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## **Business Plan - MODIFIED**

*Business plans are an effective tool for evaluating, organizing, and selling a new business concept. A well-developed business plan can be a key component of a successful business start-up. This event recognizes FBLA members that demonstrate an understanding and mastery of the process required in developing and implementing a new business venture.*

### **Competencies**

This event consists of two (2) parts:

- Pre-judged Written Report
- Performance Component

#### *Report Competencies*

- arrange report logically and in proper business style
- demonstrate good written communication skills
- describe project development and implementation
- explain process of preparing the business plan, obstacles, and lessons learned
- provide information on market, analysis, organization, and development of business

#### *Performance Competencies*

- answer questions effectively
- demonstrate the ability to make a businesslike presentation
- demonstrate the ability to work as a team
- demonstrate effective verbal communication skills
- demonstrate project development and implementation
- explain content logically and systematically

#### **Business Education Curriculum Standard(s):**

Accounting; Career Development; Communication; Economics and Personal Finance; Entrepreneurship; Management; Marketing

### **Report Content**

Business plans must not have been in operation for a period exceeding 12 months prior to the SLC. Reports should not be submitted that evaluate ongoing business ventures. An effective business plan should include the following information:

- **Executive Summary.** Provides a brief synopsis of the key points and strengths included in the plan. Convinces the reader to read the rest of the report.
- **Company Description.** Includes the basic details of the business. Provides an overview of the business, its location, and its legal structure and organization.
- **Industry Analysis.** Provides an analysis of the larger industry to which the business will belong. Analyzes key trends and players in the industry. Demonstrates an understanding and awareness of external business conditions.
- **Target Market.** Provides a brief overview of the nature and accessibility of the target market.
- **Competitive Analysis.** Includes an honest and complete analysis of the business' competition. Demonstrates an understanding of the business' relative strengths and weaknesses.
- **Marketing Plan and Sales Strategy.** Demonstrates how the business' product or service will be marketed and sold. Includes both strategic and tactical elements of the marketing and sales approach.
- **Operations.** Provides an overview of the way the business will operate on a day-to-day basis. Includes production processes, physical facility reviews, use of technology, and processes followed to ensure delivery of products or services.

- **Management and Organization.** Describes the key participants in the new business venture. Identifies the human resources the business can draw upon either as part of the management team, employee pool, consultants, directors, or advisers and the role each will play in the business' development. Discusses compensation and incentives and details decision-making processes.
- **Long-Term Development.** Gives a clear vision for where the business will be in three, five, or more years. Demonstrates an honest and complete evaluation of the business' potential for success and failure. Identifies priorities for directing future business activities.
- **Financials.** Indicates the accounting methodology to be used by the business. Discusses any assumptions made in projecting future financial results. Presents projections honestly and conservatively.
- **Appendix.** In addition, many business plans include copies of key supporting documents (e.g. certifications, licenses, tax requirements, codes, etc.) in an appendix. Other examples of these types of documents might include letters of intent or advance contracts, product technical descriptions and/or illustrations, endorsements, and the like.

## **State Eligibility**

Each local chapter may enter two (2) projects. Participants must be on record in the Pennsylvania state and the FBLA-PBL national offices as having paid dues by December 31 of the current school year. Although this event is classified as an individual event, the project may be authored by either an individual member or by a team, not to exceed three (3) members. All the participants who prepared the written report must represent the chapter in the oral presentation if the chapter is selected as one of the ten finalists. The project must not have been submitted for judging at a previous State Leadership Conference.

*In the event of a team entry, no more than one (1) member may have submitted a project for judging at a previous State Leadership Conference. A member who has competed as an individual in an individual/team event (1-3) may compete again in the same event as a team member the following year, not as an individual.*

## **State Regulations**

### **Pre-judged Written Report**

1. A pre-judged report should be developed based on a proposed business venture or current business operation.
2. Report formats **must** follow the same sequence shown on the rating sheet found in these guidelines. If the information is not available for a particular criterion, include a statement to that effect in the report. The report must be similar to that of a business report with substantiated statements in a clear and concise format.
3. Written reports **must** adhere to the following technical requirements. Penalty points will be given if the written project doesn't adhere to the report cover and report contents guidelines.

#### **A. Report Covers**

- (1) Front cover is **not** counted against the page limit.
- (2) Front covers **must** contain the following information: the name of the school, the state, name of the event, name(s) of students (if applicable) and the year (20xx-20xx).

#### **B. Report Contents**

- (1) Reports **must** contain a table of contents with page numbers.
  - (2) Follow the rating sheet sequence in writing the report. If information is not available for a particular criterion, include a statement to that effect in the report.
  - (3) Pages must be numbered and must be sized for 8 ½" x 11."
  - (4) Reports must not exceed thirty (30) pages excluding the front cover and the description (a title page, divider pages, and appendices are optional and must be included in the page count).
4. Reports must be prepared by student members, not advisers. Local chapter advisers should serve as consultants to ensure that the report is well organized, contains substantiated statements, and is written in an acceptable business style.

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5. FBLA-PBL encourages local chapters to cooperate on projects during the year. However, each chapter involved in the project must write and submit an independent report.
  6. Penalty points will be given if the written project doesn't adhere to the guidelines.

### **Performance**

1. Based on the highest written report scores, a maximum of ten (10) entries will be selected to make oral presentations at the State Leadership Conference. Only these finalists qualify to attend the State Leadership Conference.
2. Each individual or team of 2-3 members from each chapter selected for the finals will give an oral presentation at the State Leadership Conference. The presentation must be conducted by participants who authored the event.
12. A maximum time limit of five (5) minutes will be allowed to set up and remove equipment or presentation items.
13. The chapter must provide the computer for the event. A LCD projector, screen, table, and electrical power will be provided on-site. Participants that will be utilizing Apple products or other devices that do not have a VGA port will need to provide their own adapters.
14. Visual aids and samples related to the project may be used; however, no items may be left with the judges or audience.
15. The individual or team members must perform all aspects of the presentation (e.g., speaking, set-up, operating audiovisual equipment). Other representatives of the chapter may not provide assistance.
16. All individuals or team members must actively participate in the performance.
17. Seven (7) minutes will be given to describe the project and the results obtained.
18. At the end of six (6) minutes, a timekeeper will stand until noticed and hold up a colored time card indicating one minute is left, and at seven (7) minutes the timekeeper will stand and hold up a colored time card indicating time is up. When the presentation is finished, the timekeeper will record the time used, noting a deduction of five (5) points for any time over seven (7) minutes.
19. Following each presentation, the judges will conduct a three-minute (3) question-and-answer period.
20. The performance is open to conference attendees, except performing participants of this event.

### **State Procedure**

1. The event consists of two parts: (1) submission of a written business plan, and (2) performance.
2. At the State Leadership Conference, the chapter adviser must confirm students' participation in the event. Participants who are not confirmed will be disqualified.
3. Participants are required to complete both parts to be eligible to win an award.

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4. **The participant(s) must comply with the PA FBLA Dress Code which can be found at [www.pafbla.org/dresscode.php](http://www.pafbla.org/dresscode.php). If the participants do not comply, they will not be admitted to the oral presentation area until they are in compliance with the dress code.**

### **Preconference Requirements**

1. The participant(s) must submit the following items:
  - a. An event entry form, which is posted on the PA FBLA web site, certified by the local chapter adviser.
2. A PDF of the report must be uploaded by the chapter adviser and received by the deadline posted on the [www.pafbla.org](http://www.pafbla.org) website. After the chapter adviser registers the student for the SLC, instructions on how to upload via dropbox will be sent directly to the chapter adviser.
3. **The materials must be mailed to the PA FBLA Executive Director/State Chairman by the received date published at [www.pafbla.org/importantdates.php](http://www.pafbla.org/importantdates.php), which is posted on the PA FBLA web site. Failure to submit these documents by the received date will result in the participants being disqualified.**

### **Conference Requirements**

1. The participants with the ten (10) highest written report scores will be scheduled for an oral presentation. The top ten (10) finalists will be notified by the PA FBLA Executive Director/State Chairman by the date published at [www.pafbla.org/importantdates.php](http://www.pafbla.org/importantdates.php), which is posted on the PA FBLA web site. Only those ten (10) finalists will qualify to attend the State Leadership Conference.
2. At the State Leadership Conference, the chapter adviser must confirm students' participation in the event. Participants who are not confirmed will be disqualified.

### **State Judging**

1. Reports will be screened to determine if the projects have complied with event eligibility and regulations. A separate panel of judges will select the ten (10) finalists before the State Leadership Conference. Only these ten (10) finalists will qualify to attend the State Leadership Conference, and they will be notified by the date published at [www.pafbla.org/importantdates.php](http://www.pafbla.org/importantdates.php), which is posted on the PA FBLA web site.

A panel of judges will evaluate the presentations. Final rank will be determined by totaling the written report scores and the oral presentation scores. All decisions of the judges are final.

If there is a tie after the written portion in order to determine the top 10 finalists, ties will be broken based on the following:

#### **First Tiebreaker**

- Total points of the *Content* section on the Report Rating Sheet.

#### **Second Tiebreaker**

- Total points of the “Clear and concise presentation with logical arrangement of information following the rating sheet categories” category in the *Report Format* section on the Report Rating Sheet.

#### **Third Tiebreaker**

- Total points of the “Correct grammar, punctuation, spelling, and acceptable business style” category in the *Report Format* section on the Report Rating Sheet.

If there is a tie after the written portion and the oral presentation portion of the event, ties will be broken based on the following:

#### **First Tiebreaker**

- Total points of the Report Rating Sheet.

#### **Second Tiebreaker**

- Total points of the *Content* section on the Performance Rating Sheet.

#### **Third Tiebreaker**

- Total points of the “Statements are well-organized and clearly stated; appropriate business language used” category within the *Delivery* section on the Performance Rating Sheet.

Tiebreaker implementation examples can be found in this handbook or at [www.pafbla.org/tiebreakers.php](http://www.pafbla.org/tiebreakers.php).

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## **State Awards**

The state chapter will present a maximum of ten (10) awards at the State Leadership Conference.

## **National Conference Eligibility**

The first-, second-, and third-place award winners at the State Leadership Conference are eligible to attend the National Leadership Conference. Advisers and participants should refer to the latest edition of the National Chapter Management Handbook for official National Leadership Conference event guidelines.

In the event that the first-, second-, or third-place winner cannot attend, it is the responsibility of the:

**local chapter adviser**

- to contact the PA FBLA Executive Director/State Chairman about the student who will not be attending.

**PA FBLA Executive Director/State Chairman**

- to contact the next eligible award winner about participating at the National Leadership Conference.



**BUSINESS PLAN**  
**Report Rating Sheet**  
*Revised 2013-14*

Evaluation Item	Not Demonstrated	Does Not Meet Expectations	Meets Expectations	Exceeds Expectations	Points Earned
<b>Content</b>					
Executive Summary <ul style="list-style-type: none"> <li>•Convinces reader that business concept is sound and has a reasonable chance of success</li> <li>•Is concise and effectively written</li> </ul>	0	1–7	8–14	15–20	
Company Profile <ul style="list-style-type: none"> <li>•Legal form of business</li> <li>•Effective date of business</li> <li>•Company mission statement/vision</li> <li>•Company governance</li> <li>•Company location(s)</li> <li>•Immediate development goals</li> <li>•Overview of company’s financial status</li> </ul>	0	1–5	6–10	11–15	
Industry Analysis <ul style="list-style-type: none"> <li>•Description of industry (size, growth rates, nature of competition, history)</li> <li>•Trends and strategic opportunities within industry</li> </ul>	0	1–5	6–10	11–15	
Target Market <ul style="list-style-type: none"> <li>•Target market defined (size, growth potential, needs)</li> <li>•Effective analysis of market’s potential, current patterns, and sensitivities</li> </ul>	0	1–5	6–10	11–15	
Competition <ul style="list-style-type: none"> <li>•Key competitors identified</li> <li>•Effective analysis of competitors’ strengths and weaknesses</li> <li>•Potential future competitors</li> <li>•Barriers to entry for new competitors identified</li> </ul>	0	1–5	6–10	11–15	
Marketing Plan and Sales Strategy <ul style="list-style-type: none"> <li>•Key message to be communicated identified</li> <li>•Options for message delivery identified and analyzed including Web process</li> <li>•Sales procedures and methods defined</li> </ul>	0	1–5	6–10	11–15	
Operations <ul style="list-style-type: none"> <li>•Business facilities described</li> <li>•Production plan defined and analyzed</li> <li>•Workforce plan defined and analyzed</li> <li>•Impact of technology</li> </ul>	0	1–5	6–10	11–15	
Management and Organization <ul style="list-style-type: none"> <li>•Key employees/principals identified and described</li> <li>•Board of directors, advisory committee, consultants, and other human resources identified and described</li> <li>•Plan for identifying, recruiting, and securing key participants described</li> <li>•Compensation and incentives plan</li> </ul>	0	1–5	6–10	11–15	

(continued on next page)

Long-term Development •Goals for three-, five- or more years are identified and documented •Risks and potential adverse results identified and analyzed •Strategy in place to take business toward long-term goals	0	1-5	6-10	11-15	
Financials •Type of accounting system to be used is identified •Financial projections are included and reasonable •1 <sup>st</sup> year monthly cash flow •1 <sup>st</sup> year monthly income statement •Yearly income statements for years 1, 3 & 5 •Financial assumptions clearly identified	0	1-7	8-14	15- 20	
Supporting Documents •May include works cited page, certifications, licenses, tax requirements, codes, technical descriptions, advance contracts, endorsements, etc.	0	1-5	6-10	11-15	
<b>Report Format</b>					
Clear and concise presentation with logical arrangement of information following the rating sheet categories	0	1-3	4-7	8-10	
Professional written presentation appropriate to audience	0	1-2	3-4	5	
Correct grammar, punctuation, spelling, and acceptable business style	0	1-3	4-7	8-10	
<b>Subtotal</b>					<b>/200 max.</b>
<b>Penalty Points</b> Deduct five (5) points each for not adhering to Report Guidelines (maximum of twenty [20] points): <input type="checkbox"/> cover incorrect <input type="checkbox"/> missing table of contents <input type="checkbox"/> over thirty (30) pages <input type="checkbox"/> no page numbers <input type="checkbox"/> report format does not follow rating sheet <input type="checkbox"/> entry labeled incorrectly on the upload					
<b>Total Points</b>					<b>/200 max.</b>

Name(s): \_\_\_\_\_  
School: \_\_\_\_\_ Region: \_\_\_\_\_  
Judge's Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Judge's Comments:

VERIFICATION & INITIALS  
(scores checked for accuracy)

Competitive Events Team \_\_\_\_\_



# BUSINESS PLAN

## Performance Rating Sheet

Final Round

Evaluation Item	Not Demonstrated	Does Not Meet Expectations	Meets Expectations	Exceeds Expectations	Points Earned
<b>Content</b>					
Description of business concept and company profile	0	1-2	3-4	5	
Marketing aspects of business are thoroughly covered	0	1-5	6-10	11-15	
Description of operations and management plans	0	1-3	4-7	8-10	
Financial documents and projections are reasonable easy to understand	0	1-7	8-14	15-20	
Risks are anticipated, analyzed and planned for	0	1-3	4-7	8-10	
Long-term goals are identified and reasonable	0	1-3	4-7	8-10	
<b>Delivery</b>					
Statements are well-organized and clearly stated; appropriate business language used	0	1-3	4-7	8-10	
Demonstrates the ability to effectively answer questions regarding business start-up logistics	0	1-3	4-7	8-10	
Demonstrates self-confidence, poise, and good voice projection	0	1-2	3-4	5	
All team members actively participate in the presentation	0	1-2	3-4	5	
<b>Subtotal</b>	<b>/100 max.</b>				
<b>Time Penalty</b> Deduct five (5) points for presentation over seven (7) minutes. Time:					
<b>Dress Code Penalty</b> Deduct five (5) points when dress code is not followed.					
<b>Penalty</b> Deduct five (5) points for failure to follow guidelines.					
<b>Total Points</b>	<b>/100 max.</b>				
<b>Report Score</b>	<b>/200 max.</b>				
<b>Final Score</b> (add total points and report score)	<b>/300 max.</b>				

Name(s): \_\_\_\_\_

School: \_\_\_\_\_ Region: \_\_\_\_\_

Judge's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Judge's Comments:

VERIFICATION & INITIALS  
(scores checked for accuracy)

Chief Administrator \_\_\_\_\_

Official Checker \_\_\_\_\_