



# Fall High School Challenge 2020

The DECA High School Challenge provides an opportunity for students to develop business-related knowledge and skills through the preparation and presentation of a current case study of a business impacted by current economic conditions.

*Scholarships and other prizes will be awarded to top-placing teams!*



## 1<sup>st</sup> Place Team

- \$1,000 Scholarship (per team member)

## 2<sup>nd</sup> Place Team

- \$750 Scholarship (per team member)

## 3<sup>rd</sup> Place Team

- \$500 Scholarship (per team member)

## Knowledge & Skills Developed

Participants will develop knowledge and skills related to:

- Entrepreneurship and innovation
- Business Management
- Business Communication
- Hospitality

Participants will also develop many 21<sup>st</sup> Century skills, including:

- Communication & collaboration
- Creativity and Innovation
- Critical Thinking & Problem Solving
- Flexibility & Adaptability
- Leadership & Responsibility
- Information Literacy

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**KANSAS STATE**  
**UNIVERSITY**

Center for Principled Business

**DECA High School Challenge Case Study**  
**Fall 2020**

**Benjamin's Grill**

***Introduction***

*"I think we are going to have to consider something different if we are going to stay in business,"* Andy said to James at the end of a long, slow evening at Benjamin's.

*"Yeah? Well, I'll have to admit that I've been giving this some thought lately, since we've had some extra time on our hands,"* James said as he sat down at the end of the bar.

*"Well, let's chat then,"* Andy said, pulling out another chair at the bar and taking a seat by the register. *"I've been thinking about some different paths for us. I can't wait to hear what's been on your mind."*

*"Ok! Well... what if..."* James said with a grin.

***10 Years Earlier***

Andy and Courtney Williams heard that their favorite restaurant, in the town where they went to college (and also where they had spent many evenings together when they were dating), was for sale. They had both earned degrees in business – hers in entrepreneurship, and his in management, and had worked for the past several years for a successful restaurant group in the Washington, D.C. area. While they loved the city and their successful careers, Andy and Courtney had always planned to return to the Midwest at some point, to be closer to their families, and raise their two young kids in a smaller community. They also had a dream to own their own restaurant, with hopes of building their brand and eventually owning several high-end restaurants.

After talking with their families, their banker, and several friends who still lived in Springfield area, Andy and Courtney made the decision to take a leap of faith, and purchase the restaurant and start new careers where they had first met. The Williams couldn't believe how lucky they were to have the opportunity to purchase such a special place and return to a place that felt like home. Springfield is a mid-sized community (approximately 70,000 residents) and is home to a large public university.

***Background***

The Williams purchase of Benjamin's Grill was, overall, a great success. The restaurant already had a solid reputation and track record in the community, and in the 10 years since acquiring Benjamin's, Andy and Courtney slowly made improvements to the restaurant's appearance, menu, and built a committed and experienced management and service team. Benjamin's reputation for a great dining experience increased, and there was rarely an evening where reservations weren't required well in advance.

Despite their successful business and great community support, Benjamin's did have some significant challenges. First, the Williams didn't own the historical building where the restaurant was located. The rent was expensive, and due to the age of the building, utilities costs were extremely high (sometimes up to \$4,000 per month). The Williams had acquired all of the kitchen equipment, but much of it was nearing the end of its lifecycle, and required frequent repairs.

In addition to the high cost of rent, utilities, and other operational costs, one of the most significant expenses for the restaurant was the payroll for the experienced staff team. James, the Executive Chef, had worked for the restaurant since its beginning, and received a competitive salary with a competitive benefits package. Other members of the management team also received competitive salaries and benefits, in line with their years of experience and dedication to the restaurant.

Despite the high overhead costs and other expenses, the Williams were always able to find a balance between revenue and expenses and remain profitable. In large part, the profitability of the business was due to Andy and Courtney's long hours that they each dedicated to the restaurant's success. Andy often fixed equipment late at night and early in the morning, while managing the restaurant many days and evenings each week. Courtney spent many hours researching insurance options, managing payroll, and working diligently to keep costs down whenever possible. With rising costs of food, insurance, utilities, salaries, and an ever-growing list of appliances and fixtures in need of repair or replacement, remaining profitable was a delicate balance at all times.

### ***Current Situation***

In March 2020, Covid-19 very suddenly impacted operations of Benjamin's Grill. The County Health Department suspended operations for all restaurants, bars, and many other local retailers. Benjamin's shut down entirely for several weeks before restrictions gradually allowed for take-out dining options only. Benjamin's worked quickly to develop processes for food preparation, as well as creative marketing, with a skeleton staff, to resume operations. After several more weeks, restaurants were allowed to resume dining inside the restaurant, but only at a small percentage of the total restaurant capacity. Benjamin's also began offering limited takeout options, but quickly learned that people wanted the dining "experience" offered by Benjamin's, and found takeout service to have only limited success.

Thanks to a (hopefully forgivable) Paycheck Protection Program (PPP) loan, the restaurant was able to keep most of their key employees on staff on their payroll, which helped significantly with accumulating costs during this time.

However, due to the many fixed expenses, and little or no revenue for many months, the Williams became increasingly worried about being able to keep the doors open moving forward. With no way to maximize seating in the dining room, revenue would be severely limited for the foreseeable future. While Benjamin's had historically been profitable, months of debt payments, along with the high overhead costs, salaries for members of the management team, and ongoing costs for equipment, made the possibility of continuation with the business as it had previously operated, a likely insurmountable challenge. In addition, the local economy is driven in large part by the local university, which also faces an uncertain road ahead, due to both Covid-19, as well as already declining enrollment and budget cuts from the state.

***Looking Ahead***

With the reality of Covid-19 causing business disruption, for a likely extended time period, Andy and Courtney, along with Executive Chef James, discussed several options looking ahead.

***Resources/Notes***

- The Williams have a month-to-month lease on the restaurant space in the historical building.
- Business structure: The Williams formed “Williams Hospitality Group,” a Limited Liability Company (LLC) when planning for purchase of the business.
- Williams Hospitality Group owns all the contents of the restaurant and kitchen. This includes all fixtures and furnishings, kitchen equipment, point of sale systems/software, etc.
- Assets include:
  - All fixtures and furnishings from the restaurant
  - Access to credit line of up to \$400,000, due to their solid credit history
  - Cargo Van (in good condition)
- Liabilities include:
  - Current debts: Commercial loan balance: \$62,500
  - American Express Small Business Card Balance: \$12,500

***Student Challenge***

If you were in the shoes of Andy and Courtney Williams, as the managing members of Williams Hospitality Group, LLC, how might you consider moving forward with your business in a more sustainable manner? Continue operations in some format? Pivot to a different business model, type of business, or other? Close the business? (this would be their last resort option only).

- Form a team of up to 4 members
- Prepare a 2-3 page Executive Summary, outlining a business plan for the company.
  - Consider the current assets of the business (owner and team experience, as well as financial and other assets).
- Record a short video presentation, 5 minutes maximum, in MP4 format, highlighting your recommendations for the Williams Hospitality Group, LLC.
  - Use visual aids, PowerPoint or similar
- Be creative! Innovation in business is critical. Successful businesses must adapt to help their company grow, stay relevant, and differentiate themselves. When thinking about how our world has changed in a short period of time, how can a business embrace innovation to drive their future success?
- Questions? Please reach out to Marcia Hornung, [hornung@ksu.edu](mailto:hornung@ksu.edu) for clarification on any items related to the case.

## DECA Fall 2020 Challenge

### EVALUATION INSTRUCTIONS

The participants will be evaluated based on the criteria outlined below. Student teams will likely outline differing key issues impacting the business. Please evaluate the students' analysis and recommendations based on the criteria included in the rubric below.

Judging Criteria	Things to look for	Score Guide					
		Excellent	Good	Fair	Poor	Points Possible	Points Received
<b>Identification of Main Issues/Problems</b>	Were key questions clearly addressed? Did the team demonstrate an in-depth understanding of these issues?	18-20	16-17	14-15	<14	20	
Comments:							
<b>Case analysis and evaluation</b>	Did the team provide a thorough and clear analysis of issues identified?	26-30	22-25	18-21	<15	20	
Comments:							
<b>Comprehensive recommendations</b>	Were recommendations and justifications for the recommendations clearly outlined?	18-20	16-17	14-15	<14	20	
Comments:							
<b>Comprehensive Action Plan</b>	Did the team outline a specific action plan for implementation of recommendations?	18-20	16-17	14-15	<14	20	
Comments:							
<b>Presentation &amp; Creativity</b>	Was the presentation well-organized? Was the information communicated clearly? Were relevant visual aids incorporated to highlight key concepts? Were the students' recommendations innovative/creative? Was the presentation professional and free of errors?	9-10	7-8	5-6	<5	20	
Comments:							

## **Evaluation Details**

The evaluation levels for evaluation criteria are outlined below. Please utilize these details as a guideline for scoring.

**Excellent:** The team fully and clearly addressed the outlined criteria. A rating of “excellent” exceeds judges’ expectations for high school-level work.

**Good:** The team addressed key information related to the outlined criteria. There were no significant deficiencies related to the criteria being evaluated. A rating of “good” meets judges’ expectations for high school-level work.

**Fair:** The team addressed some of the key information related to the outlined criteria. There were some obvious deficiencies within the category being evaluated. A rating of “fair” indicates that this category did not fully meet judges’ expectations for high school-level work.

**Poor:** The team did not meet judges’ expectations for the criteria being evaluated. There were obvious deficiencies related to this aspect of the project. A rating of “poor” indicates that the student team did not meet judges’ expectations for high school-level work.

# Additional DECA Challenge Details

## Event Overview

- The DECA Challenge event consists of two major parts: the written document and the video presentation by the participants.
- Each DECA Challenge entry will be composed of teams with 2-4 members.

## Executive Summary Requirements

- The executive summary will consist of 2-3 pages of written information, addressing questions outlined in the case study (not including the title page).
- Title page should include:
  - Name of Event
  - Name of High School
  - School Address
  - Names of Participants
  - Name and email address of faculty sponsor
  - Date
- The Executive Summary should include:
  - 2-3 page document outlining the recommendations of the team for the business/situation outlined in the case study.
  - Recommended (not required) sections:
    - Introduction
    - Short analysis of the key issues outlined in the case study
    - Findings/recommendations for the business
    - Proposed action plan for the business
    - Bibliography (if outside sources were utilized)
    - Appendix (if needed – will not count towards 3-page Executive Summary page limit)
  - The document should be uploaded in PDF format.

## Presentation Requirements

- All team members are required to participate in the video presentation.
- For the presentation, students should assume the role of hired consultants. The judge will assume the role of owner/manager of the business/organization and will evaluate the effectiveness of the overall presentation.
- The video presentation should be uploaded in MP4 video format, not exceeding 5 minutes.
- Visual aids (PowerPoint, Google Slides, etc. are encouraged)

## Scholarship Information

- Scholarships will be awarded for students who:
  - Choose to attend Kansas State University AND
  - Pursue a degree in Business Administration
- Scholarships will be awarded for the first semester students attend Kansas State University.

Questions should be directed to:

Marcia Hornung  
Menard Family Director, Center for Principled Business  
College of Business Administration  
Kansas State University  
[hornung@ksu.edu](mailto:hornung@ksu.edu)  
785.532.2650 Office

**DECA High School Challenge  
Fall 2020**

The DECA High School challenge is designed for students to engage with material related to the Business Management & Entrepreneurship Pathway; this case allows students to directly address several of the related benchmarks (from KDHE) through their exploration of the case study. Additionally, many of the competencies related to Business Communications can also be addressed through this case study. Relevant benchmarks are outlined below.

## **Entrepreneurship Benchmarks**

***Benchmark 3.0: Developing and recognizing a successful business venture opportunity through entrepreneurial discovery, concept development, resourcing, actualization, and harvesting.***

- 3.1: Identify successful methods in developing and assessing innovative business ideas.
- 3.2: Give explanation on how entrepreneurs recognize marketplace opportunities.
- 3.3: Explain tools used by entrepreneurs for venture planning.
- 3.4: Explain proper methods in assessing and calculating risk in developing a business venture.
- 3.5: Describe the need for continuation planning as it relates with entrepreneurship/small business ownership.
- 3.6: The student demonstrates an understanding of information management concepts and how they support effective business operations.
- 3.7: Describe the impact of the Internet on entrepreneurship/small business ownership.

***Benchmark 4.0: Understands the concepts, processes, and systems needed to determine and satisfy customer needs/wants/expectations, meet business goals/objectives, and create new product/service ideas.***

- 4.1: Understand marketing's role and function in business to facilitate economic exchanges with customers.
- 4.2: Analyze the role of marketing research in constructing a small business management model.
- 4.3: Identify and explain primary and secondary market research.
- 4.4: Describe marketing functions and related activities.
- 4.5: Describe the components and purpose of a business plan.
- 4.6: Examine and explain the components and purpose of a financial plan for a business.
- 4.7: Identify and evaluate a local entrepreneurial venture/business.

***Benchmark 5.0: Understand organizational and financial tools used in making business decisions as it relates to entrepreneurship/small business ownership.***

- 5.1: Develop organizational skills to improve efficiency.
- 5.2: Identify and explain expense control strategies to enhance the financial well-being of business.
- 5.3: Give explanation on how entrepreneurs incorporate accounting in making business decisions.

- 5.4: Understand the need for proper financial and money management as it relates to an entrepreneur/small business owner.

**Benchmark 6.0: *Know and understand the importance of employability skills. Explore, plan, and effectively manage careers. Know and understand the importance of entrepreneurship skills. Obtain and develop strategies for ensuring a successful career in entrepreneurship/small business ownership.***

- 6.1: Develop personal traits and behaviors to foster career advancement.
- 6.2: Demonstrate employability/career success skills.

## **Business Management Benchmarks**

**Benchmark 2.0: *Examine and employ business and economic principles and concepts in making informed business decisions to continue business operations.***

- 2.1: Recognize how economic systems influence environments in which businesses function.
- 2.2: Use knowledge regarding the impact government has on businesses to make informed economic decisions.
- 2.3: Describe global trade's impact on business activities.
- 2.4: Use economic indicators to detect economic trends and conditions.

**Benchmark 3.0: *Use oral and written communication skills in creating, expressing, and interpreting information and ideas including technical terminology and information. Obtain and convey ideas and information to impact business decisions and report on organizational activities.***

- 3.1: Demonstrate use of content, technical concepts, and vocabulary when analyzing information and following directions.
- 3.2: Employ verbal skills when obtaining and conveying information.

**Benchmark 4.0: *Evaluate and use information resources to accomplish specific occupational tasks. Identify, write, and monitor workplace goals to guide progress in assigned areas of responsibility and accountability.***

- 4.1: Write goals that meet appropriate criteria. Specific, Measurable, Achievable, Realistic, and Time Bound.

**Benchmark 8.0: *Employ leadership skills to accomplish organizational goals and objectives.***

- 8.1: Analyze and exhibit leadership traits and their various roles within organizations (e.g. contribute ideas, share in building an organization, act as role models to employees by adhering to company policies, procedures, and standards, promote the organization's vision, and mentor others).

**Benchmark 10.0: *Explore, obtain, and develop strategies for ensuring a successful business career.***

- Utilize career-advancement activities to enhance professional development.

**Benchmark 11.0: *Access, process, maintain, and evaluate, and disseminate information to assist in business decision-making.***

- 11.1: Acquire a foundational knowledge of information management to understand its nature and scope.
- 11.2: Maintain business records to facilitate business operations.
- 11.3: Acquire information to guide business decision-making.
- 11.4: Manage financial resources to maintain business solvency.

**Benchmark 12.0: *Employ and explore tools and strategies to influence, plan, control, and organize an organization/department.***

- 12.1: Explain the role that business management has in contributing to business success.

**Benchmark 15: *Plan, organize, and control and organization/department to optimize overall business success.***

- 15.1: Explain the nature and scope of strategic management within a business.
- 15.2: Demonstrate project-management skills.
- 15.3: Demonstrate employability/career success skills.