

# SMALL BUSINESS MANAGEMENT TEAM (510)

## REGIONAL – 2016

*TOTAL POINTS* \_\_\_\_\_ (*170 points*)

**Failure to adhere to any of the following rules will result in disqualification:**

- 1. Contestant must hand in this test booklet and all printouts. Failure to do so will result in disqualification.**
- 2. No equipment, supplies, or materials other than those specified for this event are allowed in the testing area. No previous BPA tests and/or sample tests or facsimile (handwritten, photocopied, or keyed) are allowed in the testing area.**
- 3. Electronic devices will be monitored according to ACT standards.**

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*Workplace Skills Assessment Program* competition.

**Description:**

The team will use strategic planning and problem-solving skills to provide solutions to the business case study provided. At State and National level, teams will be presented with an additional element to the scenario that requires revision of their final presentation.

**Initial Case Study Topic:**

Your team has been hired by William Winter, the CEO of Solutions International, LLC to develop a new business strategy for the corporation. During your meeting with Mr. Winter, he provided the past five years of sales and expense reports for you to review, along with a breakout of the corporate structure. SI, LLC, located in Scranton, Pennsylvania, opened in 2001 providing basic printing jobs for local businesses. Since that time, they have added a photography division (SI Photography) and consulting service (SI Solutions). While the initial launch of both divisions was slow to start, within the first 16 months of business, sales seemed to peak. Shortly thereafter, revenue for both divisions started a downward trend. There are some challenges that have been identified by Mr. Winter's executive team:

Internal Challenges:

- Limited printing equipment
- Lack of long-term employees
- Outdated information technology infrastructure

External Challenges:

- Lack of name recognition
- Increased competition due to ecommerce
- Centralized market opportunities

The three Divisions are as follows:

- SI Printing Services – offers a broad array of printing and designing services including: stationery, copies, business cards, etc. - anything that can be printed on paper (no matter the size).
- SI Photography – offers photography services for some specific areas: senior pictures, nature and business.
- SI Solutions – offers consulting services in the areas of business and financial operations.

As requested by Mr. Winter, review the financial history as provided and prepare a plan for him and his executive team. Mr. Winter has given you the following areas to consider as you prepare for your presentation:

1. How can SI, LLC attain additional customers outside of the current geographical area?
2. How can SI, LLC secure long-term staff to have a wide array of business knowledge and expertise?
3. What additional products and/or services could SI, LLC provide within each division?
4. What cost-savings measures could be put in place to help increase overall profitability?
5. Should SI, LLC attempt to compete head-to-head against its much larger competitor(s)?

**A team will be DISQUALIFIED for violations of the Copyright and Fair Use Guidelines.**

**Teams who do not submit an entry that follows this topic will be disqualified.**

## Small Business Management Team Financial Data

### Income and Expense

Solutions International, LLC

#### Income (2011-2015)

	2011	2012	2013	2014	2015
SI Printing	750,000	875,000	950,000	1,250,000	1,175,000
SI Photography	0	155,750	325,000	950,750	725,650
SI Solutions	0	0	85,750	435,705	275,850

#### Expense (2011-2015)

	2011	2012	2013	2014	2015
SI Printing	695,825	765,625	836,000	906,250	1,039,875
SI Photography	0	225,750	108,875	284,275	217,695
SI Solutions	0	0	82,250	392,134	252,402

#### **Notes:**

2011 was SI Printing's 10 year Anniversary

SI Photography start-up expenses were calculated to \$185,000.

SI Solutions opened in June of 2013

In 2014 SI Printing added significant additional products available to print.

SI Printing outsourced 80% of printing in 2014.