



# ENTREPRENEURSHIP

## Merit Badge Requirements

- 1) In your own words, define *entrepreneurship*. Explain to your merit badge counselor the role of the entrepreneur in the economy of the United States.
- 2) Identify and interview an individual who has started his or her own business. Find out how the entrepreneur got the idea for the business and how the entrepreneur recognized it as a market opportunity. Find out how the entrepreneur raised the capital (money) to start the business. How well is the business doing? Report what you learn.
- 3) Do the following:
  - A) Write down as many ideas as you can think of for a business. Get ideas from your family and friends. From your list, select three ideas that you believe are the best opportunities for you.
  - B) Explain to your counselor why you chose these three ideas rather than the others on your list.
  - C) For each of the three ideas that you chose, prepare a list of questions that you would ask potential customers.
  - D) For each of your three ideas, informally interview potential customers, using the lists of questions from requirement 3c. Report what you learn.
  - E) Using the information you have gathered, choose the one idea that you feel is your best business opportunity.
- 4) Conduct a feasibility study of your business idea by doing all of the following (briefly writing or explaining each item to your counselor):
  - A) *Good or Service*
    - 1) Identify your business goals.
    - 2) Tell how you will make the good or perform the service. Determine whether it is technically feasible (practical or doable).
    - 3) Determine how you can make enough of the good or provide enough of the service to meet your business goals. Explain how you will accomplish this.
    - 4) Identify and describe the potential liability risks of your good or service.
    - 5) Determine what type of license you might need in order to sell or to make your good or service.
  - B) *Market*
    - 1) Determine who your customers are. Identify the type of person who would buy your good or service.
    - 2) Describe the unique benefits of your good or service.
    - 3) Tell how you will promote and sell your good or service to potential customers.
  - C) *Finances*
    - 1) If you are selling a good, determine how much it will cost to make one prototype.
    - 2) Calculate the selling price of your good or service. Explain how you determined the price.
    - 3) Tell how you will sell your good or service and make a profit.
    - 4) Determine how much money you will need to start your business. Explain how you will get the money.
  - D) *Personnel*
    - 1) Determine what parts of the business you will handle yourself. Describe your qualifications for the work. Determine how your business responsibilities will fit into your schedule.
    - 2) Determine whether you will need additional help to operate your business. If you will need help, describe the qualifications your helpers should have and what duties they will perform.
- 5) Do TWO of the following:
  - A) Sketch a prototype of your good or write a description of your service.
  - B) Create the prototype. List all of the materials you used to make your prototype. Calculate the cost of all the materials and labor to compute the total cost of making your prototype.
  - C) Design a promotional poster or flyer for your good or service.
  - D) Project (estimate) your sales through the first three months of operation. Calculate the profit you expect to make.
- 6) When you believe that your business idea is feasible, start your own business. Show evidence that you started your business (sales receipts, for example, or photos of the good). Report to your counselor the results of your venture.



From your list, select three ideas that you believe are the best opportunities for you:

\_\_\_\_\_

Explain why you selected these three ideas rather than the others on your list

Opportunity: \_\_\_\_\_ Why did you select this opportunity? \_\_\_\_\_

\_\_\_\_\_

Opportunity: \_\_\_\_\_ Why did you select this opportunity? \_\_\_\_\_

\_\_\_\_\_

Opportunity: \_\_\_\_\_ Why did you select this opportunity? \_\_\_\_\_

\_\_\_\_\_

For each of the three ideas that you chose, prepare a list of questions that you would ask potential customers:

Opportunity: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Opportunity: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_

Question: \_\_\_\_\_





Identify and describe the potential liability risks of your good or service: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Determine what type of license you might need in order to sell or to make your good or service: \_\_\_\_\_  
\_\_\_\_\_

***Market***

Determine who your customers are. Identify the type of person who would buy your good or service: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Describe the unique benefits of your good or service: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Tell how you will promote and sell your good or service to potential customers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

***Finances***

If you are selling a good, determine how much it will cost to make one prototype and explain why: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Calculate the selling price of your good or service and explain how you determined the price: Selling Price: \$ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Tell how you will sell your good or service and make a profit: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Determine how much money you will need to start your business: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Explain how you will get the money: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

***Personnel***

Determine what parts of the business you will handle yourself: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Describe your qualifications for the work: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Determine how your business responsibilities will fit into your schedule: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Determine whether you will need additional help to operate your business and tell why: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If you will need help, describe the qualifications your helpers should have and what duties they will perform: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Requirement 5**

You have been given four options for this requirement. Select and complete two of them.

If you selected *Option A*:

If you are going to be selling a good, use the following space to sketch a prototype of your good:





