

# 2023-24 Competitive Events Guidelines



## Foundations of Entrepreneurship

Foundations of Entrepreneurship provides members with the opportunity to demonstrate knowledge around competencies in entrepreneurship. This competitive event consists of an objective test.

### Event Overview

**Division:** Collegiate

**Event Type:** Individual

**Event Category:** Objective Test, 100-multiple choice questions (breakdown of question by competencies below)

**Objective Test Time:** 50 minutes

**NACE Connections:** Career & Self-Development

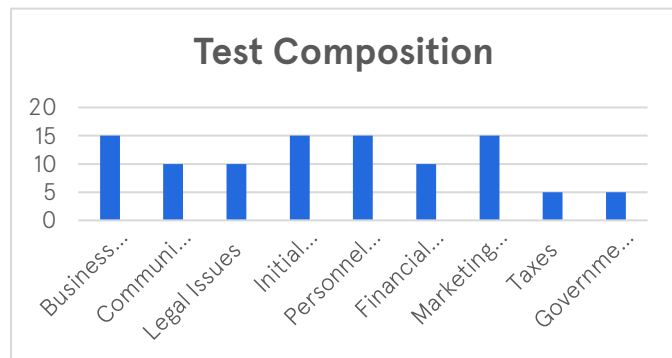
**Equipment Competitor Must Provide:** Pencil, Computer

**Equipment FBLA Provides:** One piece of scratch paper per competitor

*Only for members who have had no more than six credit hours on a semester schedule, or the equivalent of quarter hours, of entrepreneurship instruction at the collegiate level by May 1 of the current year.*

### Competencies

- Business Plan
- Community/Business Relations
- Legal Issues
- Initial Capital and Credit
- Personnel Management
- Financial Management
- Marketing Management
- Taxes
- Government Regulations



### State

Check with your State Leader for state-specific competition information.

### National

#### Policy and Procedures Manual

- Competitors should be familiar with the Competitive Events Policy & Procedures Manual, found on the Competitive Events page on [www.fbla.org](http://www.fbla.org).

#### Eligibility

- FBLA membership dues are paid by 11:59 pm Eastern Time on April 15<sup>th</sup> of the current program year.
- Members must be registered for the NLC and pay the national conference registration fee in order to participate in competitive events.
- Members must stay in an official FBLA hotel to be eligible to compete.
- Each state may submit four entries per event.

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- Each member can compete in up to two individual/team events and one chapter event (Community Service Project or State of Chapter Presentation).
- If competitors are late for an objective test, they will be allowed to compete until such time that results are finalized, or the accommodation would impact the fairness and integrity of the event. Competitive event schedules cannot be changed. Competitive events start in the morning before the Opening Session of the NLC.
- Picture identification (physical or digital driver's license, passport, state-issued identification, or school-issued identification) is required when checking in for competitive events.

### *Recognition*

- The number of competitors will determine the number of winners. The maximum number of winners for each competitive event is 10.

### *Event Administration*

- This event is an objective test administered online at the NLC.
- No reference or study materials may be brought to the testing site.
- No calculators may be brought into the testing site; online calculators will be provided through the testing software.

### *Tie Breaker*

- Ties are broken by comparing the correct number of answers to 10 pre-determined questions on the test. If a tie remains, answers to 20 pre-determined questions on the test will be reviewed to determine the winner. If a tie remains, the competitor who completed the test in a shorter amount of time will place higher.

### *Americans with Disabilities Act (ADA)*

- FBLA meets the criteria specified in the Americans with Disabilities Act for all competitors with accommodations submitted through the conference registration system by the registration deadline.

### *Penalty Points*

- Competitors may be disqualified if they violate the Competitive Event Guidelines or the Honor Code.
- Five points are deducted if competitors do not follow the Dress Code or are late to the testing site.

### *Electronic Devices*

- All electronic devices such as cell phones and smart watches must be turned off before competition begins.

## **Study Guide: Competencies and Tasks**

### A. Business Plan

1. Explain the benefits and liabilities of starting a business.
2. Evaluate the types of business ownership/organization structure and understand the advantages and disadvantages of each.

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3. Conduct initial feasibility studies by identifying industry trends, competition, and market segment using various research techniques.
  4. Select a business opportunity based on research.
  5. Create a company vision, mission, and short-and long-term strategic goals and plans.
  6. Develop and implement financial/budgeting plans including start-up costs and funding needed to begin the business.
  7. Prepare a management plan that incorporates legal requirements, business protection, quality control, operations, milestone strategy, and harvesting the business.
  8. Develop and organizational chart with staffing/human resource plans including job descriptions and recruitment techniques.
  9. Prepare an in-depth presentation for potential investors including banks and venture capitalists.
  10. Develop account reports for a two-year period.
- B. Community/Business Relations
1. Recognize the importance of union-management relationships and contracts to ensure business continuity.
  2. Develop and implement a public relations program for the company.
  3. Develop an ethical code of conduct and implementation process to include business relationships and community activities.
  4. Explain the role of business in the community.
  5. Develop appropriate methods to communicate business activities with the community and clients/customers.
- C. Legal Issues
1. Develop procedures for the legal review of documents and procedures, such as contracts.
  2. Develop procedures to retain accurate records.
  3. Demonstrate knowledge of social, ethical, and legal issues for small business.
  4. Demonstrate knowledge of the implementation of consumer protection laws.
  5. Apply legal interpretations to employee situations, retention of records, safety and security issues, and financial data.
  6. Develop an expressed and implied warranty for sale and return of goods.
- D. Initial Capital and Credit
1. Identify types of sources of credit and credit terms.
  2. Compare costs qualifications, and procedures for various forms of credit.
  3. Describe concepts of risk management including factors that affect business risk and rate of return.
  4. Complete credit forms and applications.
  5. Describe methods of solving credit problems.
  6. Identify and maintain records of the initial capital assets (current assets, investments, property, plan, and equipment, and intangible assets).
- E. Personnel Management
1. Prepare organizational charts and job descriptions to expediate workflow.

2. Develop, explain, and maintain written personnel policies, rules and procedures including a grievance system, to ensure consistency and to help employees perform their jobs.
  3. Evaluate the effects of employee absenteeism, errors, or other negative employee relations on business productivity.
  4. Plan, develop, and implement employee orientation and ongoing training programs.
  5. Develop employee recruitment plans to obtain qualified employees.
  6. Develop and manage an organization's salary administration and benefits program to service employees with options and benefits.
  7. Develop and implement a plan for evaluation of employee performance and productivity.
  8. Develop separate, termination, and transition procedures for processing employee personnel actions.
  9. Plan and manage work schedules and personnel to maximize operations.
  10. Maintain safe and healthy working conditions in compliance with OSHA standards.
  11. Identify and develop a professional growth plan for employees.
- F. Financial Management
1. Select an accounting system consistent with GAAP standards.
  2. Plan and maintain a budget.
  3. Record business transactions to track business activities and manage cash and banking procedures.
  4. Interpret financial data and statements to develop short-and long-term budgetary plans, to determine point of profitability and viability, and to analyze cash flow forecast.
  5. Apply computational skills to computerized financial documents.
- G. Marketing Management
1. Define industry characteristics, major competitors, and market segment.
  2. Determine, maintain, and improve the marketing mix.
  3. Apply strategies for determining and adjusting prices to maximize return and meet customer perception of value.
  4. Develop a process for delivering effective customer relation skills.
  5. Establish selling philosophies to develop customer loyalty and profitability.
  6. Disseminate information about products, services, and the firm to achieve a desired outcome for a product or service.
  7. Gather, access, synthesize, evaluate, and disseminate marketing information to make business decisions.
  8. Identify current business trends to recognize changes needed in business operations.
  9. Develop and implement a strategic plan for supply chain management.
- H. Taxes
1. Demonstrate knowledge of the current state and federal regulations to apply the tax doe.
  2. Use tax preparation procedures to determine tax liability for the organization.
  3. Analyze tax structure and consequences to assist in business decision making.

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4. Apply regulations regarding employee/employer taxes.
- I. Government Regulations
  1. Define, interpret, and apply federal, state, and local regulations to small business ownership.
  2. Exhibit ethical conduct in business negotiations and decisions.
  3. Understand the role of government in business.
  4. Identify and keep current with laws and regulations that affect business practices.