

ENTREPRENEURSHIP & SMALL BUSINESS MANAGEMENT

Levels: Grades 10-12

Units of Credit: 1 Semester (.5)

CIP Code: 08.0301

Prerequisites: None

COURSE DESCRIPTION

This course helps students gain an understanding of the business/marketing principles necessary to start and operate a business. Students will first learn basic economic principles related to business ownership. They will identify and assess common traits and skills found in entrepreneurs, explore business opportunities, and compare the risks and rewards of owning a business. The primary focus of the course is to help students understand the process of analyzing a business opportunity, determining feasibility of an idea utilizing research, developing a plan to organize and promote the business and its products/services, and finally, to understand the capital required, the return on investment desired, and the potential for profit. Entrepreneurship is designed for students enrolled in marketing, business, and upper-level courses who have an interest in developing the skills, attitudes, and knowledge necessary for successful entrepreneurs. The texts and performance objectives are designed to work in conjunction with DECA and FBLA, and students are encouraged to participate in these associations and their respective competitions.

STANDARD **08.0301-01**

Students will understand the economic factors and opportunities associated with self-employment.

OBJECTIVE **08.0301-0101**

Students will understand basic economic concepts related to business ownership.

- Define entrepreneurship.
- Explain the profit motive.
- Describe effects of supply, demand and scarcity on businesses.
- Graph supply and demand curves.
- Describe concept of equilibrium.
- Describe the impact of small business/entrepreneur's contributions.
- Explain the role of competition and how "market structure" (i.e., monopolies) affects price.
- Describe government's role in business.

OBJECTIVE **08.0301-0102**

Students will identify and assess entrepreneurial traits.

- Describe and demonstrate desirable entrepreneurial traits.
- Describe and develop necessary entrepreneurial skills (e.g., communication, business math, and career-building).
- Identify ethical issues in business.
- Evaluate personal goals and capabilities to determine entrepreneurial potential.
- Assess personal interests, ROI objectives, capital required, and external resources needed to supplement entrepreneur's success.

OBJECTIVE **08.0301-0103**

Students will explore entrepreneurial opportunities.

- Compare risks and rewards of owning a business.
- Determine essential factors needed to choose type of business to start.
- Assess business opportunities and trends; both domestic and global (Include new and existing ideas, franchises, and web-based enterprises).
- Apply idea-generation methods.
- Determine feasibility of ideas.
- Outline available resources and government agencies to assist small business owners.

STANDARD
08.0301-02

Students will develop and analyze market research.

OBJECTIVE
08.0301-0201

Students will analyze their market's customers.

- Define target market.
- Define market segmentation by demographics, psychographics, geographics, and buying characteristics.
- Distinguish the difference between primary and secondary research.
- Describe a focus group.
- Identify the steps of market research.

OBJECTIVE
08.0301-0202

Students will assess their market's competitors and industry.

- Research competitors and identify their niche.
- Assess competitors' strengths and weaknesses.
- Assess industry characteristics.

STANDARD
08.0301-03

Students will understand and develop a business plan.

OBJECTIVE
08.0301-0301

Students will be able to understand the usefulness of a business plan.

- Describe purposes of a business plan.
- List common components of a business plan.
- Identify available sources for business plan information.

OBJECTIVE
08.0301-0302

Students will be able to plan the organizational structure for a business.

- Construct a mission statement for a company.
- Explain rationale for starting business by utilizing market research.
- Describe business, its products/services, and customers.
- Compare types of ownership for their business, and select best option for their business.
- Determine organizational structure and management skills needed to operate business.
- Assess locations for business.

OBJECTIVE
08.0301-0303

Students will utilize the four components of the marketing mix for a business.

- Determine **product** brands, product mix, and inventory systems: perpetual, physical, and Just-in-time (JIT).
- Understand and calculate **pricing** strategies utilized to make a profit: mark-up, cost-based, competition-based, demand-based, methods of psychological pricing, discounting, and credit.
- Identify the components of a **promotional mix** and how each will be utilized in a business.
- Describe **channels of distribution**, and determine best methods for their business.

STANDARD
08.0301-04

Students will make use of financial documents utilized in a business.

OBJECTIVE
08.0301-0401

Students will project cash flow for a business.

- Estimate start-up costs, Costs of Goods Sold, and operating expenses.
- Calculate gross income, net income, and break-even point.

OBJECTIVE
08.0301-0402

Students will interpret an income statement and balance sheet.

- Differentiate between fixed and variable costs.
- Determine profitability of a business.

OBJECTIVE
08.0301-0403

Students will identify sources of capital.

- Assess entrepreneurs' own collateral or equity.
- Evaluate need and ability to acquire a loan from an outside source.
- Calculate a loan's interest rate and monthly payments.
- Calculate capitalization rate on an investment.