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GENERAL ASSESSMENT INFORMATION

TEST OVERVIEW:
The DECA School-based Enterprise Certification Exam serves as an important component to building students’ resumes in preparation for college and career, aids development of 21st century skills such as critical thinking and problem solving, and verifies competency in specific skill areas, adding value to transcripts and job applications. DECA members may pursue individual certification through the successful completion of an online, 100 question exam that measures the effectiveness of student involvement in their SBE and the impact of SBE experience on individual learning.

Earning DECA SBE Certification provides credibility for DECA and the SBE program, validates curriculum efficacy, and provides evidence that students have achieved mastery level in entrepreneurship skills.

- 100 multiple choice questions
- 90 minute time limit
- Administered online via secure testing website
- Students must score 70% or higher to receive certification

TEST DEVELOPMENT:
The DECA SBE Certification Exam was developed by MBA Research, a not-for-profit 501(c)(3) foundation operated by a consortium of 27 state education departments. The SBE Certification Exam aligns with industry-validated standards developed by MBA Research for the State’s Career Clusters Initiative. The exam questions are derived from performance indicators within the Business Administration Core and Marketing Career Cluster.

Individual performance indicators are based on a review of prior research and on extensive review of available online and print literature–both from industry and education. For additional information on these Performance Indicators, the National Curriculum Framework, or the National Business Administration Standards, please visit the MBAResearch website at www.MBAResearch.org.

COMPETENCIES ASSESSED

PERCENTAGE OF QUESTIONS FROM EACH INSTRUCTIONAL AREA

<table>
<thead>
<tr>
<th>Competency</th>
<th>Percentage</th>
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<tr>
<td>FINANCIAL ANALYSIS</td>
<td>12%</td>
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<tr>
<td>OPERATIONS</td>
<td>10%</td>
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<tr>
<td>MARKETING-INFORMATION MANAGEMENT</td>
<td>6%</td>
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<td>MARKET PLANNING</td>
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<tr>
<td>PRODUCT/SERVICE MANAGEMENT</td>
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<tr>
<td>PRICING</td>
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<td>DISTRIBUTION</td>
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<td>PROMOTION</td>
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<tr>
<td>SELLING</td>
<td>10%</td>
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<tr>
<td>HUMAN RESOURCES MANAGEMENT</td>
<td>4%</td>
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SPECIFIC COMPETENCIES ASSESSED:

**FINANCIAL ANALYSIS**
- Maintain financial records
- Demonstrate the wise use of credit
- Explain the need for accounting standards (GAAP)
- Prepare cash flow statements
- Explain the nature of balance sheets
- Describe the nature of income statements

**OPERATIONS**
- Describe health and safety regulations in business
- Follow instructions for use of equipment, tools, and machinery
- Follow safety precautions
- Explain routine security precautions
- Devise/Enact merchandise security measures to minimize inventory shrinkage
- Prepare cash drawers/banks
- Open/Close register/terminal

**MARKETING INFORMATION MANAGEMENT**
- Scan marketplace to identify factors that could influence merchandising decisions
- Analyze competitors’ offerings
- Assess trading area
- Determine price sensitivity

**MARKET PLANNING**
- Profile target customer
- Determine market needs

**PRODUCT/SERVICE MANAGEMENT**
- Determine quality of merchandise to offer
- Select mix of brands
- Plan merchandise assortment (e.g., styling, sizes, quantities, colors)
- Develop seasonal assortment strategies
- Identify components of a retail image
- Plan reductions (e.g., anticipated markdowns, employee/other discounts, stock shortages, etc.)
- Determine stock turnover
- Determine when to buy/reorder
- Choose vendors

**PRICING**
- Adjust prices to maximize profitability
- Determine cost of product (breakeven, ROI, markup)
- Describe pricing strategies
- Develop seasonal pricing strategies
- Evaluate pricing decisions

**DISTRIBUTION**
- Explain the relationship between customer service and distribution
- Explain the receiving process
- Resolve problems with incoming shipments
- Explain storing considerations
- Complete inventory counts
- Determine inventory shrinkage
- Establish system for processing dead/excess merchandise
- Assess sales and stock performance

**PROMOTION**
- Explain the use of visual merchandising in retailing
- Create promotional signs
- Plan special events
- Prepare facility for special event
- Use cross-merchandising techniques
- Explain types of display arrangements
- Plan promotional strategy (promotional objectives, budget, promotional mix, etc.)
- Measure success of promotional efforts

**SELLING**
- Establish relationship with client/customer
- Determine customer/client needs
- Recommend specific product
- Demonstrate suggestion selling
- Process returns/exchanges
- Process retail sales documentation

**HUMAN RESOURCES MANAGEMENT**
- Conduct product “show and tell”
- Conduct contests to motivate employees
- Foster “right” environment for employees
- Hold special events for employees
As Tom uses his credit card to make purchases in a responsible manner, he should remember that credit is a(n)
A. privilege.
B. loan.
C. asset.
D. tax.

What is a benefit to a business of having written records of financial transactions?
A. Information is accurate, accessible, and meaningful.
B. Accounting is simplified and less detailed.
C. Expenses are reduced, and income is increased.
D. Investments are increased, and profit is reinvested.

Most businesses provide employee orientation as soon as new employees report for work because
A. orientation focuses on specific job tasks.
B. that is when employees are anxious to learn.
C. employees can learn everything in the beginning.
D. employees can't work until they have been oriented.

Which of the following is an example of an unsafe condition?
A. Falling asleep on the job
B. Horseplay
C. Broken handrail on a stairway
D. Using machinery before reading instructions

Heyman's discount store planned to participate in a variety of promotional activities in order to meet its goal of
increasing the store's market share. Heyman's promotional plan is a marketing
A. tactic.
B. strategy.
C. concept
D. objective.

Calculate the stock-turn rate for an item when the total number of units sold is 6,225, and the average number of
items in stock is 1,245.
A. 7
B. 3
C. 4
D. 5

When a customer asks for a particular item, and the salesperson recommends a different item to satisfy the needs of
that customer, the salesperson is engaging in
A. suggestion selling.
B. product knowledge.
C. product substitution.
D. buying signals.

Sweepstakes and contests are examples of communications channels often used in
A. sales promotions.
B. advertising campaigns.
C. publicity programs.
D. media commercials.
The Fragrantly Yours Flower Shop determined that it sells between 35 and 50 dozen red roses each week. What measure is the flower shop using to analyze:

A. Average  
B. Range  
C. Median  
D. Mod

What process do businesses follow in order to direct and control all phases in the life of a good or service?

A. Idea positioning  
B. Product managing  
C. Concept testing  
D. Growth marketing