



CAREER CLUSTER
Finance

INSTRUCTIONAL AREA
Financial Analysis

PRINCIPLES OF FINANCE EVENT

PARTICIPANT INSTRUCTIONS

- The event will be presented to you through your reading of the 21st Century Skills, Performance Indicators and Event Situation. You will have up to 10 minutes to review this information and prepare your presentation. You may make notes to use during your presentation.
- You will have up to 10 minutes to make your presentation to the judge (you may have more than one judge).
- You will be evaluated on how well you meet the performance indicators of this event.
- Turn in all of your notes and event materials when you have completed the event.

21st CENTURY SKILLS

- Critical Thinking – Reason effectively and use systems thinking.
- Communication – Communicate clearly.
- Creativity and Innovation – Show evidence of creativity.

PERFORMANCE INDICATORS

1. Explain the concept of accounting.
2. Describe the need for financial information.
3. Discuss the role of ethics in accounting.
4. Explain the nature of balance sheets.

EVENT SITUATION

You are to assume the role of an accountant doing private consulting work. The owner (judge) of a new online business, ACCESSORY HUT, does not understand the need for an accountant and has asked you to explain why it is important.

ACCESSORY HUT is a new online business. The owner (judge) creates jewelry, hair accessories and small purses and sells the merchandise on the ACCESSORY HUT website. The owner (judge) has one employee that works part-time. The owner (judge) uses the sales profits to purchase supplies, pay the part-time employee, shipping and postage costs, and routine servicing of equipment.

Several people have told the owner (judge) that the expertise of an accountant is needed to ensure ACCESSORY HUT is maintaining accurate financial records. The owner (judge) is not convinced that an accountant is needed. You will meet with the business owner (judge) to explain why even a small business needs an accountant. You must explain the need for financial information and explain a company needs to create and maintain balance sheets and other financial documents.

You will explain the need for and importance of accounting to the business owner (judge) in a role-play to take place in the business owner's (judge's) office. The business owner (judge) will begin the role-play by asking you about the role of accounting in a business. After you have explained accounting to the business owner (judge) and have answered the business owner's (judge's) questions, the new business owner (judge) will conclude the role-play by thanking you for your work.

JUDGE'S INSTRUCTIONS

DIRECTIONS, PROCEDURES AND JUDGE'S ROLE

In preparation for this event, you should review the following information with your event manager and other judges:

1. Procedures
2. 21st Century Skills and Performance Indicators
3. Event Situation
4. Judge Situation Characterization
Participants may conduct a slightly different type of meeting and/or discussion with you each time; however, it is important that the information you provide and the questions you ask be uniform for every participant.
5. Judge's Evaluation Instructions
6. Judge's Evaluation Form
Please use a critical and consistent eye in rating each participant.

JUDGE SITUATION CHARACTERIZATION

You are to assume the role of an owner of a new online business, ACCESSORY HUT. You do not understand the need for an accountant and have asked a private accounting consultant (participant) to explain why it is important.

ACCESSORY HUT is a new online business. You create jewelry, hair accessories and small purses and sell the merchandise on the ACCESSORY HUT website. You have one employee that works part-time. You use the sales profits to purchase supplies, pay the part-time employee, shipping and postage costs, and routine servicing of equipment.

Several people have told you that the expertise of an accountant is needed to ensure ACCESSORY HUT is maintaining accurate financial records. You are not convinced that an accountant is needed. You will meet with an accounting consultant (participant) to hear why even a small business needs an accountant. The accounting consultant (participant) must explain the need for financial information and explain why a company needs to create and maintain balance sheets and other financial documents.

The accounting consultant (participant) will explain the importance of accounting to you in a role-play to take place in your office. You will begin the role-play by asking about the role accounting plays in a business. During the course of the role-play you are to ask the following questions of each participant:

1. What can an accountant do that I cannot accomplish for my business myself?
2. Can an accountant also manage my business's annual taxes? How?

After the consultant (participant) has given you an explanation and has answered your questions, you will conclude the role-play by thanking the consultant (participant).

You are not to make any comments after the event is over except to thank the participant.

JUDGE'S EVALUATION INSTRUCTIONS

Evaluation Form Information

The participants are to be evaluated on their ability to perform the specific performance indicators stated on the cover sheet of this event and restated on the Judge's Evaluation Form. Although you may see other performance indicators being demonstrated by the participants, those listed in the Performance Indicators section are the critical ones you are measuring for this particular event.

Evaluation Form Interpretation

The evaluation levels listed below and the evaluation rating procedures should be discussed thoroughly with your event chairperson and the other judges to ensure complete and common understanding for judging consistency.

Level of Evaluation	Interpretation Level
Exceeds Expectations	Participant demonstrated the performance indicator in an extremely professional manner; greatly exceeds business standards; would rank in the top 10% of business personnel performing this performance indicator.
Meets Expectations	Participant demonstrated the performance indicator in an acceptable and effective manner; meets at least minimal business standards; there would be no need for additional formalized training at this time; would rank in the 70-89 th percentile of business personnel performing this performance indicator.
Below Expectations	Participant demonstrated the performance indicator with limited effectiveness; performance generally fell below minimal business standards; additional training would be required to improve knowledge, attitude and/or skills; would rank in the 50-69 th percentile of business personnel performing this performance indicator.
Little/No Value	Participant demonstrated the performance indicator with little or no effectiveness; a great deal of formal training would be needed immediately; perhaps this person should seek other employment; would rank in the 0-49 th percentile of business personnel performing this performance indicator.



PRINCIPLES OF FINANCE, 2018

Participant: _____

JUDGE'S EVALUATION FORM

I.D. Number: _____

INSTRUCTIONAL AREA

Financial Analysis

Did the participant:

		Little/No Value	Below Expectations	Meets Expectations	Exceeds Expectations	Judged Score
PERFORMANCE INDICATORS						
1.	Explain the concept of accounting?	0-1-2-3-4-5	6-7-8-9-10	11-12-13-14	15-16-17-18	
2.	Describe the need for financial information?	0-1-2-3-4-5	6-7-8-9-10	11-12-13-14	15-16-17-18	
3.	Discuss the role of ethics in accounting?	0-1-2-3-4-5	6-7-8-9-10	11-12-13-14	15-16-17-18	
4.	Explain the nature of balance sheets?	0-1-2-3-4-5	6-7-8-9-10	11-12-13-14	15-16-17-18	
21st CENTURY SKILLS						
5.	Reason effectively and use systems thinking?	0-1	2-3	4-5	6-7	
6.	Communicate clearly?	0-1	2-3	4-5	6-7	
7.	Show evidence of creativity?	0-1	2-3	4-5	6-7	
8.	Overall impression and responses to the judge's questions	0-1	2-3	4-5	6-7	
TOTAL SCORE						