

Introduction to Business Concepts



FBLA High School Competitive Events Guidelines

2022–2023

Objective Test Events

Overview

These events consist of a 60-minute test administered during the National Leadership Conference (NLC).

ELIGIBILITY

Each state may submit four entries. Competitors must have paid FBLA national and state dues by 11:59 p.m. Eastern Time on March 1 of the current school year. These events are for individual competitors only.

NLC Registration

Participants must be registered for the NLC and pay the national conference registration fee to participate in competitive events.

Accounting I
Accounting II
Advertising
Agribusiness
Business Calculations
Business Communication
Business Law
Computer Problem Solving
Cyber Security
Economics
Health Care Administration
Human Resource Management
Insurance & Risk Management
Introduction to Business Communication
Introduction to Business Concepts
Introduction to Business Procedures
Introduction to FBLA
Introduction to Financial Math
Introduction to Information Technology
Introduction to Marketing Concepts – **NEW**
Introduction to Parliamentary Procedure
Journalism
Networking Infrastructures
Organizational Leadership
Personal Finance
Political Science
Securities & Investments
Supply Chain Management
UX Design

Introduction to Business Concepts

9th & 10th grade only

Objective Test Competencies

- Money management, banking, and investments
- Consumerism
- Characteristics and organization of business
- Economic systems
- Rights and responsibilities of employees, managers, owners, and government
- Career awareness
- Global business
- Ethics
- Insurance

Objective Test Guidelines

- No materials may be brought to the testing site.
- No calculators may be brought into the testing site; calculators will be provided.
- Electronic devices must be turned off and out of sight.
- Bring a writing instrument.

FBLA Introduction to Business Concepts Study Guide

Competency A: Money Management, Banking, and Investments	NEEDS: 22
Tasks	
1. Discuss the nature of monetary policy and the role of the Federal Reserve System.	
2. Discuss the general methods of financing business ventures and various sources of financing.	
3. Develop, evaluate, and modify a spending/savings plan.	
4. Describe the purpose of budgets and identify the steps in preparing a good budget.	
5. Demonstrate proper procedures for managing a checking account (e.g., writing checks, balancing check register, making deposits, electronic funds transfers, and debit cards).	
6. Compare services provided by banks, credit unions, and other financial institutions.	
7. Define the difference between fixed expenses and variable expenses.	
8. Prepare and interpret financial statements such as a balance sheet and an income and expenditure record.	
9. Evaluate savings and investment options (e.g., stocks, bonds, mutual funds, real estate, etc.) to meet short- and long-term goals.	
10. Describe source of securities information.	
11. Compare and contrast various sources of credit.	
12. Explain the advantages and disadvantages of using credit.	
13. Compute simple interest loans.	
14. Explain how a good credit record can be established and maintained.	
Competency B: Consumerism	NEEDS: 17
Tasks	
1. List sources of consumer information.	
2. Identify rights and responsibilities of consumers and list ways to protect consumer rights.	
3. Explain the function of organizations such as the Better Business Bureau and the Federal Trade Commission.	
4. Analyze the characteristics, motivations, and behaviors of consumers.	
5. Interpret financial elements to determine impact on consumer behavior.	
6. Describe the use of advertisements and other marketing strategies.	
7. Explain the importance of comparative shopping.	
8. Describe the difference between a promotional and a clearance sale.	

FBLA Introduction to Business Concepts Study Guide

Competency C: Characteristics and Organization of Business	NEEDS: 17
Tasks	
1. Define the main goals and functions of a business.	
2. Explain the difference between gross profit and net profit.	
3. List and describe the steps in organizing a business.	
4. Define the main features, advantages, and disadvantages of various types of business ownership.	
5. Describe the major functions of business and their relationship to one another.	
6. Identify current business trends to recognize changes needed in business operations.	
7. Develop a business plan that facilitates growth and business success.	
Competency D: Economic Systems	NEEDS: 17
Tasks	
1. Define key economic terms.	
2. Analyze the role of supply and demand in the economy.	
3. Identify major components of the free enterprise system.	
4. Explain the economic role played by business in satisfying customer needs and wants in a free enterprise system.	
5. Recognize effects of competition on businesses, consumers, and society.	
6. Explain characteristics, including strengths and weaknesses of various types of economic systems (e.g., traditional, communist, socialist, etc.).	
7. Identify factors affecting business profit.	
8. Explain the importance of productivity and how finances, labor, and technology affect productivity.	
9. Identify economic trends/indicators to measure economic conditions.	
10. Examine current events (regional, national, and international) to determine their impact on business.	
11. Analyze the economic impact of e-commerce.	
Competency E: Rights and Responsibilities of Employees, Managers, Owners, and Government	NEEDS: 13
Tasks	
1. Identify ways for businesses to demonstrate their social responsibility.	
2. Identify ways to improve employee morale and customer satisfaction.	
3. Discuss procedures and consequences when on-the-job rules and laws are not followed.	
4. Identify basic principles of organized labor and describe its influence on government and business.	
5. Explain the impact of equal employment opportunity and affirmative action on business.	
6. Recognize bias, vested interest, stereotyping, and the manipulation and misuse of information	
7. Determine the relationship between government and business to ascertain government's role in a market economy.	
8. Analyze impact of government regulation and rights on business.	

FBLA Introduction to Business Concepts Study Guide

Competency F: Career Awareness	NEEDS: 13
Tasks	
1. Identify personal qualities and characters and match to business careers.	
2. Identify factors affecting the future of the workforce.	
3. Identify sources of information about careers and job leads.	
4. Write a letter of application.	
5. Prepare a resume or personal data sheet.	
6. Demonstrate how to properly fill out a job application form.	
7. Implement job-interview strategies.	
Competency G: Insurance	NEEDS: 7
Tasks	
1. Identify reasons for buying personal and business insurance.	
2. Distinguish among the various types of insurance (e.g., home, life, medical automobile, liability, disability, etc.).	
3. Compare basic types of insurance policies to determine appropriate use.	
4. Implement safety, health, and environmental controls to minimize loss and risk.	
Competency H: Ethics	NEEDS: 7
Tasks	
1. Identify current and emerging ethical issues in the global business environment and the consequences of unethical business dealings.	
2. Exhibit legal and ethical behaviors when using information and technology and discuss consequences of misuse.	
3. Apply a professional code of ethics to a workplace problem or issue.	
4. Apply ethics and government regulations to protect the business.	
5. Explain the relationship of business ethics to product/service management.	
6. Examine the role of ethics and social responsibility on decision making.	
Competency I: Global (International) Business	NEEDS: 7
Tasks	
1. Explain the difference between foreign trade and domestic trade.	
2. Describe some of the ways in which social, cultural, economic, legal, and political differences among nations affect international business.	
3. Discuss how current world events impact international business.	
4. Recognize the impact of international trade on business.	
5. Demonstrate an understanding of global competition.	
6. Describe how tariffs, quotas, and embargoes affect world trade.	

FBLA Introduction to Business Concepts

Resources:

Introduction to Business Course Outline. 2003. South Carolina Career and Technology, South Carolina Department of Education. Columbia, SC.

Career Cluster Resources for Marketing, Sales & Service. 2003. National Association of State Directors of Career Technical Education Consortium. Washington, DC.

Career Cluster Resources for Business, Management and Administration. 2003. National Association of State Directors of Career Technical Education Consortium. Washington, DC.

Career Cluster Resources for Finance. 2003. National Association of State Directors of Career Technical Education Consortium. Washington, DC.

Kentucky Occupational Skill Standards List. 2007. Career and Technical Education. Kentucky Department of Education. Frankfort, KY.

Entrepreneurship Task List. VTECS. Decatur, GA.

Business Finance Standards. VTECS. Decatur, GA.

Business Education Standards. National Business Education Association. Reston, VA.

INTRODUCTION TO BUSINESS CONCEPTS SAMPLE QUESTIONS

- 1) Which of the consumer responsibilities requires consumers to analyze and use information about products wisely?
 - A) be heard
 - B) information
 - C) healthy environment
 - D) redress

- 2) The Federal Trade Commission protects ___ by stopping unfair, deceptive, or fraudulent practices in the marketplace.
 - A) businesses
 - B) investors
 - C) traders
 - D) consumers

- 3) ___ is a measure of profitability that shows the percentage of revenue that exceeds the cost of goods sold.
 - A) Gross sales
 - B) Net Sales
 - C) Gross profit margin
 - D) Profit margin

- 4) ___ profit is a company's profit before subtracting expenses.
 - A) Investors
 - B) Gross
 - C) Sales
 - D) Local

- 5) The ___ is the central banking system of the United States of America.
 - A) Federal Asset Management Commission
 - B) Federal Reserve
 - C) Board of Governors
 - D) Federal Open Market Committee

- 6) ___ is property you possess such as bank accounts, investments, and other assets that is worth more than your debts.
- A) Debt
 - B) Bond
 - C) Cash value
 - D) Capital
- 7) Ethical labor practices for suppliers include the use of products that have been certified as meeting ___.
- A) financial incentive programs
 - B) department of agriculture approval
 - C) sustainable economic factors
 - D) fair trade standards
- 8) Examples of environmental sustainability initiatives can take various forms including all the following **except** ___.
- A) installation of photovoltaic systems
 - B) developing platforms that allow employees to work from remote locations rather than commuting to the office
 - C) increasing energy use at production facilities
 - D) reduce its carbon footprint
- 9) The best job interview tactics to follow include all the following **except** ___.
- A) be yourself
 - B) follow up quickly
 - C) be informal in your dress
 - D) display your skills with concrete examples
- 10) This level of auto insurance covers the cost to repair or replace your car if it's damaged or destroyed in a wreck.
- A) comprehensive
 - B) term
 - C) liability
 - D) collision

- 11) Many insurance companies offer a(n) ____ card that provided the user with free bonuses or discounts.
- A) finance
 - B) affinity
 - C) check
 - D) debit
- 12) ____ refers to business activities that are **not** regulated by the government but are defined by a set of legal rules such as property rights, contracts, and competitive bidding.
- A) Communism
 - B) Subsidies
 - C) Free enterprise
 - D) Socialism
- 13) Somebody who has the idea and enterprise to mix together the other factors of production to produce something valuable.
- A) bouncer
 - B) inventor
 - C) owner
 - D) entrepreneur
- 14) The study of the individual pieces that together make an economy.
- A) macroeconomics
 - B) microeconomics
 - C) capitalism
 - D) individualism
- 15) The most common barrier to trade is a tax on imports known as a(n) ____.
- A) subsidy
 - B) tariff
 - C) embargo
 - D) protection

- 1) B
- 2) D
- 3) C
- 4) B
- 5) B
- 6) D
- 7) D
- 8) C
- 9) C
- 10) D
- 11) B
- 12) C
- 13) D
- 14) B
- 15) B

General Competitive Events Guidelines

The general event guidelines below are applicable to all FBLA High School national competitive events. Please review and follow these guidelines when competing at the national level. When competing at the state level, check the state guidelines since they may differ.

All members and advisers are responsible for reading and following competitive event guidelines.

Eligibility

- **Dues:** Competitors must have paid FBLA national and state dues by 11:59 p.m. Eastern Time on March 1 of the current school year.
- **NLC Registration:** Participants must be registered for the NLC and pay the national conference registration fee in order to participate in competitive events.
- **Deadlines:** The state chair, or designee, must register each state competitor on the official online entry forms by 11:59 p.m. Eastern Time on the second Tuesday in May.
- Each state may submit four entries in all events.
- Each competitor can only compete in one individual/team event and one chapter event.
- Each competitor must compete in all parts of an event for award eligibility.
- A team shall consist of two or three members. The exception is Parliamentary Procedure, which must be a team of four or five members.
- All members of a team must consist of individuals from the same chapter.
- If competitors are late for a competitive event, there are no guarantees they will get to compete. Competitive event schedules cannot be changed. **PLEASE NOTE** that competitive events start in the morning before the opening session of NLC.
- Competitors may be disqualified if they violate competitive event guidelines.
- Picture identification (drivers' license, passport, state-issued identification, or school-issued identification) is required when checking in for competitive events.

General Competitive Events Guidelines

Repeat Competitors

- **Members** may compete in an event at NLC more than once if they have not previously placed in the top ten of that event at NLC. If a member places in the top ten of an event at NLC, they are no longer eligible to compete in that event. This eliminates the exceptions for team events that were previously in place, as this change will now affect all events.
- **Modified Events:** A competitor may compete in the same event when the event is modified, regardless of placement at a National Leadership Conference. Note, if the only modification is a name change, competitors may not compete in the renamed event if they have previously placed in the top ten at the National Leadership Conference.
- **Chapter Events:** Competitors may compete in a chapter event as many times as they wish, regardless of placement at a previous National Leadership Conference (American Enterprise Project, Community Service Project, Local Chapter Annual Business Report, and Partnership with Business Project).
- **Pilot Event:** Competition in a pilot event does not disqualify a competitor from competing in the same event if it becomes an official competitive event. The participant may compete in another event as well as a pilot event.

Breaking Ties

- **Objective Tests:** Ties are broken by comparing the correct number of answers to the last 10 questions on the exam. If a tie remains, the competitor who completed the test in a shorter amount of time will place higher. If this does not break the tie, answers to the last 20 questions will be reviewed to determine the winner.
- **Objective and Production Tests:** The production test scores will be used to break a tie.
- **Objective Tests and Performances:** The objective test score will be used to break a tie based on the tie-breaking criteria of objective tests.
- **Reports/Projects and Performances:** The report/project scores will be used to break a tie.
- **Performances:** Judges must break ties and all judges' decisions are final.

General Competitive Events Guidelines

National Deadlines

- State chair/adviser must register all competitors for NLC competitive events online by 11:59 p.m. Eastern Time on the second Tuesday in May.
- All prejudged components (reports and projects) must be submitted by 11:59 p.m. Eastern Time on the second Tuesday in May.
- All prejudged projects and reports must be submitted electronically.
- All production tests must be submitted by 11:59 p.m. Eastern Time on the third Tuesday in May.
- All production tests must be uploaded online on the required platform.
- State chair/adviser may make name changes only (no additional entries) by 11:59 p.m. Eastern Time on the first Tuesday in June. Competitor drops are the only changes allowed after this date and onsite.

National Awards

- The number of competitors will determine the number of winners. The maximum number of winners for each competitive event is 10.

Americans With Disabilities Act (ADA)

- FBLA-PBL meets the criteria specified in the Americans with Disabilities Act for all participants who [submit an accommodation form](#).
- The form must be submitted by 11:59 p.m. Eastern Time on the second Tuesday in May.

Recording of Presentations

- No unauthorized audio or video recording devices will be allowed in any competitive event. Participants in the performance events should be aware the national association reserves the right to record any performance for use in study or training materials.