

Exam Objectives for ESB V.2

Objective Domains

1. Entrepreneurial and Small Business Concepts

- 1.1 Identify the foundational concepts of entrepreneurship and small business ownership**
 - 1.1.1 Define entrepreneurship and small business
 - 1.1.2 Classify types of businesses
 - 1.1.3 Identify various legal structures of a business
 - 1.1.4 Identify roles and responsibilities within a business
 - 1.1.5 Define business compensation structures
 - 1.1.6 Define business life cycle stages
 - 1.1.7 Identify elements of the design thinking process
- 1.2 Identify knowledge and skills of a successful entrepreneur**
 - 1.2.1 Identify characteristics of an entrepreneurial mindset
 - 1.2.2 Identify the risks, benefits, opportunities, and drawbacks of being an entrepreneur
- 1.3 Recognize potential business opportunities**
 - 1.3.1 Identify characteristics of a business opportunity
 - 1.3.2 Determine the viability of a business opportunity
- 1.4 Identify the elements of a business plan**
 - 1.4.1 Identify the purposes and value of a business plan, pitch deck, and lean canvas
 - 1.4.2 Define the key components of a business plan and pitch deck
- 1.5 Identify intellectual property concepts**
 - 1.5.1 Differentiate between trademarks, trade secrets, copyrights, and patents
 - 1.5.2 Identify the value, risks, and guidelines associated with using licensed materials

2. Marketing and Sales

- 2.1 Interpret market research**
 - 2.1.1 Define target market, value proposition, and pricing
 - 2.1.2 Distinguish between primary and secondary data
 - 2.1.3 Evaluate competition
 - 2.1.4 Complete a SWOT analysis
- 2.2 Analyze aspects of marketing processes**
 - 2.2.1 Identify marketing platforms
 - 2.2.2 Apply marketing methods
 - 2.2.3 Analyze market reactions and sales data
 - 2.2.4 Analyze customer acquisition costs and retention costs



2.3 Identify sales channel strategies

- 2.3.1 Identify elements of a sales process
- 2.3.2 Identify key characteristics of digital and physical sales channels
- 2.3.3 Define various types of sales channels
- 2.3.4 Identify the role of customer service and support in sales strategies

3. Production and Distribution

3.1 Identify the value of a Minimum Viable Product

- 3.1.1 Define elements of product/market fit hypothesis
- 3.1.2 Define performance/quality criteria

3.2 Identify supply chain and production processes

- 3.2.1 Identify the knowledge and materials needed to create a product or service
- 3.2.2 Identify production options for digital and physical products and services
- 3.2.3 Identify quality control testing processes for digital and physical products and services, including adherence to government regulatory and safety requirements

3.3 Identify distribution channels

- 3.3.1 Identify types and factors in the selection of distribution channels
- 3.3.2 Identify differences between direct distribution and fulfillment services

4. Business Financials

4.1 Analyze business financials

- 4.1.1 Determine the selling price of a product or service
- 4.1.2 Interpret basic financial statements such as income sheets and balance sheets
- 4.1.3 Differentiate between fixed and variable costs
- 4.1.4 Analyze a company's cash flow
- 4.1.5 Calculate the ROI of a product or service

4.2 Analyze funding options

- 4.2.1 Determine operating budget and start-up costs
- 4.2.2 Identify various funding options
- 4.2.3 Identify requirements for obtaining funding