



CAREER CLUSTER

Finance

INSTRUCTIONAL AREA

Financial Analysis

FINANCIAL SERVICES TEAM DECISION MAKING EVENT

PARTICIPANT INSTRUCTIONS

- The event will be presented to you through your reading of the 21st Century Skills, Performance Indicators and Case Study Situation. You will have up to 30 minutes to review this information and prepare your presentation. You may make notes to use during your presentation.
- You will have up to 10 minutes to make your presentation to the judge (you may have more than one judge), followed by up to 5 minutes to answer the judge's questions. All members of the team must participate in the presentation, as well as answer the questions.
- You will be evaluated on how well you demonstrate the 21st Century Skills and meet the performance indicators of this event.
- Turn in all of your notes and event materials when you have completed the event.

21st CENTURY SKILLS

- Critical Thinking – Reason effectively and use systems thinking.
- Problem Solving – Make judgments and decisions, and solve problems.
- Communication and Collaboration – Communicate clearly and show evidence of collaboration.
- Creativity and Innovation – Show evidence of creativity.

PERFORMANCE INDICATORS

- Explain the nature of financial needs.
- Set financial goals.
- Explain types of investments.
- Explain the need to save and invest.
- Develop rapport with customers.
- Reinforce service orientation through communication.
- Demonstrate honesty and integrity.

CASE STUDY SITUATION

You are to assume the roles of the investment manager and investment specialist at CROSS TOWN BANK. You will be meeting with a customer (judge) to discuss options for investing in order to earn a return.

The bank customer (judge) has \$500,000 in a non-interest-bearing checking account at the bank. The customer (judge) is interested in learning about investment options that will allow a return on the money.

The customer (judge) is 42 years old, owns a technology business, and is married with three kids ages 10, 15 and 18. The customer (judge) is also the caregiver to an 88-year old parent. The customer (judge) owns a home and a vacation home.

The customer (judge) is relatively risk adverse and is preparing for the oldest child to go to college. The customer (judge) earns \$30,000 net a month and has expenses of \$20,000 per month.

You must prepare a presentation to review options for the customer (judge). The presentation must include savings accounts, certificates of deposit, mutual funds, bonds, and stocks. For each investment you must provide a definition and discuss the benefits and risks. Based on what you know about the customer (judge) you must also provide a recommendation as to how to invest the \$500,000 currently in the checking account.

You will present your ideas to the customer (judge) in a meeting to take place in a bank office. The customer (judge) will begin the meeting by greeting you and asking to hear your ideas. After you have presented your ideas and have answered the customer's (judge's) questions, the customer (judge) will conclude the meeting by thanking you for your work.

JUDGE INSTRUCTIONS

DIRECTIONS, PROCEDURES AND JUDGE ROLE

1. Team members, assuming the role of a management team for the business represented, will analyze a case situation related to the chosen career area. The team will make decisions regarding the situation, and then make an oral presentation to the judge. The role of the judge is that of an executive for the business.
2. Participants will have a 30-minute preparation period and may make notes to use during the role-play.
3. During the first 10 minutes of the presentation (after introductions), the team will present their analysis, their decisions and the rationale behind the decisions. Allow the teams to complete this portion without interruption, unless you are asked to respond.
4. During the next 5 minutes, you may ask questions of the team to determine their understanding of the situation presented. Each member of each team should respond to at least one question. To ensure fairness, you must ask each team the same questions. After asking the standard questions, you may ask other questions for clarification specific to the current team.

JUDGE CHARACTERIZATION

You are to assume the role of a customer at CROSS TOWN BANK. You will be meeting with the bank's investment manager and investment specialist (participant team) to discuss options for investing in order to earn a return.

You have \$500,000 in a non-interest-bearing checking account at the bank. You are interested in learning about investment options that will allow a return on the money.

You are 42 years old, own a technology business, and are married with three kids ages 10, 15 and 18. You are also the caregiver to an 88-year old parent. You own a home and a vacation home.

You are relatively risk adverse and are preparing for the oldest child to go to college. You earn \$30,000 net a month and have expenses of \$20,000 per month.

The investment manager and the investment specialist (participant team) must prepare a presentation to review your options. The presentation must include savings accounts, certificates of deposit, mutual funds, bonds, and stocks. For each investment, the investment manager and the investment specialist (participant team) must provide a definition and discuss the benefits and risks. Based on what the investment manager and the investment specialist (participant team) knows about you, they must also provide a recommendation as to how to invest the \$500,000 currently in the checking account.

The participant team will present information to you in a role-play to take place at the bank. You will begin the role-play by greeting the participant team and asking to hear about their ideas.

During the course of the role-play, you are to ask the following questions of each participant team:

1. What would be the result of me just leaving the money in my current checking account?
2. Are there any consequences in making a wrong choice?

Once the investment manager and the investment specialist (participant team) have presented information and has answered your questions, you will conclude the role-play by thanking the investment manager and the investment specialist (participant team) for the work.

You are not to make any comments after the event is over except to thank the participants.

SOLUTION

1. The teams are to give you a presentation that must cover the investments below and any other investment ideas the team comes up with.
 - a. Savings Account: low risk, low interest rate, easy access to the cash
 - b. Certificate of Deposit (CD): low risk, low interest rate, but typically higher than savings, relatively easy access to the cash depending on type of CD
 - c. Mutual Funds: mix of stocks and bonds, can choose funds by risk tolerance
 - d. Bonds: corporate and government issued, can be sold at a gain or loss, interest is typically at a higher rate than other debt instruments, relatively low risk
 - e. Stocks: can be sold at a gain or loss, earnings may be received from dividends, high risk, volatile and adjusts with the economy and political environment

Other possibilities: bitcoins, real estate, small businesses, 401(k), 529 College Savings plan

2. This answer will vary. The teams should discuss their reasoning to include the customer's need for easy access to cash to support the family and aging parent. They should also mention that the customer is risk adverse, relatively young, but needs to send kids to college and plan for retirement. The customer should also keep some cash in the checking account to cover expenses.

Possible Answer:

Investment	Amount
Savings	30,000
CD	50,000
Mutual Funds	250,000
Bonds	60,000
Stocks	100,000
Total Invested	490,000
Leave \$10,000 in checking account	

EVALUATION INSTRUCTIONS

The participants are to be evaluated on their ability to perform the specific performance indicators stated on the cover sheet of this event and restated on the Judge's Evaluation Form. Although you may see other performance indicators demonstrated by the participants, those listed in the Performance Indicators section are the critical ones you are measuring for this particular event. The maximum score for the evaluation is 100 points. The presentation will be weighted twice (2 times) the value of the exam scores.

Evaluation Form Interpretation

The evaluation levels listed below and the evaluation rating procedures should be discussed thoroughly with your event director and the other judges to ensure complete and common understanding for judging consistency.

Level of Evaluation	Interpretation Level
Exceeds Expectations	In any category, in your opinion, the information is presented effectively and creatively; nothing more could be expected of an employee.
Meets Expectations	Information is presented well. Though there may be a few minor problems or omissions, they are not significant. Creativity, however, is not shown to any great degree. A combined score of 70 or better will earn the participant team DECA's Certificate of Excellence at ICDC.
Below Expectations	Information presented does not meet minimum standards of acceptability.
Little/No Value	Either some major flaw has been noted that damages the effectiveness of the presentation (this may be a major omission, a serious misstatement or any other major flaw) or that the information presented is of no value (does not help the presentation at all).



FINANCIAL SERVICES TEAM DECISION MAKING 2020

JUDGE'S EVALUATION FORM
DISTRICT EVENT

Participant: _____

INSTRUCTIONAL AREA:
Financial Analysis

Participant: _____

ID Number: _____

Did the participant team:

		Little/No Value	Below Expectations	Meets Expectations	Exceeds Expectations	Judged Score
PERFORMANCE INDICATORS						
1.	Explain the nature of financial needs?	0-1-2-3	4-5-6	7-8	9-10	
2.	Set financial goals?	0-1-2-3	4-5-6	7-8	9-10	
3.	Explain types of investments?	0-1-2-3	4-5-6	7-8	9-10	
4.	Explain the need to save and invest?	0-1-2-3	4-5-6	7-8	9-10	
5.	Develop rapport with customers?	0-1-2-3	4-5-6	7-8	9-10	
6.	Reinforce service orientation through communication?	0-1-2-3	4-5-6	7-8	9-10	
7.	Demonstrate honesty and integrity?	0-1-2-3	4-5-6	7-8	9-10	
21st CENTURY SKILLS						
8.	Reason effectively and use systems thinking?	0-1	2-3	4	5-6	
9.	Make judgments and decisions, and solve problems?	0-1	2-3	4	5-6	
10.	Communicate clearly and show evidence of collaboration?	0-1	2-3	4	5-6	
11.	Show evidence of creativity?	0-1	2-3	4	5-6	
12.	Overall impression and responses to the judge's questions	0-1	2-3	4	5-6	
TOTAL SCORE						