



ENTREPRENEURSHIP Starting a Business

The Entrepreneurship (Starting a Business) event involves 1 to 3 students developing a proposal to start a business, then presenting the proposal to a potential investor or financial institution representative (judge). The proposed business may be a sole proprietorship, partnership, corporation or franchise.

The event provides an opportunity for the students to develop and demonstrate mastery of essential competencies as they apply to the analysis of a business opportunity, the development of a marketing/ promotional plan and the development of a financial plan. Any type of business may be used.



EVENT OVERVIEW

The students will assume the role of an entrepreneur seeking start-up capital (financing) for a new business or franchise. The presentation will be given to a decision-maker (judge) for a financial institution or a potential investor. NOTE: This event is not for businesses currently being operated.

In addition to the presentation, the students must present a three-part written report of not more than 15 pages, including title page, that describes the business model the students wants to develop, and which will be used to direct and reinforce the presentation to the judge.

The content to be evaluated is found in the standard Evaluation Forms located in these Guidelines. Preliminary round competition will consist of an evaluation of the written report (minus deductions from the Written Entry Checklist) accounting for 50 points, and one presentation, also accounting for 50 points. Students/Teams will be ranked according to their combined score, and a predetermined number of students/teams will be named finalists. Finalists will again be evaluated based on their written report (minus deductions) and presentation to determine final rankings. The following guidelines will be applied to the presentations at the International Career Development Conference.

Read everything carefully in the Format Guidelines for the Written Report, Guidelines for the Presentation, Written Entry Checklist, Written Statement of Assurances, and Evaluation Forms.

LEARNING OUTCOMES

In addition to developing and demonstrating general and specific knowledge relating to the proposed business and the industry in which it operates, through the development of a written report and the presentation of ideas to the judge, the students will develop or reinforce the following areas in relation to the start-up of a small business venture:

- · Using written communication in forms and reports
- · Collecting information, obtaining facts and ideas
- · Developing a marketing/promotional plan
- · Applying entrepreneurial principles and techniques
- Demonstrating knowledge/understanding of customer/client needs
- · Analyzing business opportunities
- Self-evaluating personal interests, skills and abilities
- Understanding the basic steps involved in starting a small business
- Interpreting financial statements
- Developing a financial plan
- · Understanding the importance of time management in dealing with the unique demands of business ownership
- Understanding factors relating to human resource management
- Demonstrating knowledge of the components of gross and net profit
- Developing a marketing/promotional plan using a complete marketing mix (product, price, promotion,
- · Organizing and communicating ideas and concepts effectively

Students will also develop many 21st Century Skills, in the following categories, desired by today's employers:

- · Communication and Collaboration
- · Creativity and Innovation
- Critical Thinking and **Problem Solving**
- Flexibility and Adaptability
- Information Literacy
- Initiative and Self-direction
- Leadership and Responsibility
- Media Literacy
- Productivity and Accountability
- Social and Cross-cultural Skills

STUDENT INSTRUCTIONS

GUIDELINES FOR THE FORMAT OF THE WRITTEN REPORT

The students must prepare a business plan in the form of a written report. Read carefully and follow the instructions for: Title Page, Format for the Written Report and Evaluation of the Written Report, Checklist Standards, Guidelines for Franchise Documentation, and Written Entry Checklist. Refer also to the Written Evaluation Form.

Title Page. The first page of the written report is the title page which lists the following:

ENTREPRENEURSHIP (STARTING A BUSINESS)

Type and Name of Business

Name of Chapter/School

Name of Chapter Advisor

Chapter Advisor's Address

City, Association ZIP or Postal Code

Country

Students Name(s) and Address(es)

City, Association ZIP or Postal Code

Country

Date

A page number will not appear on the title page; however, the title page does count as one of the maximum 15 pages allowed. The page following the title page will be numbered "2".

The Written Statement of Assurances must be signed and submitted with the entry. Do not include it in the page numbering.

FORMAT FOR THE WRITTEN REPORT AND EVALUATION OF THE WRITTEN REPORT

The body of the written report should include:

I. EXECUTIVE SUMMARY

One-to two-page summary of the business model

II. PROBLEM

List the top three problems your product/service is addressing.

III. CUSTOMER SEGMENTS

Who are the target customers?

IV. UNIQUE VALUE PROPOSITION

What is the single, clear, compelling message that states why your product/service is different and worth buying?

V. CHANNELS

What are the pathways to customers?

VI. REVENUE STREAMS

- A. What is the revenue model?
- B. What are the life time values?
- C. What is the revenue?
- D. What is the gross margin?

VII. COST STRUCTURE

- A. What are the customer acquisition costs?
- B. What are the distribution costs?
- C. What are the human resources costs?
- D. Additional costs?

VIII. DETAILED FINANCIALS

- $A. \quad \ \ \text{Projected income statements by month for the first year's operation (sales, expenses, profit/loss)}$
- B. Projected cash flow for the first year
- C. Projected cash flow by month for the first year's operation
- D. Projected balance sheet, end of first year
- E. Projected three-year plan
- F. A brief narrative description of the planned growth of the proposed business, including financial resources and needs

STUDENT INSTRUCTIONS

- Proposed plan to meet capital needs
 - Personal and internal sources
 - Earnings, short-term and long-term borrowing, long-term equity
 - External sources
 - Short-term and long-term borrowing, long-term equity (if applicable) repayment plans
 - Plan to repay borrowed funds or provide return on investment to equity funds

IX. KEY METRICS

What are the key activities that must be measured?

X. COMPETITIVE ADVANTAGE

What about your product/service means that it cannot be easily copied or bought?

XI. CONCLUSION

Specific request for financing, summary of key points supporting the financial request

XII. BIBLIOGRAPHY

XIII. APPENDIX

An appendix is optional. Include in an appendix any exhibits appropriate to the written entry, but not important enough to include in the body. These might include sample questionnaires used, letters sent and received, general background data, minutes of meetings, etc. Provided that the appendix includes such "exhibits" and is NOT used for "content" that should be included under previous sections, the appendix does NOT count as one of the maximum 15 pages. Any such misuse of the appendix may result in penalties under the Written Entry Checklist Guidelines. Special Note: Use the written report for support and documentation of presentation.

FRANCHISE ONLY APPENDIX

If your documentation consists only of a few pages and will easily fit in the official folio with your written report, you may choose to include an Appendix for franchise documentation. If you choose this approach, your franchise documentation Appendix will NOT count as one of the maximum 15 pages allowed.

NOTE: If material other than actual franchise documentation (as described above) is included in your Appendix, you may be penalized under the Written Entry Checklist Guidelines.

SEPARATE FRANCHISE DOCUMENTATION

If your documentation consists of many pages (it may even be in bound form) and does NOT fit in the official folio with your written report, you may choose to provide separate franchise documentation. If you choose this approach, your franchise documentation does not need to follow any certain formatting guidelines and will NOT count as one of the maximum 15 pages allowed.

NOTE: If material other than actual franchise documentation (as described above) is provided as Separate Documentation, you may be penalized under the Written Entry Checklist Guidelines.

STUDENT INSTRUCTIONS

CHECKLIST STANDARDS

In addition to the items outlined above, students must observe the following rules. The purpose of these rules is to make the competition as fair as possible among all students. Points will be deducted for each violation. Refer to the Written Entry Checklist.

- Two "official" written reports must be submitted. Both of these must be submitted in official Collegiate DECA (or DECA) folios. Folios are available from DECA Images (catalog # FOLIO). No markings, tape or other materials should be attached to the folios.
- 2. Both "official" written reports must be brought to the student briefing session to be turned in for evaluation according to the Written Entry Checklist. These will be kept by the event director and will be given to the judge prior to your presentation. The students may retain other copies (or photocopies) for their personal reference during the presentation. These do not have to be in official folios, will not be evaluated, and may not be shown to judge.
- 3. The written report must be limited to 15 pages, including the title page, which is not numbered. The pages must be numbered in sequence; however, a page number will not appear on the title page. The title page does count as one of the maximum 15 pages allowed. The page following the title page will be numbered "2". One page will be counted for each 8.5 x 11-inch panel or fraction thereof (foldouts, brochures, etc.). Extra pages added as dividers or additional title pages (even if blank) are included in the maximum 15 pages.
- 4. Body copy of the written report must be at least double-spaced (not space-and-a-half). Title page, executive summary, bibliographical references, appendix content, footnotes, long quotes, material in tables, figures, exhibits, lists, headings, sample letters, forms, charts, graphs, etc. may be single-spaced. Material may appear on one side of the page only.
- 5. Entry must be typed/word processed. Handwritten corrections will be penalized. Charts, graphs, exhibits may be handwritten.
- 6. Colored paper, ink, pictures, etc. are allowed. Divider tabs, page borders, artwork, attachments, foldouts, paste-ups, photographs, etc. may also be used, but are still subject to number of pages and page size restrictions.

GUIDELINES FOR THE PRESENTATION

- This event does allow the use of materials (i.e., product samples, prototypes).
- All material must be prepared by the students (except for franchise documentation).
- The students may bring copies of the written report to the presentation for their personal reference. These do NOT have to be in official folios, will NOT be evaluated, and may NOT be shown to judges.
- · Self-contained, state-of-the-art technology (personal or laptop computers/hand-held digital organizers) may be used. However, students must use battery power even if electrical outlets are available in the room.
- Visual aids (poster paper, flip charts) may be used.
- · All materials, equipment, supplies, etc. must be provided by the students. DECA assumes no responsibility for damage/loss of materials, equipment, supplies, etc.
- · Only materials that can be easily carried to and from the competition areas will be permitted (includes computer equipment, visual aids, etc.). Only the students may handle and set up their materials. No outside assistance will be allowed.
- · Materials appropriate to the situation may be handed to or left with the judge. Items of monetary value may be handed to but may not be left with judges. Items such as flyers, brochures, pamphlets and business cards may be handed to or left with the judge. No food or drinks allowed.
- Students will have up to 20 minutes to present their proposal and answer questions from the judges.
- Space provided for this event may be limited to a 6' x 8' pipe-and-drape booth in an arena atmosphere (includes judge's table and chairs).
- When using a presentation aid, such as a laptop computer, the noise level must be kept at a conversational level that does not interrupt other students. If this guideline is not followed, the students will be interrupted and asked to follow the noise policy.
- Competitors are also responsible for following the information provided in the General Rules and Regulations for competition found on page 3.

Failure to follow guidelines may result in disqualification.

PRESENTATION SCHEDULE

10 minutes for the judges to review written report

20 minutes for student presentation (describe proposal and request funding) and questions by the judges

10 minutes for scoring by the judges







JUDGE INSTRUCTIONS

The Entrepreneurship (Starting a Business) event was created by Collegiate DECA in response to the high priority now being given to entrepreneurship training for students in schools by various government agencies at all levels, and by business leaders from the private sector.

Eager entrepreneurs have developed a detailed presentation on a proposed new business or franchise, including a description and analysis of the business situation, planned marketing and promotion of the proposed business and planned financing. Playing the role of a potential source of start-up capital for the business, you are to read the written document and then interact with the writer(s) as if you were actually going to approve (or disapprove) the request for financing.

JUDGING THE WRITTEN ENTRY

Please familiarize yourself with all of the guidelines before reading any of the written report. Penalty points (see Written Event Checklist) have already been assessed. Your job is to evaluate the written report based on the Written Evaluation Form.

- Place the students' name(s) and identification number(s), using labels if provided, on the bubble score sheet as instructed (if not already done). If a bubble score sheet has not been provided, this information must be placed on the Written Evaluation Form for this event.
- You will have 10 minutes to read the written report before the students enter the judging area/room. This is an appropriate time to evaluate the written report using the Written Evaluation Form. Refer to the Evaluation Criteria section for guidelines.
- On the bubble sheet provided, please bubble in the appropriate score and write the score on the corresponding line to verify accuracy. Please make sure not to exceed the maximum score possible for each item.
- Please make sure to score all categories, add them for the total score, then initial the total score. The maximum score for the Written Entry is 50 points.
- · Students with franchise businesses must provide franchising documentation where appropriate. The Written Evaluation Form follows the outline shown in the section entitled Format for the Written report and Evaluation of the Written report, which explains in greater detail what should be discussed in each section. As you read, ask yourself, "Will this work? Is it realistic? Do the students seem knowledgeable? Are the students communicating clearly?" Ultimately, you must decide, "Would I lend money to or invest in this person(s) and this proposal?"

JUDGE INSTRUCTIONS

JUDGING THE PRESENTATION

- · Please familiarize yourself with all of the guidelines before interacting with students. Your job is to evaluate the students presentation based on the Presentation Evaluation Form.
- To ensure fairness, at no time should a student be asked where he/she is from (school, state, country, etc.).
- Please place the students' name(s) and identification number(s), using labels if provided, on the bubble score sheet as instructed (if not already done). If a bubble score sheet has not been provided, this information must be placed on the Presentation Evaluation Form for this event.
- Students will be scheduled for presentations at 40-minute intervals.
- · You will have 10 minutes to read the written report before the students enter the judging area/room.
- The 20 minutes following the introduction will allow the students to outline the proposal and answer questions. Remember, you are role-playing a decision maker for a financial institution or a potential investor. You may refer to the Student's Written report or to your notes during the interaction with the students.
- · To ensure fairness, you must ask the students the same questions—one question from each of the major categories shown on the evaluation sheet would be appropriate. After asking the standard questions, you may ask other questions for clarification specific to the current students.
- Following the 20 minute interaction period, please thank the students and state that a decision on the financing will be made soon and that the students will be notified of the decision. Please give no indication of their performance/score.
- During the last 10 minutes, after the students are excused from the judging area, you may score the students. Refer to the Evaluation Criteria section for guidelines. On the bubble sheet provided, please bubble in the appropriate score and write the score on the corresponding line to verify accuracy. Please make sure not to exceed the maximum score possible for each item.

Please make sure to record a score for all categories, add them for the total score, then initial the total score. The maximum score for the interview is 50 points.

Note: If a bubble score sheet is not provided, indicate your scores on the Entrepreneurship Presentation Evaluation Form.

You may be asked to complete the Recap section and total your combined score for both the written entry and the interview. The section manager will double-check all addition.

The Presentation Evaluation Form follows the outline shown in the section entitled Guidelines for the Presentation which explains in greater detail what should be discussed in each part.

During the presentation, ask yourself, "Will this work? Is it realistic? Do the students sound knowledgeable? Are the students communicating clearly?" Ultimately, you must decide, "Would I lend money to or invest in this person(s) and this proposal?"

PRESENTATION SCHEDULE

10 minutes for judges to read the written report

20 minutes for presentation by the students and questions by the judges

10 minutes for scoring by the judges

JUDGING SUMMARY

Maximum score is 100 points (50 points for written entry; 50 points for presentation). A total score of 70 or better will earn the students a Certificate of Excellence.

We hope you are impressed by the quality of the work of these potential entrepreneurs. If you have any suggestions for improving this event, please mention them to your event manager.

EVALUATION

A score under the heading of **Exceeds Expectations** in any category means that, in your opinion, the information is presented in an effective, creative way; in effect, nothing more could be expected of the students.

A score under the heading of Meets Expectations in any category means that, in your opinion, the information is presented well. There may be a few minor problems or omissions, but they are not significant. A proposal which earns this level in every category for the presentation would probably get all or a major portion of the requested financing.

A score under the heading of Below Expectations or Little/No **Demonstration** in any category means that some major flaw has been noted which damages the effectiveness of the presentation. This may be a major omission, a serious misstatement or any other major flaw.



WRITTEN ENTRY CHECKLIST

Please refer to the Format Guidelines for the Written Report for a more detailed explanation of these items.

	CHECKED	PENALTY POINTS ASSESSED	PAGE NUMBER	NOTATION
 The Written Statement of Assurances must be signed and submitt with the entry. 	ed	15		
2. Entries submitted in an official Collegiate DECA (or DECA) written event folio. Two copies submitted.		5		
3. Title page information has been provided as requested.		5		
 Limited to the number of pages specified in the guidelines. One pa will be counted for each 8.5 x 11 inch panel or fraction thereof (foldouts, brochures, etc.). 	nge 	5 Per Page		
 All pages are numbered in sequence (except for the title page, whi is not numbered). 	ch 	5		
 Major content must be at least double-spaced (not space-and-a-half) Title page, executive summary, bibliographical references, appendix content, footnotes, long quotes, material in tables, figures, exhibits, I headings, sample letters, forms, charts, graphs, etc. may be single- spaced. 		5		
7. Entry must be typed/word processed. Handwritten corrections will be penalized. Charts, graphs, exhibits may be handwritten.	····	5		
8. The body of the written entry follows the sequence outlined in the guidelines. Additional subsections are permitted.	<u></u>	5		
9. Franchise documentation is provided (if the business is a franchise	e)	10		
10. Franchise only Appendix does not include material other than franchise documentation.		10		

TOTAL PENALTY POINTS ASSESSED

A check indicates that the item has been examined.

A circled number indicates that an infraction has been noted.

A page number indicates the location of the infraction.

Include a notation to provide clarification for penalty points.

INSTRUCTIONS FOR REVIEWER

Except for item #4, the penalty points assessed must be the exact number of points indicated in the Penalty Points Assessed column for the item in question. There are no partial assessment of penalty points. For example, for item #3: if the information has not been provided as requested, just circle the "5" points. You do not assess fewer than 5 points because most of the information is present.



WRITTEN STATEMENT OF ASSURANCES

Research and report writing are important elements of modern business activities. Great care must be taken to assure that the highest ethical standards are maintained by those engaging in research and report writing. To reinforce the importance of these standards, all written entries in Collegiate DECA's Competitive Events Program must submit this statement as part of the entry. The statement must be signed by all members of the competitive team, where applicable, and should be placed at the front of the written entry binder that is submitted for penalty points. Students will NOT be permitted to present to judge unless this has been submitted.

I understand the following requirements as set forth by DECA Inc. for all Competitive Event entries containing a written component. These requirements are additional to any general competitive event rules and regulations published by DECA Inc. By signing this statement, I certify that all are true and accurate as they relate to this entry.

- The contents of this entry are the results of the work of the team members listed below.
- 2. No part of this entry has been previously entered in international competition.
- This entry has not been submitted this year for international competition in any other Collegiate DECA competitive event, nor by any other student/team in this event.
- Credit for all secondary research has been given to the original author and is stated as such in the written project. 4.
- All activities or original research procedures described in this entry are accurate depictions of the efforts of the team members listed below.
- I understand that Collegiate DECA has the right to publish this entry. Should Collegiate DECA elect to publish this entry, I will receive an honorarium from Collegiate DECA. Individuals/Teams with extenuating circumstances may appeal the right to publish the entry to the executive committee of the board of directors prior to submission of the project for competition.
- I understand that the ideas and information presented in the written project and judge interaction will become public information. Therefore, DECA Inc., its staff, volunteers and organizational partners cannot reasonably be expected to ensure the security of my/our ideas and information.
- DECA will retain one official copy of all written entries. The second copy may be picked up by the students or the advisor at a designated date, time, and location. This information will be announced during the event briefing session. Unclaimed written entries/folios will not be returned to the students after the conference.

This statement of assurances must be signed by all members of the team and submitted during the Entrepreneurship (Starting a Business) event briefing, or entry will be given 15 penalty points.

Name of Chapter	Chapter Advisor	Chapter Advisor Email
Student's Name	Student's Name	Student's Name
Student's Signature	Student's Signature	Student's Signature

Place at the front of the written entry. Do not count as a page.



ENTREPRENEURSHIP Starting a Business

WRITTEN ENTRY EVALUATION FORM

Please refer to the **Written Entry Guidelines** for a more detailed explanation of these items.

EXECUTIVE SUMMARY	LITTLE/	BELOW	MEETS	EXCEEDS	JUDGED
	NO VALUE	EXPECTATIONS	EXPECTATIONS	EXPECTATIONS	SCORE
One-to two-page summary of the business model	0-1	2-3	4	5	
PROBLEM	LITTLE/	BELOW	MEETS	EXCEEDS	JUDGED
	NO VALUE	EXPECTATIONS	EXPECTATIONS	EXPECTATIONS	SCORE
2. List the top three problems your product/service is addressing.	0-1	2-3	4	5	
CUSTOMER SEGMENTS	LITTLE/	BELOW	MEETS	EXCEEDS	JUDGED
	NO VALUE	EXPECTATIONS	EXPECTATIONS	EXPECTATIONS	SCORE
3. Who are the target customers?	0-1	2	3	4	
UNIQUE VALUE PROPOSITION	LITTLE/	BELOW	MEETS	EXCEEDS	JUDGED
	NO VALUE	EXPECTATIONS	EXPECTATIONS	EXPECTATIONS	SCORE
4. What is the single, clear, compelling message that states why your product/ service is different and worth buying?	0-1	2	3	4	
CHANNELS	LITTLE/	BELOW	MEETS	EXCEEDS	JUDGED
	NO VALUE	EXPECTATIONS	EXPECTATIONS	EXPECTATIONS	SCORE
5. What are the pathways to customers?	0-1	2	3	4	
REVENUE STREAMS	LITTLE/	BELOW	MEETS	EXCEEDS	JUDGED
	NO VALUE	EXPECTATIONS	EXPECTATIONS	EXPECTATIONS	SCORE
6. What are the life time values? What is the revenue? What is the gross margin?	0-1	2-3	4	5	
COST STRUCTURE	LITTLE/	BELOW	MEETS	EXCEEDS	JUDGED
	NO VALUE	EXPECTATIONS	EXPECTATIONS	EXPECTATIONS	SCORE
7. What are the customer acquisition costs? What are the distribution costs? What are the human resources costs? Additional costs?	0-1	2-3	4	5	
DETAILED FINANCIALS	LITTLE/	BELOW	MEETS	EXCEEDS	JUDGED
	NO VALUE	EXPECTATIONS	EXPECTATIONS	EXPECTATIONS	SCORE
8. Projected income statements by month for the first year's operation (sales, expenses, profit/loss); Projected cash flow for the first year; Projected cash flow by month for the first year's operation; Projected balance sheet, end of first year; Projected three-year plan Description of the planned growth of the proposed business, including financial resources and needs Proposed plan to meet capital needs	0-1	2-3	4	5	
KEY METRICS	LITTLE/	BELOW	MEETS	EXCEEDS	JUDGED
	NO VALUE	EXPECTATIONS	EXPECTATIONS	EXPECTATIONS	SCORE
9. What are the key activities that must be measured?	0-1	2	3	4	
COMPETITIVE ADVANTAGE	LITTLE/	BELOW	MEETS	EXCEEDS	JUDGED
	NO VALUE	EXPECTATIONS	EXPECTATIONS	EXPECTATIONS	SCORE
10. What about your product/service means that it cannot be easily copied or bought?	0-1	2	3	4	
CONCLUSION	LITTLE/	BELOW	MEETS	EXCEEDS	JUDGED
	NO VALUE	EXPECTATIONS	EXPECTATIONS	EXPECTATIONS	SCORE
 Specific request for financing, summary of key points supporting the financial request 	0-1	2-3	4	5	

WRITTEN ENTRY TOTAL POINTS (50)



ENTREPRENEURSHIP Starting a Business

PRESENTATION EVALUATION FORM

	LITTLE/ NO VALUE	BELOW EXPECTATIONS	MEETS EXPECTATIONS	EXCEEDS EXPECTATIONS	JUDGED SCORE
 Opening presentation and request: description of the project; organization, clarity and effectiveness of the presentation 	0-1	2-3	4-5-6	7-8	
2. Assess opportunities for venture creation	0-1	2-3	4-5	6	
3. Determine feasibility of venture ideas	0-1	2-3	4-5	6	
4. Assess start-up requirements	0-1	2-3	4-5	6	
5. Evaluate risk-taking opportunities	0-1	2-3	4-5	6	
6. Explain the complexity of business operations	0-1	2-3	4-5	6	
7. Determine relationships among total revenue, marginal revenue, output, and profit	0-1	2-3	4-5	6	
8. Describe marketing functions and related activities	0-1	2-3	4-5	6	

PRESENTATION TOTAL POINTS (50)	
WRITTEN ENTRY (50)	
PRESENTATION (50)	
SUBTOTAL (100)	
LESS PENALTY POINTS	

TOTAL SCORE

A score of 70 or better will earn the student a Certificate of Excellence.

JUDGE SECTION: A B C D E F G H I J (circle one)

TIE BREAKER

For tie-breaking purposes, the following evaluation form ranking process will be used. Beginning with the Presentation Evaluation Form, the students with the highest score for item #1 wins the tie-break. If this does not break the tie, the process will continue for the remaining presentation items in the following order: 2, 3, 4, 5, 6, 7, 8. If this does not break the tie, the process will continue using the Written Evaluation Form, beginning with item #2. If this does not break the tie, the process will continue for the remaining written entry items in the following order: 6, 7, 8, 11, 1, 4, 3, 5, 10, 9.