
ENTREPRENEURSHIP

Overview

Owning and managing a business is the goal of many Americans. This event recognizes FBLA members who demonstrate the knowledge and skills needed to establish and manage a business.

This event consists of two parts: an objective test and a role play. If competing as a team, the objective test is taken collaboratively by the team. The top fifteen individuals/teams scoring the highest on the objective test will advance to the final round and participate in the role play component. The role play case will be a decision-making problem encountered by entrepreneurs in one or more of the following areas: business planning, human relations, financial management, or marketing.

This event is for an individual or a team of two or three members.

Competencies

<http://www.fbla-pbl.org/competitive-event/entrepreneurship/>

Website Resources

- A Definition of Entrepreneurship
<http://www.quickmba.com/entre/definition/>
- Introduction to Entrepreneurship
<http://www.hbs.edu/entrepreneurship/resources/>
- Glossary of Terms and Key Concepts
<https://quizlet.com/9513798/entrepreneurship-key-terms-flash-cards/>

ENTREPRENEURSHIP SAMPLE QUESTIONS

- 1) Which one of the following is usually included on the cover page of the business plan?
 - A) photo of business site
 - B) business opening date
 - C) disclaimer
 - D) banker name and address

Competency: Business Plan

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- 2) The type of corporation that avoids the issue of double taxation is called a(n):
- A) S-Corporation
 - B) P-Corporation
 - C) T-Corporation
 - D) C-Corporation

Competency: Business Plan

- 3) Which one of the following is **true** concerning the product/service description section of the business plan?
- A) environmental challenges faced
 - B) plans to expand the product line or service
 - C) possible issues due to competition
 - D) how customer needs will be addressed over time

Competency: Business Plan

- 4) Which one of the following describes non-recurring costs associated with setting up a business?
- A) labor costs
 - B) opportunity costs
 - C) startup costs
 - D) marketing costs

Competency: Business Plan

- 5) A process that organizations use to help them identify and address the staffing implications of business plans and strategies is called:
- A) marketing plan
 - B) workforce planning
 - C) quality assurance testing
 - D) benefit analysis

Competency: Business Plan

- 6) Which one of the following management skills should a prospective team member possess?
- A) committed to their personal success
 - B) used to adversity
 - C) prepared to recruit high-quality people
 - D) risk takers

Competency: Business Plan

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- 7) GAAP stands for which one of the following?
- A) Generally Accepted Accounting Principles
 - B) Generally Accepted Audited Pages
 - C) Generally Audited Accounting Pages
 - D) Generally Authorized Accounting Principles

Competency: Financial Management

- 8) From an accounting perspective, which one of the following describes raw materials, work in progress and finished products waiting to be sold?
- A) liabilities
 - B) credit
 - C) cash
 - D) inventory

Competency: Financial Management

- 9) Tammy is concerned that she may **not** have enough money to pay all of her new company's expenses in the first year. She should forecast which one of the following to identify if she has enough money for her first year in business?
- A) cash flow
 - B) income
 - C) profit
 - D) depreciation

Competency: Financial Management

- 10) Which one of the following is a governmental agency that provides counseling to help people start businesses?
- A) SBA
 - B) FCC
 - C) SEC
 - D) FTC

Competency: Initial Capital and Credit

- 11) Sales risk is the risk that no one will buy your product. Which is an action that can reduce that risk?
- A) effective advertising
 - B) adding variety to the product and custom produce
 - C) free products to promote sales
 - D) reduced pricing

Competency: Initial Capital and Credit

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- 12) In accounting, receivables, inventory, work in process, and cash are defined as:
- A) current assets
 - B) liabilities
 - C) fixed assets
 - D) long-term assets

Competency: Initial Capital and Credit

- 13) Megan's is opening a new pet grooming salon that will feature mobile trucks to perform in-home grooming. She is offering this service because no other groomer has this capability. For Megan's business, providing home grooming is called a(n):
- A) competitive advantage
 - B) target market
 - C) industry trend
 - D) market segment

Competency: Marketing Management

- 14) Outsourcing is a method by which larger businesses:
- A) hire other businesses to provide goods/services instead of doing it themselves
 - B) hire more employees
 - C) work more hours
 - D) hire more management personnel

Competency: Marketing Management

- 15) All of the following are steps to take prior to writing a marketing plan **except**:
- A) identify core values
 - B) define the message
 - C) build brand equity
 - D) define channel strategies

Competency: Marketing Management

- 16) A document that defines an employee's specific role and responsibilities within an organization is called a(n):
- A) training program
 - B) work flow analysis
 - C) organizational chart
 - D) job description

Competency: Personnel Management

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- 17) What is the most efficient method—because of its low cost and the fact that it allows a maximum amount of information to be covered in a short amount of time—to use if you need to train a large number of employees on general company procedures?
- A) role-playing
 - B) on-the-job training
 - C) lectures
 - D) conferences

Competency: Personnel Management

- 18) Which one of the following is used to evaluate an employee's ability to meet the requirements of their particular job?
- A) performance review
 - B) employee handbook
 - C) work flow audit
 - D) human resources review

Competency: Personnel Management

- 19) What is the tax imposed at the federal level on the profit of all entities treated as corporations called?
- A) corporate employee tax
 - B) corporate sales tax
 - C) corporate income tax
 - D) corporate use tax

Competency: Taxes

- 20) Which one of the following describes an organization's obligation to act to benefit society at large?
- A) social studies
 - B) social responsibility
 - C) social science
 - D) social awareness

Competency: Taxes

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- 21) What is the lawful minimization of tax liability through sound financial planning techniques called?
- A) tax base
 - B) tax adjustment
 - C) tax avoidance
 - D) tax audit

Competency: Taxes

- 22) The _____ defines what business the company is in.
- A) competitive analysis plan
 - B) action plan
 - C) strategic plan
 - D) mission statement

Competency: Community/Business Relations

- 23) Which one of these actions is an example of corporate social responsibility?
- A) downsizing the workforce
 - B) increasing sales to the community
 - C) moving a manufacturing facility to another city
 - D) corporate employees working at a homeless shelter

Competency: Community/Business Relations

- 24) A company's interactions with the community in which it resides is called:
- A) community awareness
 - B) community centers
 - C) community regulations
 - D) community relations

Competency: Community/Business Relations

- 25) What plan specifies the legal form of organization that the venture will take, whether that is sole proprietorship, partnership, LLC, or corporation?
- A) competitors
 - B) organization
 - C) marketing
 - D) financial

Competency: Government Regulations

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- 26) The sale of certain items like liquor, food, gasoline, or firearms may require a:
- A) training certificate
 - B) certificate of occupancy
 - C) license
 - D) lease agreement

Competency: Government Regulations

- 27) The act that prohibits any contract or agreement entered into for the purpose of restraining trade is the:
- A) Sherman Antitrust Act
 - B) Standard Trust Act
 - C) Standard Antitrust Act
 - D) Sherman Restraint of Trade Act

Competency: Government Regulations

- 28) Which one of the following describes the primary rules governing the management of a corporation in the United States and are filed with a state?
- A) articles of incorporation
 - B) business code of conduct
 - C) personnel policy
 - D) state tax license

Competency: Legal Issues

- 29) The formal statement of what a business expects in the way of ethical behavior is:
- A) Code of Ethics
 - B) Strategic Plan
 - C) Mission Statement
 - D) SWOT Analysis

Competency: Legal Issues

- 30) Which one of the following is a promise that a product that is sold will be merchantable and fit for the purpose for which it is sold?
- A) warranty
 - B) rebate
 - C) sales contract
 - D) purchase order

Competency: Legal Issues