

Unfortunately, it appears we will be missing our review for the final that was scheduled for our last class on Wednesday, December 9.

PLEASE TURN IN YOUR FINAL PROJECT AT AHT AS SOON AS POSSIBLE. You may put them in my mailboxes that are on the lateral file cabinets behind Terry's desk. If you hand them in before the day of the final, I will make every effort to have them graded and give them back at the final. If you don't hand yours in until the day of the final, it will be available for you to pick up at AHT after classes begin again in January.

## REVIEW

Following are the questions that would have been asked during a review Jeopardy game.

These are not the identical questions that will be on the final, and there is certainly material here that will not be included on the final. However, *everything that is on the final has been touched upon below*. If you are comfortable with all these words and concepts, you will do fine.

The final is worth 50 points and includes 12 short-answer questions that are worth a varying number of points (points are noted by each question).

Some of the questions require you to provide your opinion about what elements are important to a particular element of a business plan and to defend your choices. Example: "What are the most important things that you should include in your competitive analysis. Why?" These are questions that do not have an absolute right/wrong answer but I will grade based on whether your elements are actually ones that should be included and (most importantly) whether you adequately support their importance.

Let me know if you have any questions or concerns.

--Kristi

## REVIEW QUESTIONS

What is a direct competitor?

- A. A business that offers identical or similar products or services

What is an indirect competitor?

- A. A business that offers products or services that are a close substitute.

Name three ways to identify your competitors

- A. Search engines, phone books, drive around, ask your customers

Primary vs. Secondary, Qualitative vs. Quantitative are all forms of what?

- A. Market Research

What is the name of the fee you pay in order to receive insurance coverage?

- A. Premium

What are two ways to lower insurance costs?

- A. Select a higher deductible; Select a lower maximum amount to be insured; Have a good credit rating.

Name two reasons to include your Risk Management plan in your Business Plan.

- A. To demonstrate preparedness to investors and professional partners; So that you have it if you need it;

True or False: Workers Compensation is the same thing as Health Insurance.

- A. False. W.C. is federally mandated if you have ANY employees at all and you MUST pay this amount regularly. Health insurance is a private policy taken out and covers you whether or not your sickness or injury happened on the job.

What are three voluntary payroll deductions?

- A. Health, dental, vision insurance premiums; 401(k) and ESPP/ESOP

What are three Statutory payroll deductions?

- A. Federal income tax, medicare, social security tax, state and local income tax

Social Security and Medicare are combined as a deduction. What is the label used on most paychecks to categorize this?

- A. Federal Contributions Insurance Act -- FICA

FUTA is a label often seen on paychecks for a deduction. What does it stand for?

- A. Federal unemployment Tax act

What is the primary difference between an employee and an independent contractor?

- A. You are required to withhold and pay employment taxes on employees; independent contractors must do this for themselves.

What is the name of the financial statement that shows a snapshot of the business at a moment in time?

- A. The balance sheet.

What is the name of the financial statement that shows the status of the business during a period of time?

- A. The income statement.

What is the name of the financial projection that tells you how much money you are expected to have at any point in time?

- A. A Cash Flow Statement.

What is the formula for the balance sheet?

- A.  $Assets = Liability + Capital$

What are fixed assets?

- A. Assets that cannot be quickly converted into cash, such as property and equipment.

What is an I9?

- A. Verification of citizenship, required for **every** employee.

What is the W4?

- A. The federal and state tax withholding form every employee should complete.

What is a W2?

- A. The earnings statement employees get at the end of the year to use for their income tax preparation.

What is an exempt employee?

- A. A salaried employee who is paid the same no matter how long they work.

Name three human resource duties

- A. Training, Advertising for employees, compliance with employment regulations (postings), benefits, company policies, hiring, recruiting

What is your EIN?

- A. Your federally-issued Employer Identification Number, used for reporting tax withholding.

In the Myers Briggs Personality Analysis, T vs. F stands for

- A. Thinking versus Feeling

What is liability coverage for?

- A. Damage done to someone else's property or person, not yours

List the three main questions to ask about risk management.

- A. What can go wrong? What will we do about it? How will we pay for it?

What does "intangible" mean in the term "intangible asset"?

- A. Something "virtual" that you can't hold or touch, like customer goodwill or the value of a trademark, logo or patent.

What is one important thing to do before replying to an email from a customer, especially when replying to a complaint?

- A. Research the transaction

Replying to a customer complaint in writing is beneficial in two ways. What are they?

- A. It provides a written record of the transaction and it allows you to think through what you're going to say.

What are three things to remember when writing to a customer about a complaint?

- A. Be concise, focus on the customer (use "you"), Avoid negativity, Use Passive rather than Active voice.