



Core Competencies

In keeping with terms of the enabling statute that sets forth activities of the SBDC program "to serve as an active information dissemination and service delivery mechanism ... " through the utilization of institutions of higher education, broad areas of expected business proficiency are listed.

1. Business Planning, including Strategic Planning and Business Plan Development

The Consultant/Counselor will be able to:

- a. Identify and assess the critical business issues facing the existing business client based on inputs such as client interviews, financial statements, operating information and external customer/market data.
- b. Assess the start-up client's readiness and needs
- c. Identify and convey to the client the basic steps and considerations for starting or buying a business or franchise and selling, transferring or liquidating a business or franchise.
- d. Identify available resources and tools including government regulations and services available via multiple sources.
- e. Assist in developing a strategic plan using tools such as a SWOT analysis, Porter's 5-Forces or other strategic tools.
- f. Identify different types of business plans and the purpose and use of each
- g. Understand the components of a business plan and be able to explain/demonstrate them to a client
- h. Effectively assist clients to develop a business plan
- i. Effectively assist clients in implementing their business plan
- j. Develop an action plan with activities and next steps with the client

2. Financial Analysis

The Consultant/Counselor will be able to:

- a. Identify businesses costs.
- b. Determine what the gross profit margin is and relate to the client why it is important.
- c. Determine what sales volume is needed to break even.
- d. Track and forecast cash flow.
- e. Know the effect of delayed collections on cash flow.
- f. Know the difference between margin and markup.
- g. Know how to monitor gross, operating, and net profit margins.
- h. Know how to estimate minimum cash (working capital) reserves.
- i. Know how to use business ratios and industry averages.
- j. Effectively convey all of the above concepts to clients.
- k. Understand and effectively convey to clients key financial management issues including costs, cash flow, break-even, gross profit margin, forecasting, business ratios and industry averages, and financial statements.

3. Accounting

The Consultant/Counselor will be able to:

- a. Reconcile a bank statement.
- b. Be able to teach a client how to hire and pay an employee in the specific State/Region.
- c. Be knowledgeable and have a basic understanding of electronic and paper recordkeeping systems.
- d. Cash basis vs. Accrual basis of accounting
- e. Provide resources for setting up a company using electronic software such as Quick Books.
- f. Assign appropriate expense categories to expenses incurred within a checking register.
- g. Create financial statements.
- h. Account for A/P and A/R.
- i. Account for COGS (Beg. Inv+ Purchases - End Inventory)
- j. Demonstrate knowledge of each part of the Accounting Equation
- k. Demonstrate knowledge of invoicing and collections.
- l. Demonstrate knowledge of internal controls necessary to minimize theft.
- m. General knowledge of federal, state and local taxes.

4. Marketing

The Consultant/Counselor will be able to:

- a. Identify and define four P's of marketing- product, price, place & promotion
- b. Identify and define the five segments of promotion - advertising, personal selling, public relations, sales promotion and direct marketing
- c. Direct clients to proper sources for market research (SBDC net services)
- d. Understand competitive strengths and how to perform a competitive analysis (SWOT)
- e. Assist clients in developing a "superior" value proposition
- f. Effectively assist clients to understand basic selling skills
- g. Effectively assist clients in developing a compelling, professional sales presentation
- h. Assist clients in developing a marketing plan consisting of a strategic plan and a tactical plan. Concise strategies will be developed for:
 - I. Products/services
 - II. Targeting
 - III. Positioning
 - IV. Pricing
 - V. Value proposition (Why should I choose you?)
 - VI. Distribution (Go to market strategy)
 - VII. Communication (the message and the media)
- i. Assist clients in developing and implementing an action plan
- j. Assist clients in how to do fundamental, cost effective:
 - I. Market research
 - II. Market analysis
 - III. Customer research
 - IV. Competitive analysis
- k. Assist clients in developing strategies and tactics to:
 - I. Find/acquire new customers
 - II. Satisfy
 - III. Grow
 - IV. Keep
- l. Internet marketing
- m. Research
- n. Newsletters
- o. Blogs and other emerging electronic and social networking tools that can used by small business clients
- p. Relationship marketing

5. Assistance with Access to Capital

The Consultant/Counselor will be able to:

- a. Identify financing sources to include:
 - I. State and local loan/economic development programs
 - II. Federally sponsored programs
 - III. Banks
 - IV. Internal methods of financing - bootstrapping
 - V. Initial public offering, funding using an LLC
 - VI. Angel investing groups
 - VII. Venture capital
 - VIII. Equity capital
- b. Identify and define financing strategies
- c. The factors considered for project/loan approval via each financing vehicle
- d. How to convert an unfundable project/proposal to one that is fundable
- e. Understanding how to effectively combine a myriad of financing programs - investors, banks and government loans when necessary to fund the project
- f. Understand and demonstrate a fundable loan proposal
- g. Assist in developing the loan proposal to include two-year, month-to-month financial projections
- h. Time value of money
- i. Capital budgeting
 - I. Payback period
 - II. NPV and IRR
- j. Amortization schedules
- k. Leases
 - I. General knowledge of credit reports and credit scoring

6. Communication Skills

The Consultant/Counselor will be able to:

- a. Active listening
- b. Effective client interviewing using open ended questions
- c. Creative problem solving
- d. The ability to handle difficult people

7. Consulting/Counseling Techniques

The Consultant/Counselor will be able to:

- a. Display knowledge and use of effective consulting/counseling and coaching techniques
- b. Assist client to set goals within an action plan
- c. Understand how to develop a standard consulting/counseling session outline that serves as a diagnostic tool for effectively assessing the client
- d. Identify consulting/counseling tools/resources and how they would be used
- e. Understand and demonstrate when team based consulting/counseling would be used
- f. Understand how to use SBDCNet, any web-based client database, such as WebCATS, Center IC, EDMIS, etc. and consulting/counseling resources and how to develop effective documentation
- g. Demonstrate understanding of identifying high growth/high opportunity clients and how to engage the state/region-wide services available
- h. Demonstrate an understanding and awareness of Cultural diversity
- i. Understand and comply with the State/Region Code of Professional Conduct:
 - I. Conflict of interest policies
 - II. Client confidentiality requirements
 - III. Ethics
 - IV. Educational or host organization policies (*to be covered by College or host organization*)
 - V. Introduction to core competencies

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