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

l. 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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