



National Standards for Entrepreneurship Education

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ENTREPRENEURIAL SKILLS - Standards and Performance Indicators

A. Entrepreneurial Processes

Standard: Understands concepts and processes associated with successful entrepreneurial performance

Discovery

- A.01 Explain the need for entrepreneurial discovery
- A.02 Discuss entrepreneurial discovery processes
- A.03 Assess global trends and opportunities
- A.04 Determine opportunities for venture creation
- A.05 Assess opportunities for venture creation
- A.06 Describe idea-generation methods
- A.07 Generate venture ideas
- A.08 Determine feasibility of ideas

Concept Development

- A.09 Describe entrepreneurial planning considerations
- A.10 Explain tools used by entrepreneurs for venture planning
- A.11 Assess start-up requirements
- A.12 Assess risks associated with venture
- A.13 Describe external resources useful to entrepreneurs during concept development
- A.14 Assess the need to use external resources for concept development
- A.15 Describe strategies to protect intellectual property
- A.16 Use components of a business plan to define venture idea

Resourcing

- A.17 Distinguish between debt and equity financing for venture creation
- A.18 Describe processes used to acquire adequate financial resources for venture creation/start-up
- A.19 Select sources to finance venture creation/start-up

- A.20 Explain factors to consider in determining a venture's human-resource needs
- A.21 Explain considerations in making the decision to hire staff.
- A.22 Describe considerations in selecting capital resources
- A.23 Acquire capital resources needed for the venture
- A.24 Assess the costs/benefits associated with resources

Actualization

- A.25 Use external resources to supplement entrepreneur's expertise
- A.26 Explain the complexity of business operations
- A.27 Evaluate risk-taking opportunities
- A.28 Explain the need for business systems and procedures
- A.29 Describe the use of operating procedures
- A.30 Explain methods/processes for organizing work flow
- A.31 Develop and/or provide product/service
- A.32 Use creative problem-solving in business activities/decisions
- A.33 Explain the impact of resource productivity on venture success
- A.34 Create processes for ongoing opportunity recognition
- A.35 Develop plan to invest resources into improving current products or creating new ones
- A.36 Adapt to changes in business environment

Harvesting

- A.37 Explain the need for continuation planning
- A.38 Describe methods of venture harvesting
- A.39 Evaluate options for continued venture involvement
- A.40 Develop exit strategies

B. Entrepreneurial Traits/Behaviors

Standard: Understands the personal traits/behaviors associated with successful entrepreneurial performance

Leadership

- B.01 Demonstrate honesty and integrity
- B.02 Demonstrate responsible behavior
- B.03 Demonstrate initiative
- B.04 Demonstrate open-mindedness to new ideas/suggestions
- B.05 Demonstrate ethical work habits
- B.06 Exhibit passion for goal attainment
- B.07 Recognize others' efforts
- B.08 Lead others using positive statements
- B.09 Develop team spirit
- B.10 Enlist others in working toward a shared vision
- B.11 Share authority, when appropriate
- B.12 Value diversity

Personal Assessment

- B.13 Describe desirable entrepreneurial personality traits
- B.14 Determine personal biases and stereotypes
- B.15 Determine interests
- B.16 Determine tolerance for risk/ambiguity
- B.17 Evaluate personal capabilities
- B.18 Conduct self-assessment to determine entrepreneurial potential

Personal Management

- B.19 Maintain positive attitude
- B.20 Demonstrate interest and enthusiasm
- B.21 Make decisions
- B.22 Develop an orientation to change
- B.23 Demonstrate problem-solving skills
- B.24 Assess risks
- B.25 Assume personal responsibility for decisions
- B.26 Use time-management principles
- B.27 Develop tolerance for ambiguity
- B.28 Use feedback for personal growth
- B.29 Demonstrate creativity
- B.30 Set personal goals

READY SKILLS -

Standards and Performance Indicators

C: Business Foundations

Standard: Understands fundamental business concepts that affect business decision making

Business Concepts

- C.01 Explain the role of business in society
- C.02 Describe types of business activities
- C.03 Explain types of businesses
- C.04 Explain opportunities for creating added value
- C.05 Determine issues and trends in business
- C.06 Describe crucial elements of a quality culture/continuous quality improvement
- C.07 Describe the role of management in the achievement of quality
- C.08 Explain the nature of managerial ethics
- C.09 Describe the need for and impact of ethical business practices
- C.10 Explain opportunities for business philanthropy

Business Activities

- C.11 Explain marketing management and its importance in a global economy
- C.12 Describe marketing functions and related activities
- C.13 Explain the nature and scope of operations management
- C.14 Explain the concept of management
- C.15 Explain the concept of financial management
- C.16 Explain the concept of human resource management
- C.17 Explain the concept of risk management
- C.18 Explain the concept of strategic management

D. Communications and Interpersonal Skills

Standard: Understands concepts, strategies, and systems needed to interact effectively with others

Fundamentals of Communication

- D.01 Explain the nature of effective communications
- D.02 Apply effective listening skills
- D.03 Use proper grammar and vocabulary
- D.04 Reinforce service orientation through communication
- D.05 Explain the nature of effective verbal communications
- D.06 Address people properly
- D.07 Handle telephone calls in a businesslike manner
- D.08 Make oral presentations
- D.09 Explain the nature of written communications
- D.10 Write business letters
- D.11 Write informational messages
- D.12 Write inquiries
- D.13 Write persuasive messages
- D.14 Prepare simple written reports
- D.15 Prepare complex written reports
- D.16 Use appropriate communications technologies/systems (e.g., e-mail, faxes, voice mail, cell phones, etc.)

Staff Communications

- D.17 Follow directions
- D.18 Explain the nature of staff communication
- D.19 Give directions for completing job tasks
- D.20 Conduct staff meetings

Ethics in Communication

- D.21 Respect the privacy of others
- D.22 Explain ethical considerations in providing information

Group Working Relationships

- D.23 Treat others fairly at work
- D.24 Develop cultural sensitivity
- D.25 Foster positive working relationships
- D.26 Participate as a team member

Dealing with Conflict

- D.27 Demonstrate self control
- D.28 Show empathy for others
- D.29 Use appropriate assertiveness
- D.30 Demonstrate negotiation skills
- D.31 Handle difficult customers/clients
- D.32 Interpret business policies to customers/clients
- D.33 Handle customer/client complaints
- D.34 Explain the nature of organizational change
- D.35 Describe the nature of organizational conflict
- D.36 Explain the nature of stress management

E. Digital Skills

Standard: Understands concepts and procedures needed for basic computer operations

Computer Basics

- E.01 Use basic computer terminology
- E.02 Apply basic commands of operating system software
- E.03 Employ desktop operating skills
- E.04 Determine file organization
- E.05 Demonstrate system utilities for file management
- E.06 Compress or alter files
- E.07 Use reference materials to access information
- E.08 Use menu systems
- E.09 Use control panel components
- E.10 Access data through various computer drives

Computer Applications

- E.11 Demonstrate basic search skills on the Web
- E.12 Evaluate credibility of Internet resources
- E.13 Demonstrate file management skills
- E.14 Communicate by computer
- E.15 Solve routine hardware and software problems
- E.16 Operate computer-related hardware peripherals
- E.17 Explain the nature of e-commerce
- E.18 Describe the impact of the Internet on business
- E.19 Develop basic web page

F: Economics

Standard: Understands the economic principles and concepts fundamental to entrepreneurship/small-business ownership

Basic Concepts

- F.01 Distinguish between economic goods and services
- F.02 Explain the factors of production
- F.03 Explain the concept of scarcity
- F.04 Explain the concept of opportunity costs
- F.05 Describe the nature of economics and economic activities
- F.06 Determine forms of economic utility created by business activities
- F.07 Explain the principles of supply and demand
- F.08 Describe the concept of price

Cost-Profit Relationships

- F.09 Explain the concept of productivity
- F.10 Describe cost/benefit analysis
- F.11 Analyze the impact of specialization/division of labor on productivity
- F.12 Explain the concept of organized labor and business
- F.13 Explain the law of diminishing returns
- F.14 Describe the concept of economies of scale

Economic Indicators/Trends

- F.15 Explain measures used to analyze economic conditions
- F.16 Explain the nature of the Consumer Price Index
- F.17 Explain the concept of Gross Domestic Product
- F.18 Determine the impact of business cycles on business activities

Economic Systems

- F.15 Explain the types of economic systems
- F.16 Describe the relationship between government and business
- F.17 Assess impact of government actions on business ventures
- F.18 Explain the concept of private enterprise
- F.19 Assess factors affecting a business's profit
- F.20 Determine factors affecting business risk
- F.21 Explain the concept of competition
- F.22 Describe types of market structures
- F.23 Determine the impact of small business/entrepreneurship on market economies

International Concepts

- F.24 Explain the nature of international trade
- F.25 Describe small-business opportunities in international trade
- F.26 Discuss processes used to sell in foreign markets
- F.27 Determine the impact of cultural and social environments on world trade
- F.28 Explain the impact of exchange rates on trade
- F.29 Evaluate influences on a nation's ability to trade

G: Financial Literacy

Standard: Understands personal money-management concepts, procedures, and strategies

Money Basics

G.01 Explain forms of financial exchange (cash, credit, debit, electronic fund transfer, etc.)

G.02 Describe functions of money (medium of exchange, unit of measure, store of value)

G.03 Describe the sources of income (wages/salaries, interest, rent, dividends, transfer payments, etc.)

G.04 Recognize types of currency (paper money, coins, banknotes, government bonds, treasury notes, etc.)

G.05 Read and interpret a pay stub

G.06 Explain the time value of money

G.07 Describe benefits and costs associated with credit

G.08 Explain legal responsibilities associated with use of money

G.09 Use money effectively

Financial Services

G.10 Describe services provided by financial institutions

G.11 Explain legal responsibilities of financial institutions

G.12 Explain costs associated with use of financial services

G.13 Select financial institution

G.14 Open account with financial institution

Personal Money Management

G.15 Set financial goals

G.16 Develop savings plan

G.17 Develop spending plan

G.18 Develop personal budget

G.19 Make deposits to and withdrawals from account

G.20 Complete financial instruments

G.21 Maintain financial records

G.22 Read and reconcile financial statements

G.23 Correct errors with account

G.24 Build positive credit history

G.25 Check credit history

G.26 Correct errors with credit history

G.27 Improve/repair creditworthiness

G.28 Explain types of investments

G.29 Invest money

H: Professional Development

Standard: Understands concepts and strategies needed for career exploration, development, and growth

Career Planning

- H.01 Evaluate career opportunities based on current/future economy
- H.02 Analyze employer expectations in the business environment
- H.03 Explain the rights of workers
- H.04 Select and use sources of career information
- H.05 Determine tentative occupational interest
- H.06 Explain employment opportunities in entrepreneurship

Job-Seeking Skills

- H.07 Utilize job-search strategies
- H.08 Complete a job application
- H.09 Interview for a job
- H.10 Write a follow-up letter after job interviews
- H.11 Write a letter of application
- H.12 Prepare a résumé
- H.13 Describe techniques for obtaining work experience (e.g., volunteer activities, internships)
- H.14 Explain the need for ongoing education as a worker
- H.15 Explain possible advancement patterns for jobs
- H.16 Determine skills needed to enhance career progression
- H.17 Utilize resources that can contribute to professional development (e.g., trade journals/ periodicals, professional/trade associations, classes/seminars, trade shows, and mentors)
- H.18 Use networking techniques for professional growth

BUSINESS FUNCTIONS -

Standards and Performance Indicators

I: Financial Management

Standard: Understands the financial concepts and tools used in making business decisions

Accounting

- I.01 Explain accounting standards (GAAP)
- I.02 Prepare estimated/projected income statement
- I.03 Estimate cash-flow needs
- I.04 Prepare estimated/projected balance sheet
- I.05 Calculate financial ratios
- I.06 Determine and deposit payroll taxes
- I.07 File tax returns

Finance

- I.08 Explain the purposes and importance of obtaining business credit
- I.09 Make critical decisions regarding acceptance of bank cards
- I.10 Establish credit policies
- I.11 Develop billing and collection policies
- I.12 Describe use of credit bureaus
- I.13 Explain the nature of overhead/operating expenses
- I.14 Determine financing needed to start a business
- I.15 Determine risks associated with obtaining business credit
- I.16 Explain sources of financial assistance
- I.17 Explain loan evaluation criteria used by lending institutions
- I.18 Select sources of business loans
- I.19 Establish relationship with financial institutions
- I.20 Complete loan application process
- I.21 Determine business's value

Money Management

- I.22 Establish financial goals and objectives
- I.23 Develop and monitor budget
- I.24 Manage cash flow
- I.25 Explain the nature of capital investment
- I.26 Foster a positive financial reputation
- I.27 Implement procedures for managing debt
- I.28 Supervise/implement regular accounting procedures and financial reports
- I.29 Determine cost effectiveness of outsourcing accounting tasks

J: Human Resource Management

Standard: Understands the concepts, systems, and strategies needed to acquire, motivate, develop, and terminate staff

Organizing

- J.01 Develop a personnel organizational plan
- J.02 Develop job descriptions
- J.03 Establish personnel policies
- J.04 Develop compensation plan/incentive systems
- J.05 Organize work/projects for others
- J.06 Delegate responsibility for job tasks

Staffing

- J.07 Determine hiring needs relative to organizational team building
- J.08 Recruit new employees
- J.09 Screen job applications/résumés
- J.10 Interview job applicants
- J.11 Select new employees
- J.12 Negotiate new-hire's salary/pay
- J.13 Dismiss/Fire employee

Training/Development

- J.14 Orient new employees (management's role)
- J.15 Conduct training class/program
- J.16 Coach employees

Morale/Motivation

- J.17 Exhibit leadership skills
- J.18 Encourage team building
- J.19 Recognize/reward employees
- J.20 Handle employee complaints/grievances
- J.21 Ensure equitable opportunities for employees
- J.22 Build organizational culture

Assessment

- J.23 Assess employee morale
- J.24 Provide feedback on work efforts
- J.25 Assess employee performance
- J.26 Take remedial action with employee
- J.27 Conduct exit interviews

K: Information Management

Standard: Understands the concepts, systems, and tools needed to access, process, maintain, evaluate, and disseminate information for business decision-making

Recordkeeping

- K.01 Explain the nature of business records
- K.02 Maintain record of daily financial transactions
- K.03 Record and report sales tax
- K.04 Develop payroll recordkeeping system
- K.05 Establish financial recordkeeping system
- K.06 Maintain personnel records
- K.07 Maintain customer records

Technology

- K.08 Explain ways that technology impacts business
- K.09 Use Personal Information Management/Productivity applications
- K.10 Demonstrate writing/publishing applications
- K.11 Demonstrate presentation applications
- K.12 Demonstrate database applications
- K.13 Demonstrate spreadsheet applications
- K.14 Demonstrate collaborative/groupware applications
- K.15 Determine venture's technology needs

Information Acquisition

- K.16 Select sources of business start-up information
- K.17 Conduct an environmental scan to obtain marketing information
- K.18 Monitor internal records for marketing information
- K.19 Determine underlying customer needs/frustrations

L: Marketing Management

Standard: Understands the concepts, processes, and systems needed to determine and satisfy customer needs/wants/expectations, meet business goals/objectives, and create new product/service ideas

Product/Service Creation

- L.01 Explain methods to generate a product/service idea
- L.02 Generate product/service ideas
- L.03 Assess opportunities for import substitution
- L.04 Determine product/service to fill customer need
- L.05 Determine initial feasibility of product/service ideas
- L.06 Plan product/service mix
- L.07 Choose product name
- L.08 Determine unique selling proposition
- L.09 Develop strategies to position product/service
- L.10 Build brand/image
- L.11 Evaluate customer experience

Marketing-information Management

- L.12 Explain the concept of market and market identification
- L.13 Describe the role of situation analysis in the marketing-planning process
- L.14 Determine market segments
- L.15 Select target markets
- L.16 Conduct market analysis
- L.17 Explain the concept of marketing strategies
- L.18 Describe the nature of marketing planning
- L.19 Set a marketing budget
- L.20 Develop marketing plan
- L.21 Monitor and evaluate performance of marketing plan

Promotion

- L.22 Describe the elements of the promotional mix
- L.23 Calculate advertising media costs
- L.24 Select advertising media
- L.25 Buy advertising
- L.26 Prepare a promotional budget
- L.27 Develop promotional plan for a business
- L.28 Write a news/media release
- L.29 Obtain publicity
- L.30 Select sales-promotion options
- L.31 Write sales letters
- L.32 Maintain/update web site
- L.33 Evaluate effectiveness of advertising

Pricing

- L.34 Calculate breakeven point
- L.35 Explain factors affecting pricing decisions
- L.36 Establish pricing objectives
- L.37 Select pricing strategies
- L.38 Set prices
- L.39 Adjust prices to maximize profitability

Selling

- L.40 Acquire product information for use in selling
- L.41 Analyze product information to identify product features and benefits
- L.42 Prepare for the sales presentation
- L.43 Establish relationship with client/customer
- L.44 Determine customer/client needs
- L.45 Determine customer's buying motives for use in selling
- L.46 Differentiate between consumer and organizational buying behavior
- L.47 Recommend specific product
- L.48 Convert customer/client objections into selling points
- L.49 Close the sale
- L.50 Demonstrate suggestion selling
- L.51 Plan follow up strategies for use in selling
- L.52 Process sales documentation
- L.53 Prospect for customers
- L.54 Plan strategies for meeting sales quotas
- L.55 Analyze sales reports
- L.56 Train staff to support sales efforts
- L.57 Analyze technology for use in the sales function
- L.58 Manage online sales process

M: Operations Management

Standard: Understands the processes and systems implemented to facilitate daily business operations

Business Systems

- M.01 Plan business layout
- M.02 Determine equipment needs
- M.03 Document business systems and procedures
- M.04 Establish operating procedures
- M.05 Develop project plans
- M.06 Analyze business processes and procedures
- M.07 Implement quality improvement techniques
- M.08 Evaluate productivity of resources
- M.09 Manage computer-based operating systems

Channel Management

- M.10 Select business location
- M.11 Select distribution channels
- M.12 Develop and implement order-fulfillment processes

Purchasing/Procurement

- M.13 Explain the buying process
- M.14 Describe the nature of buyer reputation and vendor relationships
- M.15 Establish company buying/purchasing policies
- M.16 Conduct vendor search
- M.17 Choose vendors
- M.18 Negotiate contracts with vendors
- M.19 Place orders
- M.20 Barter with vendors

Daily Operations

- M.21 Schedule staff
- M.22 Pay employees
- M.23 Maintain inventory of products/supplies
- M.24 Organize shipping/receiving

N: Risk Management

Standard: Understands the concepts, strategies, and systems that businesses implement and enforce to minimize loss

Business Risks

- N.01 Describe types of business risk
- N.02 Determine ways that small businesses protect themselves against loss
- N.03 Establish controls to prevent embezzlement/theft
- N.04 Establish and implement systems to protect customer/employee confidentiality
- N.05 Determine business's liabilities
- N.06 Explain ways to transfer risk
- N.07 Obtain insurance coverage
- N.08 Develop strategies to protect computer (digital) data
- N.09 Develop security policies and procedures
- N.10 Establish safety policies and procedures
- N.11 Protect assets from creditors
- N.12 Establish parameters for staff responsibility/authority
- N.13 Develop continuation plan

Legal Considerations

- N.14 Explain legal issues affecting businesses
- N.15 Protect intellectual property rights
- N.16 Select form of business ownership
- N.17 Obtain legal documents for business operations
- N.18 Describe the nature of businesses' reporting requirements
- N.19 Adhere to personnel regulations
- N.20 Implement workplace regulations (including OSHA, ADA)
- N.21 Develop strategies for legal/government compliance

O: Strategic Management

Standard: Understands the processes, strategies, and systems needed to guide the overall business organization

Planning

- O.01 Conduct SWOT analysis
- O.02 Conduct competitive analysis
- O.03 Evaluate business acquisition options
- O.04 Develop company goals/objectives
- O.05 Develop business mission
- O.06 Forecast income/sales
- O.07 Conduct break-even analysis
- O.08 Develop action plans
- O.09 Develop business plan

Controlling

- O.10 Use budgets to control operations
- O.11 Develop expense-control plans
- O.12 Analyze cash-flow patterns
- O.13 Interpret financial statements
- O.14 Develop strategies to minimize taxes
- O.15 Analyze operating results in relation to budget/industry
- O.16 Track performance of business plan

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