

B.E. Publishing

Correlations to *Essentials of Entrepreneurship* to Certiport Entrepreneurship and Small Business Certification (ESB)

The ESB certification is built to test and validate foundation-level concepts and knowledge in entrepreneurship and small business management. These core concepts include entrepreneurship; recognizing and evaluating opportunities; planning for, starting, and operating a business; marketing and sales; and financial management. For each core concept, the ESB exam will certify knowledge and skills on several specific objectives.

STANDARD	CORRELATING PAGES
Section I The Entrepreneur	
Section 1.1: Identify the characteristics entrepreneurs have.	Narrative: Ch. 1 p. 11 Characteristics of a Successful Entrepreneur, Ch. 2 p. 31 Entrepreneurial Discovery Activity: Ch. 1 Create and Design, Ch. 1 Test Your Knowledge #6
Section 1.2: Given a scenario including a self-assessment outcome, identify the strengths, weaknesses, and risk tolerance the self-assessment identifies and how to compensate with services.	Narrative: Ch. 1 p. 11 Characteristics of a Successful Entrepreneur, Ch. 1 p. 15 Self-Assessment, Ch. 1 p. 9 Ethics in Entrepreneurship Activity: Ch. 1 Create and Design
Section 1.3: Given a scenario, demonstrate the ability to recognize a business opportunity.	Narrative: Ch. 2 p. 34 Starting a Business Venture Activity: Ch. 2 Listen and Speak
Section 1.4: Identify the risks, benefits, opportunities, and drawbacks of being an entrepreneur.	Narrative: Ch. 1 p. 13 Advantages and Disadvantages of Entrepreneurship Activity: Ch. 1 Listen and Speak, Ch. 1 Test Your Knowledge #3
Section II Opportunity Recognition	
Section 2.1: Identify the benefits and drawbacks of different types of opportunities (e.g. start a new business, buy an existing business, and buy a franchise.)	Narrative: Ch. 5 p. 78 Ways to Start a Business Activity: Ch. 5 Listen and Speak, Ch. 5 Test Your Knowledge #1
Section 2.2: Given a scenario, analyze the demand for the good or service and opportunities in an environment	Narrative: Ch. 4 p. 74 Build It Activity: Ch. 4 Build It
Section 2.3: Given a scenario, identify the customers or potential customers for a business.	Narrative: Ch. 4 p. 74 Build It, Ch. 16 p. 320 Finding and Retaining Customers Activity: Ch. 4 Build It
Section 2.4: Given a scenario, recognize a value proposition.	Narrative: Ch. 17 p. 339 Setting Prices Activity: Ch. 17 Test Your Knowledge #4

STANDARD		CORRELATING PAGES
Section III Starting A Business		
Section 3.1:	Identify the purposes and value of a business plan.	Narrative: Ch. 1 p. 19 Build It, Ch. 3 p. 44 Creating a Business Plan Activity: Ch. 3 Create and Design
	A. Understand the components of a typical business plan.	Narrative: Ch. 1 p. 19 Build It, Ch. 3 p. 44 Creating a Business Plan Activity: Ch. 3 Test Your Knowledge #1 and #4
Key concepts:	<ul style="list-style-type: none"> Define what a business plan is and what it is used for. List and define the components found in a typical business plan, including executive summary, pro-forma financial statements with financial projections and includes the basics from a business model canvas. Describe what each component's purpose is for. Explain how a business plan will help you make realistic decisions about starting and operating your business. 	
	B. Be familiar with the strategic planning aspects of a business plan	Narrative: Ch. 1 p. 19 Build It, Ch. 3 p. 44 Creating a Business Plan Activity: Ch. 3 Test Your Knowledge #5
Key concepts:	<ul style="list-style-type: none"> Explain how a business plan will help you make realistic decisions about starting and operating your business. Describe how a business plan is a strategic plan to help guide you through the startup process. Demonstrate how different outcomes can be arrived at with different input assumptions in your business plan (for example, by changing the price of your product or service). 	
	C. Know some of the resources available to help you create a business plan	Narrative: Ch. 3 p. 48 Business Plan Resources Activity: Ch. 3 Create and Design, Ch. 3 Test Your Knowledge #6
Key concepts:	<ul style="list-style-type: none"> Identify good resources for examples of business plans, including the Small Business Administration https://www.sba.gov/tools/business-plan/1 and http://www.bplans.com, https://leanstack.com/lean-canvas/ http://www.businessmodelgeneration.com/canvas/bmc. Read some sample business plans on these websites and notate similarities you find for your business. 	
Section 3.2:	(BASIC) Identify the appropriate legal structure, benefits and drawbacks for different legal structures for a business.	Narrative: Ch. 5 p. 82 Forms of Business Ownership Activity: Ch. 5 Create and Design
	A. Understand the different basic types of business formation	Narrative: Ch. 5 p. 82 Forms of Business Ownership Activity: Ch. 5 Create and Design, Ch. 5 Test Your Knowledge #5
Key concepts:	<ul style="list-style-type: none"> List and define the main types of business including sole proprietorship, partnership, and corporation. Explain the benefits and drawbacks of each type of business structure. Describe the liability issues associated with each type of business structure. 	
	B. Understand the business structure different existing companies are organized under.	Narrative: Ch. 5 p. 82 Forms of Business Ownership Activity: Ch. 5 Create and Design, Ch. 5 Test Your Knowledge #6.

STANDARD		CORRELATING PAGES
	Key concepts: <ul style="list-style-type: none"> Research and identify at least one existing company that is organized under each type of business structure. 	
Section 3.3:	Given a scenario, calculate the amount of money (cash and credit) needed to start a business.	Narrative: Ch. 6 p. 122 Build It Activity: Ch. 6 Build It
	A. Understand and calculate startup costs	Narrative: Ch. 6 p. 110 Types of Business Budgets Activity: Ch. 6 Build It
	Key concepts: <ul style="list-style-type: none"> Describe all materials, construction, inventory, personnel, etc. that will be needed to start the business. Explain the costs associated with starting the business as they relate to the items mentioned above. Develop a timeline of when things will need to be done, and the cost associated with each item. Calculate a total startup cost amount. 	
	B. Understand and calculate ongoing (i.e. operating) business expenses	Narrative: Ch. 6 p. 110 Types of Business Budgets Activity: Ch. 6 Test Your Knowledge #12
	Key concepts: <ul style="list-style-type: none"> Describe all supplies, personnel (i.e. wages and salaries), inventories, insurance, utilities, repair & maintenance, and other operating costs associated with funding the business once it is running. Explain the costs associated with running the business as they relate to the items mentioned above. Estimate how much money will be needed on-hand to operate the business at a loss for a period of time (such as one year), until the business can become profitable. Calculate an ongoing expense budget. 	
Section 3.4:	(BASIC) Given a scenario, identify different types of licenses and regulations that are required.	Narrative: Ch. 5 p. 82 Forms of Business Ownership Activity: Ch. 5 Create and Design, Ch. 5 Read and Write, Ch. 5 Test Your Knowledge #3
	A. Understand the regulatory environment of your chosen business	Narrative: Ch. 5 p. 94 Policies, Laws, and Regulations Activity: Ch. 5 Create and Design, Ch. 5 Read and Write, Ch. 5 Test Your Knowledge #3
	Key concepts: <ul style="list-style-type: none"> Identify regulations that apply to all business (ADA accessibility, for example). Discuss how typical companies comply with these regulations. 	
	B. Be familiar with any licenses that will be required for your chosen business	Narrative: Ch. 5 p. 82 Forms of Business Ownership Activity: Ch. 5 Create and Design, Ch. 5 Read and Write, Ch. 5 Test Your Knowledge #3
	Key concepts: <ul style="list-style-type: none"> Identify one or two typical licenses that are required for most businesses (for example, a liquor license if you were opening a restaurant that serves alcohol). 	
Section 3.5:	Identify the benefits and drawbacks of various sources of start-up funding: equity (friends/family, angel investors, venture), debt (bank, credit cards, personal loans), grants (government, foundation, corporate).	Narrative: Ch. 7 p. 126 Venture Funding Activity: Ch. 7 Listen and Speak

STANDARD		CORRELATING PAGES
	A. Understand different sources of start-up money that may be available to help you start your business.	Narrative: Ch. 7 p. 126 Venture Funding Activity: Ch. 7 Listen and Speak, Ch. 7 Create and Design
Key concepts:	<ul style="list-style-type: none"> Identify all potential sources of funding for starting your business. Explain the pros and cons of utilizing each potential source of funding. Calculate how much money will be needed from each source. 	
	B. Be familiar with the time-value of money	Narrative: Ch. 7 p. 131 Using Credit, Ch. 8 p. 156 Interest Rates Activity: Ch. 7 Test Your Knowledge #6, Ch. 7 Listen and Speak
Key concepts:	<ul style="list-style-type: none"> Understand the concept of interest. Calculate an interest rate for paying back borrowed money over a given time period. Explain why money today is worth more in the future. Describe the concept of risk (i.e. uncertainty) and its relationship to interest rates when borrowing money. Calculate how much money will need to be paid back at a given time period (i.e. monthly, quarterly, annually, etc.) 	
	C. Understand the concept and importance of cash-flow	Narrative: Ch. 6 p. 102 Accounting Practices, Ch. 6 p. 110 Types of Business Budgets Activity: Ch. 6 Test Your Knowledge #2
Key concepts:	<ul style="list-style-type: none"> Explain the difference between cash and credit. Understand the concept of accounts receivable and accounts payable. Describe how you can pay the financial obligations if they come due before the business has collected money that is owed to it. Develop a cash flow strategy for your business. 	
	D. Understand the difference between equity and debt	Narrative: Ch. 7 p. 126 Venture Funding Activity: Ch. 7 Test Your Knowledge #7
Key concepts:	<ul style="list-style-type: none"> Define equity as ownership of the company, and explain why it is important for financing your business. Define debt as borrowing money, and explain why it is important for financing your business. Describe the difference between issuing bonds as a method of borrowing money vs. borrowing money from a bank or other lending institution. 	
Section 3.6:	Given a scenario, identify support that is available for the business on a local, state, and federal level.	Narrative: Ch. 8 p. 163 Entrepreneurship Infrastructure Activity: Ch. 8 Listen and Speak
	A. Know some of the mentoring resources available to help you create a business plan	Narrative: Ch. 8 p. 163 Entrepreneurship Infrastructure Activity: Ch. 8 Listen and Speak

Key concepts:	<ul style="list-style-type: none"> Identify resources such as the Service Corps of Retired Executives, or “SCORE” (https://www.score.org) who can help you with free business startup training and mentoring, and https://www.entrepreneur.com that can give you some good ideas. Explain why these resources are valuable to helping entrepreneurs start a business. Meet with a SCORE executive, or another mentor to help you formulate a business plan.
B. Understand the value of the Small Business Administration to help you start a business	Narrative: Ch. 8 p. 163 Entrepreneurship Infrastructure Activity: Ch. 8 Listen and Speak, Ch. 8 Test Your Knowledge #9
Key concepts:	<ul style="list-style-type: none"> Explore the Small Business Administration website (https://www.sba.gov). Describe the services available from the SBA and how they may help you formulate a business plan, obtain funding, and start your business. From research with the SBA, identify sources of loans and grants available for starting your business.
C. Become familiar with federal and local Chamber of Commerce resources	Narrative: Ch. 8 p. 163 Entrepreneurship Infrastructure Activity: Ch. 8 Listen and Speak
Key concepts:	<ul style="list-style-type: none"> Explore the US Chamber of Commerce website at (https://www.uschamber.com) Describe the programs available from the Chamber of Commerce Explore the local Chamber of Commerce in your area.
D. Become familiar with trade organizations in the area that your business is in	Narrative: Ch. 8 p. 163 Entrepreneurship Infrastructure Activity: Ch. 8 Listen and Speak
Key concepts:	<ul style="list-style-type: none"> Research and identify trade organizations, guilds, consortiums, clubs, etc. that serve the your specific business. Identify trade publications, journals, magazines, etc. that serve your business.
Section 3.7:	(BASIC) Identify the ethical practices and social responsibilities of a business. Narrative: Ch. 6 p. 106 Ethical and Legal Considerations in Accounting, Ch. 11 p. 232 The Nature of Business Ethics Activity: Ch. 6 Test Your Knowledge #14, Ch. 11 Read and Write, Ch. 11 Listen and Speak
A. Understand ethics as related to an example business	Narrative: Ch. 11 p. 232 The Nature of Business Ethics Activity: Ch. 11 Read and Write, Ch. 11 Listen and Speak, Ch. 11 Test Your Knowledge #9
Key concepts:	<ul style="list-style-type: none"> Identify a small business that you are aware of (such as a coffee shop) and define the ethical and socially responsible aspects that must be considered. Create a statement of business ethics for this business. Identify the liability that a typical small business may have for potential ethics violations.
B. Develop a plan for dealing with ethical considerations for a typical small business.	Narrative: Ch. 11 p. 234 Entrepreneurial Ethics, Ch. 11 p. 232 The Nature of Business Ethics Activity: Ch. 11 Read and Write

	Key concepts:	<ul style="list-style-type: none"> Identify potential ethical pitfalls for a typical small business. Describe the responsibilities the business has in the local community.
	C. Be familiar with environmental regulations	Narrative: Ch. 11 p. 221 Legal System at Work Activity: Ch. 11 Test Your Knowledge #4
	Key concepts:	<ul style="list-style-type: none"> Identify environmental regulations that may impact a typical small business, including waste disposal, recycling, water usage, etc.
Section 3.8:	Identify potential exit strategies for a business	Narrative: Ch. 19 p. 368 Understanding Exit Strategies Activity: Ch. 19 Listen and Speak, Ch. 19 Test Your Knowledge #1
	A. Understand the product life cycle and know when and if it is time to exit the business as it exists in its current form	Narrative: Ch. 19 p. 372 Knowing When to Exit Activity: Ch. 19 Create and Design, Ch. 19 Test Your Knowledge #2
	Key concepts:	<ul style="list-style-type: none"> Define product life cycle. Understand where in the PLC your business is at any given time. Identify scenarios where the business has hit a natural “ceiling” and as the owner, you must do something to move it to the next level.
	B. Be familiar with the main types of exit strategies	Narrative: Ch. 19 p. 368 Understanding Exit Strategies Activity: Ch. 19 Listen and Speak, Ch. 19 Test Your Knowledge #3, #4, and #5
	Key concepts:	<ul style="list-style-type: none"> List and define the main types of exit strategy, such as merger, initial public offering, sell for cash, or close and liquidate. Explain the pros and cons of each one of these strategies. Describe why you would want to have an exit strategy in place at any given time in the life of the business.
	C. Know the value of the company, and the sum of its parts	Narrative: Ch. 19 p. 374 Assessing Company Value Activity: Ch. 19 Test Your Knowledge #6, #7, and #8
	Key concepts:	<ul style="list-style-type: none"> Identify the physical assets of the company such as equipment, inventory, and real-estate and place a value on these assets. Identify the non-physical assets of the company, such as good-will, patents, and trademarks and place a value on these assets. Assess the business environment and identify opportunities to divest the business.
Section IV Business Operations		
Section 4.1:	(BASIC) Given a scenario, identify key positions and human capital needs (including compensation and benefits)	Narrative: Ch. 12 p. 250 Organizational Functions, Ch. 13 p. 270 Compensation Activity: Ch. 12 Build It, Ch. 12 Create and Design, Ch. 13 Test Your Knowledge #3
	A. Understand who the necessary main employees would be for starting a small business.	Narrative: Ch. 12 p. 250 Organizational Functions, Ch. 13 p. 270 Compensation Activity: Ch. 12 Build It, Ch. 12 Test Your Knowledge #2

	Key concepts:	<ul style="list-style-type: none"> List the main employees for a typical small business, and their roles. Explain the limitations of hourly employees. Understand mandatory breaks and required hours for employees.
	B. Understand compensation for a small business	Narrative: Ch. 13 p. 270 Compensation Activity: Ch. 13 Test Your Knowledge #4, #5, #6
	Key concepts:	<ul style="list-style-type: none"> Define hourly wages and overtime pay. Define exempt vs. non-exempt salaried employees Understand how tips (when appropriate) factor into employee compensation. Understand mandatory minimum wage for hourly non-exempt employees.
Section 4.2:	Given a scenario, determine whether work can be completed by the owner or whether employees or service providers are needed.	Narrative: Ch. 12 p. 250 Organizational Functions Activity: Ch. 12 Build It
	A. Understand the employment needs of the business	Narrative: Ch. 12 p. 250 Organizational Functions Activity: Ch. 12 Build It, Ch. 12 Test Your Knowledge #5
	Key concepts:	<ul style="list-style-type: none"> Define the outcomes of the business and backfill employees needed to accomplish these outcomes. Explain what employees will be needed prior to the business opening. The owner(s) can provide much of the employment needs before the business opens, but some help may need to be brought in along the way. Identify roles that can be performed by outside service providers, such as accountants, legal, design, IT and HR.
	B. Determine an employee need growth chart	Narrative: Ch. 12 p. 250 Organizational Functions Activity: Ch. 12 Read and Write, Ch. 12 Create and Design, Ch. 12 Test Your Knowledge #5
	Key concepts:	<ul style="list-style-type: none"> Define the business hierarchy. List business outcomes to specific tasks and link these tasks to specific employees. Define all of the jobs and tasks the owner(s) can accomplish. Describe the overlap of employees. It is best to have each employee do more than one job and dangerous to have certain tasks done ONLY by one employee (except for the owner).
Section 4.3:	(BASIC) Given a scenario, identify the taxes that are required.	Narrative: Ch. 11 p. 223 Tax Laws Activity: Ch. 11 Test Your Knowledge #6
	A. Understand the idea of taxation.	Narrative: Ch. 11 p. 223 Tax Laws Activity: Ch. 11 Test Your Knowledge #6
	Key concepts:	<ul style="list-style-type: none"> Define taxation in general. Explain where the money comes from to pay taxes in a small business.
	B. Identify different types of taxes that apply to a business.	Narrative: Ch. 11 p. 223 Tax Laws Activity: Ch. 11 Test Your Knowledge #6 and #10

	Key concepts: <ul style="list-style-type: none"> • Explain the difference between taxes that a business may be involved with (i.e. sales tax, employee tax withholding, and tax on any profit the business may earn). • Explain how a business withholds sales tax. • Explain how a business withholds taxes from employee paychecks. 	
Section 4.4:	Given a scenario, identify intellectual property issues of trademarks, copyrights and patents.	Narrative: Ch. 11 p. 235 Navigating Copyright and Intellectual Property Activity: Ch. 11 Build It
	A. Understand the difference between tangible and intangible assets	Narrative: Ch. 11 p. 235 Navigating Copyright and Intellectual Property Activity: Ch. 11 Build It, Ch. 11 Test Your Knowledge #11
	Key concepts: <ul style="list-style-type: none"> • Define tangible asset. • Define intangible asset. • List some examples of tangible assets that would be common to a small business. • List some examples of intangible assets that would be common to a small business. 	
	B. Be familiar with the concept of intellectual property	Narrative: Ch. 11 p. 235 Navigating Copyright and Intellectual Property Activity: Ch. 11 Test Your Knowledge #12
	Key concepts: <ul style="list-style-type: none"> • Define and trademark, copyright and trademark • Understand the basics of the application process. • Understand how these marks can be infringed. 	
	C. Understand the time limit ownership of intellectual property	Narrative: Ch. 11 p. 235 Navigating Copyright and Intellectual Property Activity: Ch. 11 Build It
	Key concepts: <ul style="list-style-type: none"> • List each intangible asset and discuss the length of time that the company may legally own each asset. • Explain why some ownership of intangible assets expires while others do not. 	
Section 4.5:	(BASIC) Given a scenario, identify standard operating procedures (e.g., setup, conduct, internal controls, separation of duties.)	Narrative: Ch. 12 p. 255 Operating Procedures Activity: Ch. 12 Listen and Speak, Ch. 12 Test Your Knowledge #9
	A. Understand the various operating procedures of a typical small business.	Narrative: Ch. 12 p. 255 Operating Procedures Activity: Ch. 12 Listen and Speak, Ch. 12 Test Your Knowledge #6 and #9
	Key concepts: <ul style="list-style-type: none"> • Define the various operating procedures in a small business. • Identify what proportion each procedure would occupy in the day-to-day operation of a small business. 	
	B. Understand which employees are responsible for each procedure in a small business.	Narrative: Ch. 12 p. 250 Organizational Functions, Ch. 12 p. 255 Operating Procedures Activity: Ch. 12 Read and Write, Ch. 12 Listen and Speak, Ch. 12 Test Your Knowledge #7 and #9

	Key concepts: <ul style="list-style-type: none"> Align each operating procedure with at least one employee. Describe a contingency plan in case the main employee for a particular procedure was not able to perform it in the short term. 	
Section 4.6:	(BASIC) Given a scenario, identify a supply chain (e.g. clear commitments, active communication, negotiated costs)	Narrative: Ch. 17 p. 342 Players in the Supply Chain Activity: Ch. 17 Listen and Speak, Ch. 17 Test Your Knowledge #3
	A. Understand the role that supplies play in the operation of a typical small business.	Narrative: Ch. 17 p. 342 Players in the Supply Chain Activity: Ch. 17 Listen and Speak, Ch. 17 Test Your Knowledge #2
	Key concepts: <ul style="list-style-type: none"> Define supplies as they relate to a small business. Explain how a small business needs regular supplies delivered at the correct time (i.e. not too early so that they pile up, and not too late so that the business cannot deliver goods or services to its customers). 	
	B. Be familiar with the concept of a supply chain.	Narrative: Ch. 17 p. 342 Players in the Supply Chain Activity: Ch. 17 Listen and Speak, Ch. 17 Test Your Knowledge #1
	Key concepts: <ul style="list-style-type: none"> A clear and reliable supply chain is essential for giving a small business the raw materials it needs to meet its customer's demands. Identify possible communication methods to let suppliers know when it is time to re-supply the small business. Explain how supply costs may be negotiated downward for a small business, and what advantage a supplier would have to lower costs to a business. 	
Section 4.7:	(BASIC) Given a scenario, identify the factors that lead to sustainability	Narrative: Ch. 18 p. 361 Sustainability Activity: Ch 18 Test Your Knowledge #6
	A. Understand the concept of business sustainability.	Narrative: Ch. 18 p. 361 Sustainability Activity: Ch 18 Read and Write, Ch. 18 Test Your Knowledge #4 and #5
	Key concepts: <ul style="list-style-type: none"> Define business sustainability in terms of financial, environmental, and social success and responsibility. Explain the balance that is attempted between the three components of business sustainability. Describe business sustainability in terms of an on-going strategy. 	
Section 4.8:	Given a scenario, identify milestones as part of a growth strategy	Narrative: Ch. 18 p. 356 Milestones Activity: Ch. 18 Test Your Knowledge #1
	A. Understand the idea of setting business goals for growth.	Narrative: Ch. 18 p. 356 Milestones Activity: Ch. 18 Test Your Knowledge #3
	Key concepts: <ul style="list-style-type: none"> Define and set goals for a typical small business in terms of gross revenue, net income, customer base, new customers, and existing customers. Define milestones for short-term (i.e. one to three years) growth based on the above criteria. Define milestones for long-term (i.e. 5-10 years) growth based on the above criteria. 	
	B. Quantify and measure business milestones to verify that goals for growth have been met.	Narrative: Ch. 18 p. 356 Milestones Activity: Ch. 18 Test Your Knowledge #2 and #7

	Key concepts: <ul style="list-style-type: none"> Define attributes of each goal and time-period. Explain how each goal is to be met. Describe the criteria used to determine each goal for growth. 	
	C. Recognize when business goals are attained	Narrative: Ch. 18 p. 356 Milestones Activity: Ch. 18 Listen and Speak
	Key concepts: <ul style="list-style-type: none"> Take measurements at key intervals to determine if business goals have or have not been met (objective). Examine the data and determine why the goals have been met or not (subjective). Re-evaluate the goals for business growth each time a measurement is taken. 	
Section V Marketing and Sales		
Section 5.1:	Given a scenario, develop a sales strategy and identify characteristics of a successful sale.	Narrative: Ch. 16 p. 325 Personal Selling Activity: Ch. 11 Read and Write
	A. Understand the concept of market share and target market.	Narrative: Ch. 4 p. 58 Marketing Concept, Ch. 4 p. 60 Target Markets Activity: Ch. 4 Test Your Knowledge #5 and #6
	Key concepts: <ul style="list-style-type: none"> Identify customer segments. Explain the market segments that would appeal to the business. Focus on a target market. Develop sales goals for the target market. Describe the concept of market share in terms of “getting a bigger piece of the pie” vs. “growing the pie”. 	
	B. Develop reasonable sales goals in quantifiable terms.	Narrative: Ch. 16 p. 325 Personal Selling Activity: Ch. 16 Test Your Knowledge #3
	Key concepts: <ul style="list-style-type: none"> Set sales goals measured in gross revenue generated. Set sales goals measured in number of new customers (within a realistic timeline). Define who the business intends to sell to (i.e. an end-user, middleman, or some other potential customer). 	
	C. Recognize who your company’s potential customer is.	Narrative: Ch. 16 p. 320 Finding and Retaining Customers Activity: Ch. 16 Test Your Knowledge #4
	Key concepts: <ul style="list-style-type: none"> Understand that the person that the sales team is dealing with may not be the end-user of your company’s product or service. Identify potential customers (i.e. purchasers vs. end-users). Identify different sales strategies to appeal to customer segments. 	
Section 5.2:	Given a scenario, identify and analyze the cost/benefits of finding customers.	Narrative: Ch. 16 p. 320 Finding and Retaining Customers Activity: Ch. 16 Create and Design

	A. Understand the costs associated with generating new customers.	Narrative: Ch. 16 p. 320 Finding and Retaining Customers Activity: Ch. 16 Create and Design
	Key concepts:	<ul style="list-style-type: none"> • Understand the steps that will need to be taken to persuade a potential new customer to purchase from your business. • Identify whether or not the new customer is already a customer of a competitor. • Determine the reasons that potential customers go to a competitor. • Develop a marketing plan to bring in new customers from a specific market segment. • Calculate the costs of marketing strategies such as free samples, coupons, advertising, etc.
	B. Understand the value of finding new customers.	Narrative: Ch. 16 p. 320 Finding and Retaining Customers Activity: Ch. 16 Create and Design
	Key concepts:	<ul style="list-style-type: none"> • Estimate the average amount of gross revenue generated by each new customer at the initial purchase. • Determine the average gross revenue generated by each customer over the time of one year. • Estimate the lifetime gross revenue that will be generated by a typical new customer. • Identify non-monetary value generated by a new customer (writing positive reviews for the business, recommending the business via word-of-mouth, etc.). • Convert the non-monetary value into a marketing dollar amount equivalency.
Section 5.3:	Given a scenario, identify how to retain customers and develop a relationship with repeat customers.	Narrative: Ch. 16 p. 320 Finding and Retaining Customers Activity: Ch. 16 Create and Design
	A. Understand the value of a repeat customer.	Narrative: Ch. 16 p. 320 Finding and Retaining Customers Activity: Ch. 16 Test Your Knowledge #5
	Key concepts:	<ul style="list-style-type: none"> • Understand the cost of retaining an existing customer vs. gaining a new customer. Estimates vary (depending on the business), but it costs between 5 and 30 times more to get a new customer vs. retaining and existing one. • Describe why an existing customer is more valuable than a new customer.
	B. Identify customer retention methods.	Narrative: Ch. 16 p. 320 Finding and Retaining Customers Activity: Ch. 16 Read and Write, Ch. 16 Create and Design, Ch. 16 Test Your Knowledge #6
	Key concepts:	<ul style="list-style-type: none"> • List customer retention methods such as loyalty programs, referral rewards, and discounts for returning. • Calculate a value for each retention method considered. • Explain how customers will be more likely to return based on these retention methods.
Section 5.4:	(BASIC) Given a scenario, determine value and methods of communication including: Web sites, Brochures, Social Media, and Advertising.	Narrative: Ch. 10 p. 204 Common Methods of Business Communication Activity: Ch. 10 Create and Design, Ch. 10 Test Your Knowledge #1
	A. Understand the link between communication methods and customer development and retention.	Narrative: Ch. 10 p. 204 Common Methods of Business Communication Activity: Ch. 10 Create and Design, Ch. 10 Test Your Knowledge #1, Ch. 10 Test Your Knowledge #2

	Key concepts: <ul style="list-style-type: none"> Define the various methods of communication. Identify which methods communicate in one direction (i.e. business to potential customer) and which methods communicate back to the company and/or to other potential customers. Determine the costs associated with each type of communication method. Determine the effectiveness of each type of communication method in terms of customer inquiries and sales revenue generated.
Section VI Financial Management	
Section 6.1:	Given a scenario, interpret basic financial statements such as income statements and balance sheets Narrative: Ch. 6 p. 113 Interpreting Financial Statements Activity: Ch. 6 Test Your Knowledge #1
	A. Understand the four main financial statements (Income Statement, Balance Sheet, Cash Flow Statement, Statement of Shareholder Equity). Narrative: Ch. 6 p. 113 Interpreting Financial Statements Activity: Ch. 6 Listen and Speak
	Key concepts: <ul style="list-style-type: none"> List the four main financial statements. Explain the basic function of each financial statement. Explain when the financial statements must be completed and filed.
	B. Understand the history of these statements and the need for them. Narrative: Ch. 6 p. 102 Accounting Practices, Ch. 6 p. 113 Interpreting Financial Statements Activity: Ch. 6 Listen and Speak
	Key concepts: <ul style="list-style-type: none"> Identify why these four financial statements exist. Identify the need for a “level playing field” for all business. Understand the principle of GAAP (generally accepted accounting practices) in the preparation of financial statements.
	C. Understand how these financial forms relate to financial accounting and managerial accounting. Narrative: Ch. 6 p. 113 Interpreting Financial Statements Activity: Ch. 6 Listen and Speak
	Key concepts: <ul style="list-style-type: none"> Identify how the financial statements derive their information from the financial accounting throughout the fiscal year. Identify how the financial statements can give managers the necessary information to look forward into the future of the business and make better decisions on how to proceed.
Section 6.2:	Given a scenario, identify the factors that influence credit ratings and the importance of a positive credit rating. Narrative: Ch. 7 p. 131 Using Credit Activity: Ch. 7 Read and Write, Ch. 7 Test Your Knowledge #9
	A. Understand the concept of credit ratings. Narrative: Ch. 7 p. 131 Using Credit Activity: Ch. 7 Read and Write, Ch. 7 Test Your Knowledge #9, #10, #11, #13, Ch. 7 Listen and Speak

	Key concepts: <ul style="list-style-type: none"> Define financial risk in terms of uncertainty. Explain what a secured vs. unsecured loan is. List the three main credit rating agencies. Explain the range of credit rating scores and list the percentage of potential borrowers in each range. 		
	B. Identify factors that are used to determine credit ratings. <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"> Narrative: Ch. 7 p. 131 Using Credit Activity: Ch. 7 Read and Write, Ch. 7 Test Your Knowledge #9 </td> </tr> </table>		Narrative: Ch. 7 p. 131 Using Credit Activity: Ch. 7 Read and Write, Ch. 7 Test Your Knowledge #9
	Narrative: Ch. 7 p. 131 Using Credit Activity: Ch. 7 Read and Write, Ch. 7 Test Your Knowledge #9		
	Key concepts: <ul style="list-style-type: none"> Define the components that go into calculating a credit rating, such as credit history and credit worthiness. Explain the factors that determine a potential borrower’s credit rating score, and how the score could go up or down. 		
	C. Identify the consequences of a higher or lower credit rating score. <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"> Narrative: Ch. 7 p. 131 Using Credit Activity: Ch. 7 Read and Write, Ch. 7 Test Your Knowledge #9 and #12 </td> </tr> </table>		Narrative: Ch. 7 p. 131 Using Credit Activity: Ch. 7 Read and Write, Ch. 7 Test Your Knowledge #9 and #12
	Narrative: Ch. 7 p. 131 Using Credit Activity: Ch. 7 Read and Write, Ch. 7 Test Your Knowledge #9 and #12		
	Key concepts: <ul style="list-style-type: none"> Define the range of interest rates available for different types of loans for different credit rating scores. Identify strategies to improve a credit score. Explain why having the highest credit rating possible is so beneficial for a business. 		
Section 6.3:	Given a list of expenses, identify which are fixed versus variable. <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"> Narrative: Ch. 6 p. 108 Characteristics of a Functioning Budget Activity: Ch. 6 Test Your Knowledge #6 </td> </tr> </table>		Narrative: Ch. 6 p. 108 Characteristics of a Functioning Budget Activity: Ch. 6 Test Your Knowledge #6
	Narrative: Ch. 6 p. 108 Characteristics of a Functioning Budget Activity: Ch. 6 Test Your Knowledge #6		
	A. Understand fixed expenses. <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"> Narrative: Ch. 6 p. 108 Characteristics of a Functioning Budget Activity: Ch. 6 Test Your Knowledge #6 </td> </tr> </table>		Narrative: Ch. 6 p. 108 Characteristics of a Functioning Budget Activity: Ch. 6 Test Your Knowledge #6
	Narrative: Ch. 6 p. 108 Characteristics of a Functioning Budget Activity: Ch. 6 Test Your Knowledge #6		
	Key concepts: <ul style="list-style-type: none"> Define fixed expense. In a typical small business identify several fixed expenses. Understand the concept that a fixed expense is independent of production and sales volume. 		
	B. Understand variable expenses. <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"> Narrative: Ch. 6 p. 108 Characteristics of a Functioning Budget Activity: Ch. 6 Test Your Knowledge #6 </td> </tr> </table>		Narrative: Ch. 6 p. 108 Characteristics of a Functioning Budget Activity: Ch. 6 Test Your Knowledge #6
	Narrative: Ch. 6 p. 108 Characteristics of a Functioning Budget Activity: Ch. 6 Test Your Knowledge #6		
	Key concepts: <ul style="list-style-type: none"> Define variable expense. In a typical small business, identify several variable expenses. Understand the concept that a variable expense is dependent on production and sales volume. 		
Section 6.4:	(BASIC) Given a scenario, identify the factors that impact the price to a customer <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"> Narrative: Ch. 8 p. 152 Principle of Supply and Demand, Ch. 8 p. 154 Competition, Ch. 8 p. 157 Markets in the US Economy, Ch. 17 p. 337 Influences on Price Activity: Ch. 8 Test Your Knowledge #7, Ch. 17 Read and Write, Ch. 17 Build It </td> </tr> </table>		Narrative: Ch. 8 p. 152 Principle of Supply and Demand, Ch. 8 p. 154 Competition, Ch. 8 p. 157 Markets in the US Economy, Ch. 17 p. 337 Influences on Price Activity: Ch. 8 Test Your Knowledge #7, Ch. 17 Read and Write, Ch. 17 Build It
	Narrative: Ch. 8 p. 152 Principle of Supply and Demand, Ch. 8 p. 154 Competition, Ch. 8 p. 157 Markets in the US Economy, Ch. 17 p. 337 Influences on Price Activity: Ch. 8 Test Your Knowledge #7, Ch. 17 Read and Write, Ch. 17 Build It		
	A. Understand supply and demand equilibrium. <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"> Narrative: Ch. 8 p. 152 Principle of Supply and Demand Activity: Ch. 8 Create and Design </td> </tr> </table>		Narrative: Ch. 8 p. 152 Principle of Supply and Demand Activity: Ch. 8 Create and Design
	Narrative: Ch. 8 p. 152 Principle of Supply and Demand Activity: Ch. 8 Create and Design		

	Key concepts: <ul style="list-style-type: none"> • Define supply curve in terms of price and demand. • Define demand curve in terms of price and supply. • Explain where the two curves intersect (i.e. market equilibrium). • Create an example equilibrium graph for a product such as pizza. 	
Section 6.5:	(BASIC) Given a scenario, identify and analyze cash flow including accounts receivable, accounts payable, inventory, and debt.	Narrative: Ch. 6 p. 110 Types of Business Budgets Activity: Ch. 6 Test Your Knowledge #4
	A. Understand the flow of cash through the business.	Narrative: Ch. 6 p. 102 Accounting Practices, Ch. 6 p. 110 Types of Business Budgets Activity: Ch. 6 Test Your Knowledge #2 and #4
	Key concepts: <ul style="list-style-type: none"> • Define accounts receivable (cash due in within one year or less). • Define accounts payable (cash that must be paid out within one year or less). • Identify inventory and assign a dollar amount to its value. • Identify debt and the dollar amount it costs to service the debt (i.e. interest due). • Identify when the principal must be paid back on any debt the company has borrowed. 	
Section 6.6:	(BASIC) Given a scenario, create a cash flow budget.	Narrative: Ch. 6 p. 110 Types of Business Budgets Activity: Ch. 6 Test Your Knowledge #13
	A. Understand the importance of proper cash flow management	Narrative: Ch. 6 p. 110 Types of Business Budgets, Ch. 6 p. 114 Balance Sheets Activity: Ch. 6 Test Your Knowledge #2
	Key concepts: <ul style="list-style-type: none"> • Define liquidity in terms of assets that are in cash, can quickly and easily be turned into cash, and cannot be quickly or easily turned into cash. • Explain why proper cash management is crucial to successful business operation (i.e. you can't pay your bills with your accounts receivable). • Understand which expenses must be paid in cash and determine when they must be paid. • Develop a plan to manage cash flow for a typical small business. 	
Section 6.7:	(BASIC) Given a scenario, identify the break-even point for the business.	Narrative: Ch. 17 p. 339 Setting Prices Activity: Ch. 17 Test Your Knowledge #7
	A. Understand the formula required to determine the break-even point for the business.	Narrative: Ch. 17 p. 339 Setting Prices Activity: Ch. 17 Test Your Knowledge #7
	Key concepts: <ul style="list-style-type: none"> • Define break-even point. • Show the formula used to determine the break-even point (Fixed Costs/Price per unit minus Variable cost per unit). • Calculate a break-even point for a small business that produces one product. 	