and Promotions Manager  
Art Director  
Entrepreneur  
Marketing Communication Manager  
Media Planner, Buyer  
Multimedia Artist, Animator  
Public Information Director  
Public Relations Manager |
| **Marketing Research**        | Database Administrator  
Market Research Analyst  
Merchandising Coordinator  
Product Planner |
| **Merchandising**             | Customer Service Representative  
Merchandise Buyer  
Merchandise Display, Window Trimmer  
Merchandise Manager  
Operations Manager  
Retail Manager |
| **Professional Sales**        | Account Executive  
Manufacturer's Sales Representative  
Media Planner, Buyer  
Sales Manager  
Salesperson  
Wholesale and Manufacturing, Technical and Scientific  
Products Sales Representative |