

**National Business Education Association  
National Standards for Business Education**

## **ACCOUNTING**

### **I. THE ACCOUNTING PROFESSION**

**Achievement Standard: Understand the role that accountants play in business and society.**

**Level 3 - 4 Performance Expectations**

- describe the current and historical regulatory environment of the accounting profession (identify the major-policy setting bodies in the accounting profession and explain their role)
- describe how current events impact the accounting profession
- explain the need for a code of ethics in accounting and the ethical responsibilities required of accountants
- explain how accounting information is used to allocate resources in the business and personal decision-making process

**Achievement Standard: Describe the career opportunities in the accounting profession.**

**Level 3 - 4 Performance Expectations**

- identify student and professional accounting organizations and associations
- identify professional designations and certifications in the accounting profession
- describe the educational requirements for various careers, professional designations, and certifications in the accounting profession
- describe the skills and competencies needed to be successful in the accounting profession
- describe the areas of specialization within the accounting profession and careers that require a knowledge of accounting

**Achievement Standard: Demonstrate the skills and competencies required to be successful in the accounting profession and/or in an accounting-related career.**

**Level 3 - 4 Performance Expectations**

- deliver a speech and make a presentation
- perform research and communicate in writing the results of the research
- demonstrate ethical decision-making skills and conduct in a business scenario
- apply analytical and critical decision-making skills
- identify and use information technology productively
- exhibit leadership skills
- demonstrate the ability to work within a team concept

### **II. FINANCIAL REPORTS**

**Achievement Standard: Develop an understanding and working knowledge of an annual report and financial statements.**

**Level 3 - 4 Performance Expectations**

- identify sources for obtaining financial reports
- describe the users and uses of financial information
- identify the sections in an annual report and the purpose of each section
- explain the role of management and the auditor in preparing and issuing an annual

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- report
- identify and explain the types of audit opinions
  - explain the role of accounting and regulatory organizations in relation to financial reports
  - describe the information provided in each financial statement and how the statements articulate with each other
  - describe the relationship between assets, liabilities, and equity on the balance sheet
  - identify and explain the classifications within assets, liabilities, and equity
  - identify the different formats of an income statement
  - identify the classifications in an income statement and explain their relationship to each other (revenue, expense, gains, losses)
  - describe changes in the ownership structure using the statement of equity
  - explain how and why the conceptual framework of accounting and generally accepted accounting principles provide guidance and structure for preparing financial statements
  - describe the different forms of business ownership and the advantages and disadvantages of each form
  - explain how the different forms of business ownership are reported in the financial statements
  - identify the different types of business operations
  - explain how the different types of business operations are reflected in the financial statements

**Level 3\*- 4 Performance Expectation**

- identify and explain the business activities reported in a statement of cash flows (operating, investing, financing)

**Level 4 Performance Expectations**

- define comprehensive income and describe its relationship to operating results
- describe how disclosure requirements impact financial reporting

**III. FINANCIAL ANALYSIS**

**Achievement Standard: Assess the financial condition and operating results of a company and analyze and interpret financial statements and information to make informed business decisions.**

**Level 3 - 4 Performance Expectations**

- discuss the information that can be obtained from analyzing financial statements
- recognize the primary areas of analysis (trend analysis, profitability, liquidity, capital structure) and explain the information that can be obtained from each type of analysis
- perform a horizontal and vertical analysis of the income statement and balance sheet
- assess profitability by calculating and interpreting financial ratios
- assess liquidity and solvency by calculating financial ratios
- compare and contrast debt and equity financing and explain the impact on the financial statements
- assess capital structure by calculating and interpreting financial ratios
- research industry averages and explain their use in assessing the financial condition, operating results, profitability, liquidity, and capital structure
- apply information technology to conduct financial analysis

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- identify and explain common methods for manipulating financial statements and financial ratios
- describe the ethical and legal implications resulting from the manipulation of financial statements and financial ratios

**Level 3\*- 4 Performance Expectations**

- use the statement of cash flow to analyze business activities (operating, investing, financing)
- analyze cash flow from operating activities to assess profitability and liquidity

**IV. ACCOUNTING PRINCIPLES**

**Achievement Standard: Identify and describe generally accepted accounting principles (GAAP), explain how the application of GAAP impacts the recording of financial transactions, and the preparation of financial statements.**

**A. CONCEPTUAL FRAMEWORK FOR FINANCIAL REPORTING**

**Level 3 - 4 Performance Expectations**

- describe and explain the conceptual framework of accounting and generally accepted accounting principles and assumptions
- define assets, liabilities, equity, revenue, expenses, gains, and losses
- distinguish between the accrual basis of accounting and the cash basis of accounting and discuss the impact each has on the financial statements

**B. ASSETS**

**Level 3 - 4 Performance Expectations**

- explain the accounting methods used to determine the value of accounts receivable to be reported on the balance sheet and describe the effect on the income statement
- record transactions for accounts receivable, including uncollectible accounts, write-offs, and recoveries
- explain the difference between the periodic and perpetual inventory methods
- determine the cost of inventory for merchandising and manufacturing businesses and apply appropriate valuation methods
- identify and describe the cost flow assumptions for inventory and explain the impact on the balance sheet and income statement
- describe the criteria used to distinguish between capital expenditures and revenue expenditures
- determine the costs of property, plant and equipment, natural resources, and intangible assets
- explain the purpose of cost allocation
- identify, calculate, and record depreciation, depletion, and amortization and explain the impact on the financial statements
- determine the impact on the financial statements when assets are sold, disposed, or rendered obsolete

**Level 4 Performance Expectation**

- describe the methods and criteria used to account for investments and their impact on the financial statements

**C. LIABILITIES**

**Level 3 Performance Expectations**

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- record transactions for accounts payable and other short-term debt
- determine the initial valuation of long-term debt instruments and their impact on the financial statements
- record transactions for long-term debt instruments

**Level 3\*- 4 Performance Expectation**

- calculate the cost of borrowed funds and determine the impact on the financial statements

**Level 4 Performance Expectation**

- identify liabilities categorized as other long-term obligations, such as deferred income tax liability and post-retirement benefits

**D. EQUITY**

**Level 3 Performance Expectations**

- explain how operating results, capital contributions, and distribution of earnings affect equity for the various types of ownership structures
- identify and describe the different classes of stock and explain the rights afforded each class of stock
- record equity-related transactions

**Level 3\*- 4 Performance Expectations**

- explain how the acquisition and sale of a company's own stock affects the financial statements
- differentiate between stock splits and stock dividends and explain how each affects equity

**Level 4 Performance Expectation**

- explain how other comprehensive income affects equity

**E. REVENUE**

**Level 3-4 Performance Expectations**

- describe the criteria used to determine revenue recognition
- record revenue-related transactions

**F. EXPENSE**

**Level 3—4 Performance Expectations**

- describe the criteria used to determine expense recognition
- record expense-related transactions

**G. GAINS AND LOSSES**

**Level 3-4 Performance Expectations**

- distinguish between revenue and gains
- distinguish between expenses and losses
- record transactions resulting in gains and losses

**V. ACCOUNTING PROCESS**

**Achievement Standard: Complete the steps in the accounting cycle in order to prepare the financial statements.**

**Level 3 - 4 Performance Expectations:**

- describe the purpose of the accounting system
- describe the purpose of journals and ledgers and their relationship
- describe the impact of technology on the accounting process
- identify and explain the advantages and disadvantages of different types of

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- accounting systems
- differentiate between accounting and bookkeeping
- analyze and describe how business transactions impact the accounting equation
- apply the double-entry system of accounting to record business transactions and prepare a trial balance
- explain the need for adjusting entries and record adjusting entries
- explain the purposes of the closing process and record closing entries
- prepare the financial statements for the different types of business operations and ownership structures
- describe the relationship between the closing process, the financial statements, and the post-closing trial balance

**VI. INTERPRETATION AND USE OF DATA**

**Achievement Standard: Use planning and control principles to evaluate the performance of an organization and apply differential analysis and present-value concepts to make decisions.**

**A. PLANNING AND CONTROL**

**Level 3 - 4 Performance Expectations**

- identify and apply internal control procedures used to safeguard assets and ensure the integrity of the accounting information system
- identify and apply appropriate information technology to the accounting system
- explain how to use activity-based costing and why it is used

**Level 3\*- 4 Performance Expectations**

- explain and compare the behavior of fixed, variable, and mixed costs
- apply cost-volume-profit and contribution margin analyses in planning operations
- prepare a budget for planning purposes

**Level 4 Performance Expectations**

- apply variable and absorption costing concepts to analyze profitability
- prepare master and flexible budgets and use them to evaluate performance
- evaluate company performance by applying standard costing and variance analysis
- apply responsibility accounting concepts to evaluate cost, profit, and investment centers
- develop a plan for activity-based costing for a manufacturing business

**B. DECISION MAKING**

**Level 3 - 4 Performance Expectation**

- describe how accounting information facilitates management decision-making

**Level 3\*- 4 Performance Expectation**

- apply differential analysis to make the following types of decisions: make or buy a product; lease or buy an asset; discontinue a department, plant) or product; offer discounted prices on special orders; replace or repair equipment

**Level 4 Performance Expectation**

- apply present-value concepts to evaluate capital investment opportunities

**VII. COMPLIANCE**

**A. PERSONAL FINANCE**

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**Achievement Standard: Develop a working knowledge of individual income tax procedures and requirements to comply with tax laws.**

**Level 3—4 Performance Expectation**

- describe the history and purpose of tax law in the United States and the process by which tax laws are created
- describe the composition of taxable income and calculate income tax
- complete the applicable individual income tax forms
- identify discuss, and apply strategies for minimizing taxable income
- distinguish between tax avoidance and tax evasion

**B. FINANCIAL REPORTING**

**Achievement Standard: Distinguish between generally accepted accounting principles and income tax law.**

**Level 3—4 Performance Expectation**

- explain why income for financial reporting and taxable income are calculated differently

**Levels 3\*~4 Performance Expectation**

- identify permanent and temporary difference in net income and taxable income

**Level 4 Performance Expectation**

- calculate permanent and temporary differences in net income and taxable income

**C. PAYROLL**

**Achievement Standard: Apply appropriate accounting practices to payroll.**

**Level 3—4 Performance Expectations**

- calculate net pay
- calculate employer's payroll taxes
- prepare payroll reports

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**BUSINESS LAW**

**I. BASICS OF THE LAW**

**Achievement Standard: Analyze the relationship between ethics and the law and describe sources of the law, the structure of the court system, different classifications of procedural law, and different classifications of substantive law.**

**A. ETHICS AND THE LAW**

**Level 3 Performance Expectations**

- identify consequences of unethical conduct
- identify consequences of illegal conduct
- describe how to develop an ethical and legal lifestyle
- list the [most common] sources of the law
- demonstrate the need for social responsibility

**Level 4 Performance Expectations**

- compare and contrast various ethical theories
- distinguish Unethical from illegal behavior
- analyze and solve difficult ethical and legal problems
- describe the way that a business can be socially responsible
- compare and contrast differences in ethical and legal systems from state to state and nation to nation
- identify ethical problems resulting from contemporary business technology
- define globalization and explain the effects that globalization can have on ethics and law

**B. SOURCES OF THE LAW**

**Level 3 Performance Expectations**

- explain the differences between local, state, and federal governments
- describe the powers and limitations of the federal government as stated in the U.S. Constitution
- describe the powers and limitations of state government as found in the U.S. Constitution
- identify the basic freedoms guaranteed by the Bill of Rights
- describe several key constitutional amendments beyond the Bill of Rights
- compare and contrast the U.S. constitution with state, territory, and province constitutions
- explain how courts make law [and explain the role of precedent in the legal system]
- define the concept of stare decisis and explain the role of precedent in the state and federal legal systems
- explain how to read a case citation
- explain how to read a statutory citation

**Level 4 Performance Expectations**

- define “executive order” and explain its relevance to the legal system of the U.S
- explain how treaties are created and their relevance to the business environment
- locate, interpret, and apply specific statutes and administrative regulations
- analyze specific cases by stating the facts, finding the legal questions, applying the laws, and resolving the issues
- analyze the constitutionality of various statutes and regulations

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- compare and contrast the sources of the law in countries outside the United States and Canada
- compare and contrast sources of international law
- locate, interpret, and analyze selected treaties

**C. STRUCTURE OF THE COURTS**

**Level 3 Performance Expectations**

- differentiate between cases that belong within the jurisdiction of the federal and state, territory, and province court systems
- compare the role of the juvenile court with the role of other courts within a state, territory, or province
- explain the role of the national and state, territory, and province appellate courts
- differentiate between the roles of the U.S. Supreme Court and state, territory, and province supreme courts
- discuss types of legal systems that are different from the U.S. and Canadian systems
- Differentiate between the rules of the International Law Commission, the U.N. Commission on International Trade Law, the U.N. Commission on Contracts for the International Sale of Goods (CISC), the International Monetary Fund, the World Bank, and the World Trade Organization
- explain the role and powers of the International Court of justice

**Level 4 Performance Expectations**

- analyze the impact of the Internet on questions of court jurisdiction
- analyze the reasons that certain cases reach the U.S. Supreme Court
- analyze the reasons that certain cases reach international courts

**D. CLASSIFICATION OF PROCEDURAL LAW**

**Level 3 Performance Expectations**

- define litigation
- define alternate dispute resolution (ADR)
- define administrative hearing
- explain the advantages and disadvantages of arbitration, mediation, and conciliation
- compare and contrast the steps in a civil law suit with the steps in a criminal prosecution
- list and explain the steps in criminal and civil trials
- describe the appellate process in criminal and civil cases
- define the statute of limitations

**Level 4 Performance Expectations**

- analyze the effect of technology on litigation and related business practices
- distinguish between reactive and proactive ADR techniques
- identify and analyze different types of reactive and proactive ADR techniques
- identify and analyze several types of governmental ADR techniques
- discuss the rights and responsibilities of businesses when served with subpoenas or search warrants
- analyze the due process requirements for administrative hearings

**E. CLASSIFICATION OF SUBSTANTIVE LAW**

**Level 3 Performance Expectations**

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- define different types of business crime (e.g., arson, forgery, and embezzlement)
- explain the concept of “white collar crime” and provide examples
- determine several defenses to criminal acts (e.g., insanity defense and self-defense)
- distinguish between a tort and a crime
- differentiate between and give examples of negligence and intentional torts
- explain the concepts of the reasonable person test and proximate cause
- explain the concept of strict liability and describe circumstances under which it is imposed
- define “negligence per se” and give examples of circumstances under which it applies
- describe the penalties available in criminal law and the remedies available in tort law

**Level 4 Performance Expectations**

- differentiate between the penalties for committing felonies and misdemeanors
- analyze the statutory and Supreme Court criteria for imposing the death penalty
- differentiate between survival statutes and wrongful death statutes
- discuss the consequences of violating criminal and civil law in different countries
- describe the consequences of violating international law
- analyze the impact and consequences of selected tort violations on businesses
- analyze the impact and consequences of selected criminal violations on businesses

**II. CONTRACT LAW, LAW OF SALES, AND CONSUMER LAW**

**Achievement Standard: Analyze the relationships between contract law, law of sales, and consumer law.**

**A. CONTRACT LAW**

**Level 3 Performance Expectations**

- differentiate between classes of contracts (e.g., bilateral and unilateral, express and implied, and oral and written)
- explain how offer and acceptance can create contractual rights and duties
- define counteroffer and describe the effects of a counteroffer in various contractual situations
- determine whether or not an agreement is definite enough to be enforced as a contract
- differentiate between the ways that assent can be undermined (e.g., fraud, nondisclosure, misrepresentation, mistake, duress, and undue influence)
- define and distinguish between different types of consideration and list the exceptions to the requirements of consideration
- explain a minor’s right to avoid a contract
- identify categories of people who lack contractual capacity
- describe the concept of unconscionability and compare it to illegality
- list the essential information that should be included in writing under the statute of frauds
- explain the parole evidence rule
- describe the various rules applied to the interpretation of contracts
- explain the various rules applied to contracts involving third parties

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- list the ways a contract can be discharged
- describe breach of contract and the remedies available when a contract is breached
- discuss the impact of the laws of different countries on contractual transactions

**Level 4 Performance Expectations**

- identify problems created when contracts are negotiated and entered into over the Internet
- analyze selected contract clauses such as mandatory arbitration agreements and choice of forum clauses
- analyze the impact of international law on contracts

**B. LAW OF SALES**

**Level 3 Performance Expectations**

- identify the source of law that applies to contracts for (a) goods, (b) services, and real property
- explain when to apply the law of sales and leases of goods under the Uniform Commercial Code (UCC)
- give examples of special rules that apply to sales contracts that do not apply to other contracts
- clarify when sales contracts must be in writing and state the exceptions
- judge whether a particular writing meets the requirements of the UCC for the sale of goods
- compare an auction with reserve with an auction without reserve
- describe the Uniform Computer Information Transactions Act (UCITA), the Uniform Electronic Transactions Act, the Electronic Signatures in Global and National Commerce Act, and the Millennium Digital Commerce Act
- discuss the issue of taxation and e-commerce

**Level 4 Performance Expectations**

- explain when title and risk of loss pass in a sale of goods
- distinguish between rejection of nonconforming goods and revocation of acceptance
- relate how express warranties, implied warranties, and the warranty of title arise, and describe how each of the warranties may be excluded or modified
- state possible reasons why the U.S. Congress enacted the Magnuson-Moss Warranty Act, and identify the Act's principal features
- list and explain the remedies of the seller when the buyer breaches the sales contract
- list and explain the remedies of the buyer when the seller breaches the sales contract
- determine the circumstances in which the parties may limit the damage recovery of the opposing party
- describe when the statute of limitations usually begins and ends in a sales transaction
- state when a contract for the sale of goods must be evidenced in writing
- list and define the performance obligations of the seller and buyer in a typical sales transaction and define the terms FOB., F.A.S., C.I.F., CE, and C.& F and state the legal consequences of using them

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- discuss the impact of the laws of different countries on sales transactions
- analyze the impact of international law on sales transactions
- recognize the principal differences between the Uniform Commercial Code and the UN Convention on Contracts for the International Sale of Goods
- explain the effects of a sale-on-consignment and a sale-on-approval

**C. CONSUMER LAW**

**Level 3 Performance Expectations**

- identify and state the purpose of legislation that regulates consumer credit and electronic credit transactions (e.g., Fair Credit Reporting Act, Fair Credit Billing Act, Equal Credit Opportunity Act, Fair Credit Collection Practices Act, and Consumer Credit Protection Act)
- discuss consumer protection legislation (e.g., Federal Trade Commission Act, Consumer Product Safety Act, and Consumer Leasing Act)
- define the terms “unfair business practice” and “false and misleading advertising”
- describe the consequences of violating consumer statutes and define the term “civil penalty”
- explain the purpose of the Consumer Product Safety Act

**Level 4 Performance Expectations**

- analyze the role of U.S. and state attorney generals in enforcement of consumer protection statutes
- discuss the impact of different state laws concerning consumer protection for businesses using the Internet or involved in e-commerce
- compare and contrast the requirements for consumer contracts with the requirements for non-consumer contracts
- discuss the impact of the laws of different countries on consumer protection
- analyze the impact of international law on consumer protection
- compare and contrast consumer protection in e-commerce as provided by the United States and as provided by the European Union

**III. AGENCY AND EMPLOYMENT**

**Achievement Standard: Analyze the role and importance of agency law and employment law as they relate to the conduct of business in the national and international marketplaces.**

**A. AGENCY LAW**

**Level 3 Performance Expectations**

- distinguish between an agent and individuals such as independent contractors, real estate brokers, bailees, and trustees
- distinguish between a general power of attorney, a durable power of attorney, and a limited power of attorney
- explain the different types of agents
- explain the different types of principals
- define ratification and its elements
- explain the concepts of vicarious liability

**Level 4 Performance Expectations**

- differentiate between the types of agency authority (e.g., express, incidental, customary, and apparent)

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- explain the duties the agent-owes the principal and explain the duties the principal owes the agent
- describe the tort liability of both the agent and principal for the acts of the agent
- describe when and how an agent can become liable to a third party in a contract
- list and explain the methods by which an agency can be terminated by acts of the parties and by operation of law
- explain the principal's liability to third parties when contracting through an agent
- discuss the impact of the laws of different countries on agency
- analyze the impact of international law on agency

**B. EMPLOYMENT LAW**

**Level 3 Performance Expectations**

- explain the relationship of Title VII of the Civil Rights Act to employment
- explain the difference between disparate treatment and disparate impact in discrimination cases
- explain the 1972, 1978, and 1991 amendments to the Civil Rights Act of 1964
- determine what questions can and cannot be asked during an employment interview
- describe the employer's responsibilities to verify an employee's status in the U.S.
- demonstrate an understanding of the basis on which employees or applicants may be asked to take tests (e.g., aptitude, psychological, polygraph, and drug tests)
- identify legislation that regulates employee rights (e.g., Americans with Disabilities Act, Age Discrimination in Employment Act, Family and Medical Leave Act, the Uniformed Services Employment and Reemployment Rights Act, and Older Workers Benefit Protection Act)
- identify legislation that regulates employment conditions (e.g., Fair Labor Standards Act, Immigration Reform and Control Act, Employment Retirement Income Security Act (ERISA), and Occupational Safety and Health Act)
- identify legislation that guarantees worker benefits (e.g., unemployment insurance, pension protection, workers' compensation, and Social Security legislation)
- describe the collective-bargaining process
- identify legislation that regulates union activities (e.g., National Labor Relations Act Taft-Hartley Act Landrum-Griffin Act and the Worker Adjustment and Retraining Notification Act (WARN))
- identify the role of the National Labor Relations Board

**Level 4 Performance Expectations**

- analyze the impact of no-competition and confidentiality clauses in employment agreements
- analyze the role and responsibilities of the employer in providing employee benefits such as health care and retirement plans
- discuss the impact of Immigration regulations to the operation of businesses
- discuss the impact of the laws of different countries on employment
- analyze the impact of international law on employment

**IV. BUSINESS ORGANIZATIONS**

**Achievement Standard: Describe the major types of business organizations**

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**operating within the socioeconomic arena of the national and international marketplace.**

**A. SOLE PROPRIETORSHIPS AND PARTNERSHIPS**

**Level 3 Performance Expectations**

- explain the legal procedures for forming and running a sole proprietorship
- describe legislation that affects partnerships (e.g., Uniform Partnership Act and Revised Uniform Partnership Act)
- explain the property rights involved in partnerships under the Uniform Partnership Act (UPA) and the Revised Uniform Partnership Act (RUPA) [(e.g., tenancy in partnership and sharing of profits)]
- explain all additional rights and duties involved in partnerships under the UPA and/or the RUPA
- contrast the process of ending a partnership under the UPA and/or the RUPA
- explain the difference between the disassociation and the dissolution of a partnership
- distinguish between a limited partnership and a general partnership
- describe how the Revised Uniform Limited Partnership Act affects limited partnerships
- explain the rights and duties of limited partners and general partners in a limited partnership
- explain the distribution of assets after the dissolution of a limited partnership
- differentiate between other partnership-type business organizations (e.g., joint ventures, limited partnership associations, and registered partnerships having limited liability)

**Level 4 Performance Expectations**

- discuss the impact of the laws of different countries on partnerships
- analyze the impact of international law on partnerships
- explain the relevance of federal and state securities regulations to general and limited partnerships

**B. CORPORATIONS**

**Level 3 Performance Expectations**

- differentiate between types of corporations (e.g., profit nonprofit, professional, domestic, foreign, and alien corporations)
- explain the steps involved in forming a corporation
- explain the circumstances under which the courts may disregard the corporate entity and “pierce the corporate veil”
- describe the functions of the board of directors and officers of a corporation with regard to control of corporate affairs
- differentiate between common and preferred stock
- identify shareholder rights (e.g., right to receive dividends, right to vote, right to transfer stock, right to inspect the books) and preemptive rights
- explain the nature of the shareholders’ liability
- describe when promoters, directors, and officers are liable to the corporation, shareholders, and third persons
- describe how shareholders can increase their voting control within a corporation

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- explain the role of the Business judgment Rule in judging corporate director liability
- explain the effects of the Sarbanes-Oxley Act on corporate director liability
- differentiate between direct and derivative shareholder lawsuits
- differentiate between types of corporate expansion (e.g., mergers, consolidations, and conglomerates)
- differentiate between an asset acquisition and a stock acquisition
- explain the nature of a takeover bid
- explain how the directors of a corporation can fight a potential takeover bid
- explain the nature of state anti-takeover statutes
- explain the effect of the Foreign Trade Antitrust Improvement Act on American companies involved in foreign markets
- identify federal, state, territory, and province statutes that regulate
- corporations
- describe the ways corporate existence may be terminated

**Level 4 Performance Expectations**

- explain the phrase “blue-sky laws” and provide some examples
- discuss the role and responsibility of directors and officers regarding the sale of shares of stock and other securities
- discuss the role of the S.E.C. and identify potential consequences of violating S.E.C. regulations
- describe the characteristics of a franchise and analyze where it fits in the economic and legal framework
- discuss the impact of the laws of different countries on corporations
- analyze the impact of international law on corporations

**C. LIMITED LIABILITY COMPANIES**

**Level 3 Performance Expectations**

- define a limited liability company
- explain the steps in forming a limited liability company
- explain the advantages and disadvantages of doing business as a limited liability company
- explain the nature of management responsibilities in a limited liability company
- describe the effects of the tax code on limited liability companies

**Level 4 Performance Expectations**

- discuss the impact of the laws of different countries on limited liability companies
- analyze the impact of international law on limited liability companies

**V. PROPERTY LAW**

**Achievement Standard: Explain the legal rules that apply to personal property and real property.**

**A. PERSONAL PROPERTY**

**Level 3 Performance Expectations**

- list different methods by which property is acquired
- state the requirements of a completed gift
- identify the forms of co-ownership of personal property

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- explain how a bailment is created and describe the standard of care different bailees are required to exercise over bailed property
- identify the extraordinary obligations of innkeepers, common carriers, and warehousemen

**Level 4 Performance Expectations**

- describe some protections given in copyright and trademark matters by the Patent Cooperation Treaty and the Paris Convention for the Protection of Industrial Property
- evaluate current methods authorized by the Transportation Security Administration (GSA) to ensure passenger safety on public transportation
- analyze the impact of international law on personal property transactions

**B. REAL PROPERTY**

**Level 3 Performance Expectations**

- distinguish among liens, licenses, and easements and explain the differences
- list the major estates in real property and describe the major features of each
- list and describe the forms of co-ownership of real property
- explain the method of transferring title (deeding) to real property
- describe the kinds of rental relationships that landlords and tenants may create

**Level 4 Performance Expectations**

- compare the four kinds of deeds in common use and point out when each would be used
- determine methods of transferring real property other than by sale
- distinguish between a lease and a deed
- explain the rights and obligations of landlords and tenants on termination of a lease including lawful and unlawful eviction procedures
- compare condominium, cooperative, and timeshare ownership of real property
- describe the various kinds of mortgages
- explain the impact of zoning regulations on the use of property for business purposes
- analyze the relationship between the government power of eminent domain and property ownership rights

**C. INTELLECTUAL PROPERTY**

**Level 3 Performance Expectations**

- list and define the different types of intellectual property (e.g. trademark, tradename, trade dress, copyright, patent, trade secret)
- describe how each type of intellectual property is created and legally protected
- describe how intellectual property rights terminate or can be lost
- list the sources of law that provide protection for intellectual property
- distinguish among a utility patent, a design patent, and a plant patent
- discuss the principal features of the Federal Patent Statute
- explain copyright law, including the procedure for obtaining a copyright, copyright infringement, and the fair use doctrine
- discuss the principal features of the Computer Software Copyright Act, the No Electronic Theft Act, and the Digital Millennium Copyright Act
- outline principal features of common law trademarks, state trademark statutes, the Federal Trademark Act, and the Federal Dilution Act

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**Level 4 Performance Expectations**

- identify and analyze treaties and international laws that regulate intellectual property in a global environment
- describe the civil and criminal consequences for infringing on the intellectual property rights of another

**VI. NEGOTIABLE INSTRUMENTS, INSURANCE, SECURED TRANSACTIONS, BANKRUPTCY**

**Achievement Standard: Analyze the functions of negotiable instruments, insurance, secured transactions, and bankruptcy.**

**A. NEGOTIABLE INSTRUMENTS**

**Level 3 Performance Expectations**

- explain the importance and function of negotiable instruments
- demonstrate an understanding of the concept of negotiability and distinguish it from assignability
- identify and explain the essential elements of a negotiable instrument
- describe the different types of negotiable instruments and different types of indorsements
- explain the contractual relationship between a bank and its customers
- describe stop-payment orders
- describe the legal effect of forgeries and material alterations

**Level 4 Performance Expectations**

- explain the difference between negotiation of order paper and negotiation of bearer paper
- explain the importance of warranty liability and its relationship to indorsements liability
- describe the Shelter Provision and its exceptions
- list the requirements for becoming a holder in due course
- distinguish between an ordinary holder and a holder in due course and explain the rights of a holder in due course
- list and explain the universal defenses available against all holders
- describe how the rights of a holder in due course have been limited by the Federal Trade Commission
- distinguish between primary parties and secondary parties
- describe presentment for payment and presentment for acceptance
- list and explain the importance of giving notice of dishonor and when such notice is excused
- list and explain the various methods of discharge and distinguish the discharge of individual parties from the discharge of all parties
- point out the principal features of the Check 21 Act
- contrast the legal ramifications of an oral stop-payment order with a written stop-payment order
- discuss the major features of electronic banking
- discuss the impact of treaties and the laws of different countries on negotiable instruments
- analyze the impact of international law on negotiable instruments

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**B. INSURANCE**

**Level 3 Performance Expectations**

- define insurance and differentiate between requirements for an insurable interest for property insurance and those needed for life insurance
- compare and contrast the different types of life insurance (e.g., ordinary, limited payment, endowment, and term)
- compare and contrast the different types of personal liability and property Insurance (e.g., automobile, homeowners, errors and omissions, directors, officers and company liability insurance, and marine)
- explain who can obtain flood insurance backed by the National Flood Insurance Program and contrast this insurance with the ordinary homeowner's policy.
- explain some of the differences in health insurance coverages

**Level 4 Performance Expectations**

- discuss the impact of the laws of different countries on insurance
- analyze the impact of international law on insurance
- analyze the impact of major disasters and mass torts on insurance

**C. SECURED TRANSACTIONS**

**Level 3 Performance Expectations**

- describe a secured transaction and explain the requirements for creating a valid security interest
- define the major types of collateral

**Level 4 Performance Expectations**

- define a security interest and explain how it is created
- state the three requirements of a security agreement
- distinguish between the attachment of a security interest and the perfection of a security interest and explain how each is accomplished
- state the UCC definition of consumer goods, inventory, equipment, farm products, purchase money security interest, buyer in the ordinary course of business, and after-acquired property
- compare the perfection of a purchase money security interest of consumer goods with the perfection of inventory
- explain the rights of the parties upon the debtor's default
- compare a contract of suretyship with a contract of guaranty
- define the parties to a contract of suretyship and a contract of guaranty
- explain the types of defenses that are available to a surety
- explain the nature of a letter of credit and the liabilities of the various parties to a letter of credit
- discuss the impact of the laws of different countries on secured transactions
- analyze the impact of international law on secured transactions

**D. BANKRUPTCY**

**Level 3 Performance Expectations**

- describe Chapter 7 Bankruptcy, and state the eligibility requirements to file for this under the 2005 Bankruptcy Code
- explain the requirements for creditors to file for Chapter 7 involuntary bankruptcy under the 2005 Bankruptcy Code
- summarize the principal features of Chapters 11, 12/ and 13 Bankruptcy Code

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- point out the eligibility requirements for debtors who do not qualify for Chapter 7 Bankruptcy to file for Chapter 13 Bankruptcy under the 2005 Bankruptcy Code
- explain the procedure for the administration of the debtor's estate

**Level 4 Performance Expectations if**

- identify and explain bankruptcy exemptions, and state the domiciliary requirement for state exemptions to apply
- identify the limitation of the state homestead exemption under the 2005 Bankruptcy Code
- list debts that are not extinguished by bankruptcy under the 2005 Bankruptcy Code
- discuss the distribution of an estate on liquidation
- identify and discuss alternatives to bankruptcy
- discuss the impact of the laws of different countries on bankruptcy
- analyze the impact of international law on bankruptcy

**VII. COMPUTER LAW**

**Achievement Standard: Explain how advances in computer technology impact such areas as property law, contract law, criminal law, and international law.**

**A. BASICS OF COMPUTER LAW**

**Level 3 Performance Expectations**

- define the key terms involved in computer law
- identify the areas of the law affected by the use of computers

**B. INTELLECTUAL PROPERTY**

**Level 4 Performance Expectations**

- determine whether a particular computer program would be protected by labeling it a trade secret
- describe the effects of a licensing agreement
- report on the provisions of the Economic Espionage Act
- explain the provisions of the Uniform Trade Secrets Act
- determine whether a particular computer program would be protected by labeling it a trade secret
- distinguish between a trademark and a domain name
- explain the effects of the Anticybersquatting Consumer Protection Act as it deals with trademark remedies
- determine when a computer program can be protected by a patent and explain the steps in applying for the patent
- define business system and explain why such systems are patentable
- determine when a computer program can be protected by a copyright and explain the steps in applying for the copyright
- identify the circumstances that constitute the violation of a computer program copyright
- report on the impact of various statutes and treaties regulating copyright protection (e.g., The No Electronic theft Act, the Digital Millennium Copyright Act, the World Intellectual Property Organization Phonogram Treaty)

**C. CONTRACT LAW**

**Level 4 Performance Expectations**

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- determine when computer-related contracts are service contracts and when they are sale-of-goods contracts
- outline the various claims and defenses that are available in civil suits involving computer contracts
- describe the Uniform Computer Information Transactions Act (UCITA), the Uniform Electronic Transactions Act, the Electronic Signatures in Global and National Commerce Act (the E-Sign Act), and the Millennium Digital Commerce Act
- analyze the effects of the Worldwide E-Commerce Fraud Prevention Network

**D. CRIMINAL LAW AND TORT LAW**

**Level 4 Performance Expectations**

- define the following computer-related crimes: cyberstalking, cyberspoofing, cyberextortion, phishing, cyberpiracy, identity theft, cyberterrorism, cybervandalism, and cybergerm warfare
- define cyber invasion of privacy
- differentiate between private-privacy and public—privacy in relation to computer records
- define data mining
- report on various statutes that deal with the effects of computers and privacy matters (e.g., The Fair Credit Reporting Act, the Right to Privacy Act, the Electronic Communications Privacy Act, the Drivers' Privacy Protection Act, the USA Patriot Act, the E-Government Act, the Identity Theft and Deterrence Act, and the Can-Spain Act)

**E. INTERNATIONAL LAW**

**Level 4 performance Expectations**

- explain the European Data Protection Directive and the rules of the Federal Trade Commission in relation to privacy and the computer
- discuss the impact of the laws of different countries on computer law
- analyze the impact of international law on computer law

**VIII. ENVIRONMENTAL LAW AND ENERGY REGULATION**

**Achievement Standard: Explain the legal rules that apply to the environment and energy regulation.**

**A. ENVIRONMENTAL LAW**

**Level 3 Performance Expectations**

- describe the various federal statutes (e.g., National Environmental Policy Act, Clean Air Act, Clean Water Act, and Toxic Substance Control Act) that impact the environment
- describe the various state statutes that impact the environment
- discuss civil and criminal consequences of violating environmental regulations
- describe the various international initiatives that influence environmental regulations

**Level 4 Performance Expectations**

- discuss the impact of the laws of different countries on environmental regulation
- analyze the impact of international law on environmental regulation

**B. ENERGY REGULATION**

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**Level 3 Performance Expectations**

- describe the various federal agencies (e.g., Department of Energy, Energy Regulatory Commission, and Nuclear Regulatory Commission) that impact energy regulation and conservation
- describe the various state statutes that impact energy regulation and conservation

**Level 4 Performance Expectations**

- discuss the impact of the laws of different countries on energy regulation and conservation
- analyze the impact of international law on energy regulation and conservation

**IX. FAMILY LAW**

**Achievement Standard: Explain the legal rules that apply to marriage, divorce, and child custody.**

**A. MARRIAGE**

**Level 3 Performance Expectations**

- identify the issues and concerns that might be included in a prenuptial agreement
- distinguish between common law and ceremonial marriages
- identify the types of marriages that are prohibited by law
- define “domestic partnership” and explain how it is created under various state laws

**Level 4 Performance Expectations**

- discuss the impact of the laws of different countries on marriage and the rights and obligations involved in marriage
- explain the impact of the laws of different countries on prenuptial agreements
- discuss the constitutional and statutory rights of domestic partners

**B. DIVORCE AND CHILD CUSTODY**

**Level 3 Performance Expectations**

- describe the various state laws related to the distribution of property in a divorce
- explain the law of domestic relations as it relates to child custody
- outline the law of domestic relations as it relates to spousal and child support

**Level 4 Performance Expectation**

- discuss the impact of the laws of different countries on divorce, property distribution, child custody, and child support

**X. WILLS AND TRUSTS**

**Achievement Standard: Determine the appropriateness of wills and trusts in estate planning.**

**A. WILLS**

**Level 3 Performance Expectations**

- define testamentary capacity and testamentary intent
- identify the requirements necessary for a valid will
- define a holographic will
- distinguish between signing, attesting, and publishing a will
- explain how a will may be modified or revoked
- distinguish between the protection given to spouses and to children under the law of wills

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- explain what happens to a decedent's estate when a person dies without a will
- explain the effect of holding property in joint tenancy
- define "living will"

**Level 4 Performance Expectations**

- identify the responsibilities of a personal representative or executor or administrator in the settlement of an estate
- describe the probating and contesting of a will
- discuss the impact of the laws of different countries on wills
- analyze the impact of international law on wills

**B. TRUSTS**

**Level 3 Performance Expectations**

- define a trust and identify its key characteristics
- explain the advantages and disadvantages of establishing a trust
- describe the various types of trusts (e.g., living, testamentary, charitable, private, spendthrift, revocable, and irrevocable trusts)

**Level 4 Performance Expectations**

- identify the powers and duties of trustees
- identify the rights and duties of beneficiaries
- discuss the impact of the laws of different countries on trusts
- analyze the impact of international law on trusts

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**CAREER DEVELOPMENT**

**I. SELF-AWARENESS**

**Achievement Standard: Assess personal skills, abilities, and aptitudes and personal strengths and weaknesses as they relate to career exploration and development.**

**A. PERSONAL SKILLS, ABILITIES, AND APTITUDES**

**Level 3 Performance Expectations**

- Assess and analyze personal talents, values, and interests as they may relate to a future career, based on the completion of standardized career interest and personality indicator assessments
- Evaluate and reconcile peer feedback
- Compare personal skills and aptitudes with various career options
- Correlate personal characteristics with the requirements of specific jobs within career clusters
- Determine attitudes needed for career success
- Identify transferable competencies and job-specific skills related to career and job options

**Level 4 Performance Expectations**

- Demonstrate a realistic understanding of self
- Reassess and analyze individual talents, values, personal characteristics, and interests as they relate to changing career decisions, based on the completion of standardized interest and personality indicator instruments and career interest, aptitude, and skills assessments (e.g., Myers-Briggs Type Indicator, Strong Interest Inventory, ASVAB, and FIRO-B)
- Reassess transferable competencies and job-specific skills related to career and job options

**B. PERSONAL STRENGTHS AND WEAKNESSES**

**Level 3 Performance Expectations**

- Enhance identified strengths related to selected career options
- Monitor progress and restructure the plan as needed to manage identified weaknesses

**Level 4 performance Expectations**

- Reassess personal strengths and weaknesses in relationship to career development
- Match personal strengths to appropriate jobs and careers to maximize career potential

**II. CAREER RESEARCH**

**Achievement Standard: utilize career resources to develop a career information database that includes international career opportunities.**

**A. CAREER RESOURCES AND RELATED INFORMATION**

**Level 3 Performance Expectations**

- Evaluate several occupational interests, based on various criteria (e.g., educational requirements, starting salaries, and career ladder opportunities)
- Use available resources for projecting career opportunities and trends

**Level 4 Performance Expectations**

- Analyze a specific career cluster, using a variety of research tools (e.g., College career centers/counselors, professional a or] trade a ssoc ation s, career fairs,

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Informational interviews, print media, and the Internet)

- Analyze important relocation issues to be considered in making career or job choices
- Identify resources for refraining and career transition

**B. INTERNATIONAL CAREER OPPORTUNITIES**

**Level 3 Performance Expectations**

- Relate career interests to opportunities in the global economy
- Describe the culture of a particular country and discuss the available career choices in that Culture
- Identify employment opportunities in international trade

**Level 4 Performance Expectations**

- Assess personal skills (e.g., communication and human relations skills and work ethic) as they relate to obtaining employment in another country
- Identify entrepreneurial opportunities in the international marketplace
- Evaluate international employment opportunities

**III. WORKPLACE EXPECTATIONS**

**Achievement Standard: relate the importance of workplace expectations to career development.**

**A. WORK ETHIC**

**Level 3 Performance Expectations**

- Illustrate how personal qualities transfer from school to the workplace
- State ways in which the honesty and integrity of coworkers affect work performance
- Describe appropriate time management techniques and their application in the workplace
- Explain how product quality affects job stability

**Level 4 Performance Expectations**

- Discuss and illustrate the positive and negative effects of a well-developed work ethic on worker and workplace productivity
- Describe techniques for demonstrating personal accountability and work productivity
- Demonstrate techniques for developing and maintaining positive and flexible behaviors and attitudes

**B. WORKPLACE RELATIONSHIPS**

**Level 3 Performance Expectations**

- Describe how the workplace environment influences behavior
- Demonstrate appropriate interpersonal skills for working with and for others
- Demonstrate appropriate employer and employee interactions in workplace situations
- Demonstrate appropriate employee and customer interactions in workplace situations
- Identify techniques for maintaining healthy self-esteem and for maintaining and projecting a positive attitude
- Explain the importance of maintaining professionalism in work relationships

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**Level 4 Performance Expectations**

- Demonstrate the ability to use assertive behavior in work relationships
- Identify techniques for encouraging others to enhance their performance
- Demonstrate the ability to function as a proactive, productive team member in the workplace

**C. WORKPLACE DIVERSITY**

**Level 3 Performance Expectations**

- Describe ways in which work can help resolve social and economic problems
- Discuss social and economic factors that have resulted in changing career patterns for a diverse workforce
- Demonstrate how behavior influences the actions of coworkers
- Illustrate techniques for eliminating gender bias and stereotyping
- Formulate strategies for working effectively with coworkers of varying age groups, cultures, and mental or physical abilities
- Describe ways tasks and the workplace environment can be structured to accommodate the diverse needs of workers

**Level 4 Performance Expectations**

- Discuss equity issues and their impact on the workplace
- Discuss and demonstrate the skills necessary to function as a member of a diverse workforce (e.g., diplomacy, patience, willingness to compromise, and ability to listen)

**D. WORKPLACE COMMUNICATION SKILLS**

(Refer to the Workplace Communication section of the Communication Standards for a comprehensive listing of workplace communication competencies)

**Level 3 Performance Expectations**

- Demonstrate effective interpersonal skills in a work relationship
- Develop effective oral communication skills that include listening, active listening, and nonverbal skills
- Demonstrate techniques for responding to and working with individuals under stress
- Develop skills to give and receive constructive criticism
- Demonstrate appropriate telephone and e-mail etiquette
- Demonstrate correct grammar, spelling, and technical writing skills

**Level 4 Performance Expectations**

- Explain the importance of providing good customer service in the workplace
- Describe methods of providing good customer service in the workplace
- Adapt one's own behavioral style to increase interpersonal communication effectiveness and flexibility
- Create and interpret technical writing samples

**E. CONTINUAL SKILLS IMPROVEMENT**

**Level 3 Performance Expectations**

- Identify ways to use feedback to improve skills
- Identify resources for developing and strengthening workplace skills

**Level 4 Performance Expectations**

- Identify resources for developing and strengthening high-demand workplace skills

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(e.g., communication, motivational, analytical, computer, teamwork, decision-making, and problem-solving) for a chosen job/career

- Explain how feedback can be incorporated to make changes and improve performance

**F. VIRTUAL WORK ENVIRONMENT**

**Level 3 Performance Expectation**

- Compare how performing a job in a virtual work environment differs from performing the same job in a traditional work setting

**Level 4 Performance Expectations**

- Compare the performance of work tasks as a member of a virtual team with performance of work tasks in a traditional work environment
- Determine the appropriate mode of communication (e.g., print, electronic, face-to-face) for various workplace communications

**G. CAREER AND JOB SELF-MANAGEMENT**

**Level 3 Performance Expectations**

- Demonstrate project planning and management skills
- Explain the advantages and disadvantages of temporary work in the pursuit of career goals
- Describe activities that may be used to bring about a balance between personal and career interests

**Level 4 Performance Expectations**

- Demonstrate important career self-management skills (e.g., accessing job/career development resources, networking, time management, and research)
- Identify methods for maximizing personal productivity
- Identify methods for demonstrating dependability and accountability in work performance

**IV. CAREER STRATEGY**

**Achievement Standard: apply knowledge gained from individual assessment to a comprehensive set of goals and an individual career plan.**

**A. SELF-ASSESSMENT AND CAREER RESEARCH**

**Level 3 Performance Expectations**

- Identify considerations for making responsible educational and occupational choices
- Locate sources of financial assistance
- List the steps necessary to apply for financial assistance
- Identify how part-time jobs can contribute to career development

**Level 4 Performance Expectations**

- Apply personal career goals, skills, interests, and values to selection and confirmation of appropriate career and job choices
- Identify personal abilities, interests, values, and related education/training and experience that match the employer requirements of the identified job target
- Formulate an action plan to transition from postsecondary education to work

**B. SHORT- AND LONG-TERM CAREER GOALS**

**Level 3 Performance Expectations**

- Compare advantages and disadvantages of various programs utilized to attain

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career goals (e.g., secondary and postsecondary education, distance learning, and employer-provided training)

- Apply skills developed in academic and technical programs to career goals
- Determine how educational achievement impacts one's choice of a college major, further training, and/or entry into the job market
- Demonstrate the ability to set, monitor, and achieve clearly defined goals

**Level 4 Performance Expectations**

- Relate the necessity of lifelong learning to the achievement of goals
- Determine how existing skills can transfer to new career goals

**C. INDIVIDUAL CAREER PLAN**

**Level 3 Performance Expectations**

- Create and implement a career plan that includes the required steps to transition from high school to postsecondary education/training or the workplace
- Explore opportunities for appropriate employment and continuing education
- Develop a network of people who can assist in achieving career goals

**Level 4 Performance Expectations**

- Revise and update the career plan
- Maintain and expand the network of people who can assist in achieving career goals

**V. SCHOOL-TO-CAREER TRANSITION**

**Achievement Standard: develop strategies to make an effective transition from school to career.**

**A. WORKPLACE EXPERIENCES**

**Level 3 Performance Expectations**

- Experience paid/unpaid work opportunities in one or more career clusters through various opportunities (e.g., job shadowing, mentoring, e-mentoring, internships, cooperative work experiences, and community service)
- Identify high school programs that articulate with postsecondary educational programs, industry-based training, and technical education programs in a chosen career field

**Level 4 Performance Expectations**

- Explain how the needs and functions of society influence the nature and structure of work
- Experience paid/unpaid work opportunities in a chosen career cluster (e.g., internships, apprenticeships, or work site learning)

**B. CAREER DEVELOPMENT FILE AND EMPLOYMENT PORTFOLIO**

**Level 3 Performance Expectations**

- Prepare paper and electronic resumes and cover letters
- Assemble a career management file for use in lifelong career activities that includes transcripts, diplomas, certificates, licenses, forms of identification, and educational and employment history information
- Develop a career portfolio of items including resumes, sample cover letters, letters of recommendation, examples of work and technical skills, awards, and documentation of extracurricular activities and community service activities
- Use evolving technologies to enhance the career portfolio

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- Present the career portfolio

**Level 4 Performance Expectation**

- Use the career management file and career portfolio in the job search

**C. JOB SEARCH STRATEGIES**

**Level 3 Performance Expectations**

- Explain the importance of researching prospective employers
- Identify the types of information that should be researched relating to prospective employers
- Identify appropriate sources of job leads (e.g., newspapers, trade journals, Internet job banks, and personal networking)
- Develop criteria for selecting prospective employers
- Demonstrate the ability to describe personal skills to interviewers
- Demonstrate appropriate interviewing techniques through participation in mock or actual interviews
- Explain the importance of appropriate interview follow-up techniques
- List tasks to be completed following the interview
- Identify techniques for negotiating monetary and benefit compensation
- Identify appropriate factors for evaluating job offers and deciding whether to accept or reject them

**Level 4 Performance Expectations**

- Demonstrate the ability to research prospective employers and jobs using all available resources (e.g., print media, on-site and telephone interviews, job shadowing, internships, job fairs, and Internet research)
- Demonstrate the ability to prepare and transmit electronic resumes and cover letters that meet business standards
- Create a personal Web site for the presentation of the career portfolio
- Demonstrate the ability to complete an online job application accurately
- Identify steps to prepare for an interview
- Model behavior that contributes to a successful interview
- Maintain an organizational and tracking database for the job search
- Conduct the job search Describe electronic and telecommunication job search tools (e.g., Internet job banks; electronic resumes; and electronic, telephone, and videoconferencing interviews)
- Describe the criteria for evaluating job offers
- Describe strategies for negotiating conditions of employment
- Discuss effective strategies for handling rejection
- Identify a network of people who will motivate and provide moral support
- Discuss the workplace support network and the value of mentors

**VI. LIFELONG LEARNING**

**Achievement Standard: relate the importance of lifelong learning to career success.**

**A. PERSONAL GROWTH**

**Level 3 Performance Expectations**

- Analyze school/work evaluations to assess strengths, weaknesses, and areas for improvement
- Relate the importance of education to meeting identified goals

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- Describe benefits of participating in school and community activities
- Discuss how health, motivation, and physical fitness enhance performance

**Level 4 Performance Expectations**

- Identify the knowledge, skills, and attitudes required to succeed in the current job/career, the next most likely job/career, and the ideal job/career
- Identify resources for accessing lifelong learning (e.g., printed, interpersonal, electronic, and educational)
- Identify and assess future job and career trends associated with businesses in a chosen career cluster
- Discuss social and ethical standards of the workplace and their implications for a chosen job/career

**B. CAREER GROWTH**

**Level 3 Performance Expectations**

- Discuss the importance of flexible career planning and career self-management
- Identify career opportunities resulting from new and emerging technologies
- Demonstrate appropriate techniques for resigning from a position

**Level 4 Performance Expectations**

- Identify and use appropriate sources of lifelong learning to strengthen existing skills, develop new skills, and maximize career growth (e.g., Internet, educational institutions, employer-provided training programs, self-study, mentoring, and internships)
- Describe career pathways (upward and cross-mobile)
- Formulate strategies for achieving career growth goals (e.g., self-promotion, job enrichment, skill development, volunteering for additional responsibilities, and seeking mentors)
- Develop strategies for adapting to changes in the workplace
- Formulate strategies for coping with loss of employment

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**COMMUNICATION**

*Foundations of Communication*

**Achievement Standard:** communicate in a clear, courteous, concise, and correct manner on personal and professional levels.

*Social Communication*

**Achievement Standard:** apply basic social communication skills in personal and professional situations.

*Technological Communication*

**Achievement Standard:** use technology to enhance the effectiveness of communication.

*Employment Communication*

**Achievement Standard:** integrate all forms of communication in the successful pursuit of employment.

*Organizational Communication*

**Achievement Standard:** incorporate appropriate leadership and supervision techniques, customer service strategies, and personal ethics standards to communicate effectively with various business constituencies.

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**COMPUTATION**

*Mathematical Foundations*

**Achievement Standard:** apply basic mathematical operations to solve problems.

*Number Relationships and Operations*

**Achievement Standard:** solve problems involving whole numbers, decimals, fractions, percents, ratios, averages, and proportions.

*Patterns, Functions, and Algebra*

**Achievement Standard:** use algebraic operations to solve problems.

*Measurements*

**Achievement Standard:** use common international standards of measurement when solving problems.

*Statistics and Probability*

**Achievement Standard:** analyze and interpret data using common statistical procedures.

*Problem-Solving Applications*

**Achievement Standard:** use mathematical procedures to analyze and solve business problems.

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**ECONOMICS/PERSONAL FINANCE  
ECONOMICS**

**I. ALLOCATION OF RESOURCES**

**Achievement Standard: Assess opportunity costs and trade-offs involved in making choices about how to use scarce economic resources.**

**Level 3 Performance Expectations**

- explain the concept of marginalism as it applies to producers and consumers
- evaluate the trade-offs of alternatives for solving societal problems according to economic goals (e.g., economic growth, equity, efficiency, security, employment, stability, and freedom)

**Level 4 Performance Expectations**

- suggest what a nation or business should do if economic resources are underutilized
- recommend what a nation or business could do to stimulate economic growth
- explain the effects of leading economic indicators on a personal financial plan

**II. ECONOMIC SYSTEMS**

**Achievement Standard: Explain why societies develop economic systems, identify the basic features of different economic systems, and analyze the major features of the U.S. economic system.**

**Level 3-4 Performance Expectations**

- analyze existing economies and how they answer the three questions every economic system must answer
- explain how change in one component of the circular flow of economic activity affects other components
- analyze how economic systems, resources, and culture affect each other
- analyze how wages and prices are determined in command and market economies
- critique command, mixed, and market economies based on the U.S. economic goals of freedom, efficiency, equity, security, employment, stability, and growth
- debate the advantages and disadvantages and identify the winners and losers from different examples of government intervention in the economy

**III. ECONOMIC INSTITUTIONS AND INCENTIVES**

**Achievement Standard: Analyze the role of core economic institutions and incentives in the U.S. economy.**

**Level 3-4 Performance Expectations**

- explain how specific financial and nonfinancial incentives influence economic behavior of individuals in different ways
- provide illustrations of how the market system requires a give-and-take between institutions and individuals
- identify the roles of profit and competition in a market-oriented economy
- identify major functions of the public sector in a market economy
- analyze ways in which a society's allocation of resources will be affected by its laws, public policy, and taxation

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- identify how certain historical events have influenced the banking system and other financial institutions

**IV. MARKETS AND PRICES**

**Achievement Standard: Analyze the role of markets and prices in the U.S. economy.**

**Level 3 Performance Expectations**

- analyze the relationship of relative price to scarcity when prices are set by the market forces of supply and demand
- identify determinants of supply and demand
- demonstrate an understanding of the supply and demand curves that show increases and decreases in quantity supplied and quantity demanded
- demonstrate an understanding of the supply and demand curves when there are increases and decreases in supply and demand and explain why these changes occur
- illustrate how a change in price affects quantity demanded or quantity supplied
- explain and illustrate how the equilibrium price changes according to changes in supply or demand
- explain and illustrate how a market reacts to shortages and surpluses with no government intervention
- explain and illustrate how a market reacts to government intervention (e.g., price ceilings, price floors, and regulations)
- describe the concept of elasticity and inelasticity
- explain how efficient production and allocation of goods and services in a market economy are based on pricing information
- explain why changes in prices of resources create incentives/disincentives for resource allocation in the U.S. economy
- identify the effect of changes in the relative price of a substitute or complementary good on supply and demand
- identify the quality and quantity of human as a major determinant of a worker's income

**Level 4 Performance Expectations**

- calculate the elasticity coefficient for price changes of various goods and services

**V. MARKET STRUCTURES**

**Achievement Standard: Analyze the different types of market structures and the effect they have on the price and the quality of the goods and services produced.**

**Level 3 Performance Expectations**

- describe the characteristics of an oligopoly and identify examples in the current market
- describe the characteristics of monopolistic competition and identify examples in the current market
- describe how collusion affects market competition
- discuss the major barriers to new firms entering a market and how the barriers affect the level of competition in an industry
- examine U.S. laws and government regulations that are designed to impact competition

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**Level 4 Performance Expectations**

- give examples of positive and negative externalities (e.g., spillover costs) and analyze the government's role in correcting market failures (e.g., tax policies, subsidies, and regulations)
- analyze a business to determine its monopoly power
- compare and contrast the different types of market structures

**VI. PRODUCTIVITY**

**Achievement Standard: Explain the importance of productivity and analyze how specialization, division of labor, investment in physical and human capital, and technological change affect productivity.**

**Level 3-4 Performance Expectations**

- assess opportunity costs and economic risks involved when investing in physical and human capital to increase productivity
- discuss the effects of government expenditures, regulations, and tax policies on productivity
- explain how investment in research and development affects productivity
- distinguish between fixed, variable, explicit, and implicit costs
- explain the principle of diminishing returns and illustrate how it relates to productivity
- explain the law of profit maximization (i.e., marginal cost equals marginal revenue)
- differentiate between lowest total cost, lowest marginal cost, and lowest average cost
- distinguish between short-run average costs and long-run average costs
- analyze the impact of the global economy on American business

**VII. THE ROLE OF GOVERNMENT**

**Achievement Standard: Analyze the role of government in economic systems, especially the role of government in the U.S. economy.**

**Level 3 Performance Expectations**

- define and give examples of progressive, regressive, and proportional taxes and their effect on specific income groups
- give examples of taxes based on the principles of benefits received and ability to pay
- evaluate the equity of taxes based on income, wealth, and consumption
- explain how government's redistribution of income through taxation, spending, and assistance/entitlement programs affects the well-being of people and businesses in an economy
- identify monetary policies used by the Federal Reserve System to regulate the economy
- identify fiscal policies used by the federal government to regulate the economy
- discuss the history of banking in the United States, how monetary and fiscal policies have evolved, and how monetary and fiscal policies have been in opposition or in harmony with each other
- differentiate between monetary and fiscal policies and identify when it may be

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appropriate to use a given policy

- analyze the effect of national debt or surplus on the economy
- investigate the effects of government actions and economic conditions on personal financial planning

**Level 4 Performance Expectations**

- analyze how taxes serve as an incentive or disincentive to individuals and institutions
- describe why the Federal Reserve System and the federal government have limited ability to control the total amount of money in the U.S. economy
- describe the limitations of tax policy in regulating the U.S. economy
- critique the ability of fiscal and monetary policies to influence the level of economic activity in the United States and abroad
- identify and evaluate how stabilizers (e.g., unemployment compensation, welfare benefits, Social Security, subsidies, and tax rates) affect economies in transition
- analyze the effect of the federal deficit on the economy
- analyze short- and long-term effects of deficit spending

**VIII. GLOBAL ECONOMIC CONCEPTS**

**Achievement Standard: Examine the role of trade, protectionism, and monetary markets in the global economy.**

**Level 3-4 Performance Expectations**

- determine how the supply and demand of a currency affects its foreign exchange rate
- differentiate between currency appreciation and currency depreciation
- analyze how a change in the value of a nation's currency (appreciation or depreciation) can affect the level of its imports and exports
- compare and contrast absolute and comparative advantage
- analyze different countries to determine the comparative advantage of individuals within those countries for making and trading goods and services
- discuss the advantages and disadvantages and distributive effects of trade restrictions (e.g., tariffs, quotas, and embargoes)
- appraise free trade agreements between and among nations
- distinguish between the balance of trade and the balance of payments
- evaluate the impact of international economic unions on the global community and the influence these unions have on the member nations and on different groups within those nations

**IX. AGGREGATE SUPPLY AND AGGREGATE DEMAND**

**Achievement Standard: Analyze how the U.S. economy functions as a whole and describe selected macroeconomic measures of economic activity.**

**Level 3 Performance Expectations**

- analyze the causes and effects of demand-pull and cost-push inflation
- calculate the real interest rate (nominal minus rate of inflation)
- compare and contrast the different stages of the business cycle (e.g., recovery, expansion, trough, and peak)
- identify the components of the labor force

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- differentiate between the types of unemployment (frictional, structural, cyclical, and seasonal)
- interpret the Consumer Price Index (CPI) in relationship to purchasing power
- discuss major factors that affect the level of a country's Gross Domestic Product (GDP) (e.g., quantity and quality of natural resources, quantity and quality of human capital, and quantity and quality of capital stock)
- locate the per capita GDP of various nations to compare the levels of economic well-being
- identify and analyze leading economic indicators and the methods of using the indicators to validate opinions about the state of the economy in the near future

**Level 4 Performance Expectations**

- assess the understatement and overstatement of CPI and the effects on the economy and the individual
- differentiate between final goods and intermediate goods to determine GDP
- discuss how changes in disposable income affect the economy
- analyze the relationship of different components of GDP ( $C + I + G + X - M$ )
- interpret coincident and lagging indicators
- differentiate between GDP, NDP, NI, PI, and DI

**PERSONAL FINANCE**

**I. PERSONAL DECISION MAKING**

**Achievement Standard: Use a rational decision-making process as it applies to the roles of citizens, workers, and consumers.**

**Level 3—4 Performance Expectations**

- differentiate between types of decisions and identify those for which a formal decision-making process should be used
- apply the decision-making process to various types of decisions at different stages of the life cycle
- apply the concept of marginalism to choice making
- analyze the effects of leading economic indicators of a personal financial plan
- analyze the effects of ethics on business and financial management decisions
- examine the impact of advertising, peer pressure, and family history on personal financial decisions

**II. EARNING A LIVING**

**Achievement Standard: Identify various forms of income and analyze factors that affect income as a part of the career decision-making process.**

**Level 3—4 Performance Expectations**

- discuss how income from employment is affected by factors such as supply and demand, geographic location, level of education, type of industry, union membership, productivity, skill level, and work ethic
- identify types of income other than wages (e.g., interest, rent, and profit) that people earn from their resources
- assess the impact of sociological, economic, and technological changes on future jobs
- compare and contrast compensation packages that include varying levels of wages

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- and benefits
- analyze how career choice, education, and skills affect income and goal attainment
  - describe the different types of taxes (progressive, regressive, proportional)
  - explore potential tax deductions and credits on a tax return
  - calculate personal tax liabilities for various types of taxes (e.g., property, income, sales, FICA, and Medicare)
  - explain the impact of taxes on personal financial planning
  - calculate net pay
  - investigate employee benefits and incentives

**III. MANAGING FINANCES AND BUDGETING**

**Achievement Standard: Develop and evaluate a spending/savings plan.**

**Level 3—4 Performance Expectations**

- compare a personal spending plan with typical consumer spending as a tool for determining individual financial goals
- describe how income and spending patterns change throughout the life cycle for the typical person and family

**IV. SAVING AND INVESTING**

**Achievement Standard: Evaluate savings and investment options to meet short- and long-term goals.**

**Level 3 Performance Expectations**

- apply criteria for choosing a savings or investment instrument (e.g., market risk, inflation risk, interest rate risk, liquidity, and minimum amount needed for investment)
- distinguish between the rights and responsibilities of owners of debt and equity investments
- explain why a savings and investing plan changes as one proceeds through the life cycle
- differentiate between interest, dividends, capital gains, and rent from property
- describe how saving and investing influence economic growth (capital formation)
- evaluate the tax incentives available for certain investments
- explain costs and income sources for investments

**Level 4 Performance Expectations**

- examine the role of saving and investing in creating a financial plan
- develop financial goals for the future based on one's lifestyle expectations and career choices
- calculate and apply the Rule of '72
- contrast the impact of simple interest vs. compound interest on savings
- explain how and why the stock market works
- examine the fundamental workings of the Social Security System and the system's effects on retirement planning
- examine the financial implication of an inheritance
- define the terminology associated with inheritance
- compare investment options for a monetary inheritance

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- explain the similarities and differences between state and federal taxation of a monetary inheritance

**V. BUYING GOODS AND SERVICES**

**Achievement Standard: Apply a decision-making model to maximize consumer satisfaction when buying goods and services.**

**Level 3-4 Performance Expectations**

- compare the costs and benefits of purchasing, leasing, and renting
- identify and describe consumer assistance services provided by public and private organizations (e.g., government, the Better Business Bureau, and manufacturers)
- examine the impact of advertising and marketing on consumer demand and decision-making in the global marketplace
- research consumer advocacy groups that address consumer rights and responsibilities and describe how an individual can participate
- calculate the costs of utilities, services, maintenance, and other expenses involved in independent living
- describe the role that supply and demand and market structure play in determining the availability and price of goods and services
- explain how a consumer can identify and report fraudulent behavior and practices observed on the Internet
- identify goods and services and distinguish between the two
- apply comparison shopping practices
- identify alternative sources for purchases (e.g., e-malls, retail stores, and catalogs)
- recognize that laws are available to protect the rights of the consumer

**VI. BANKING AND FINANCIAL INSTITUTIONS**

**Achievement Standard: Evaluate services provided by financial deposit institutions to transfer funds.**

**Level 3-4 Performance Expectations**

- identify other means of transferring funds (e.g., money orders and certified checks)
- evaluate services and related costs associated with financial institutions in terms of personal banking needs
- describe and use the steps involved in the bank reconciliation process
- compare and contrast the various forms of endorsement
- compare costs and benefits of online and traditional banking
- analyze privacy and security issues associated with financial transactions
- explain how certain historical events have influenced the banking system and other financial institutions
- identify the functions of the Federal Reserve System

**VII. USING CREDIT**

**Achievement Standard: Analyze factors that affect the choice of credit, the cost of credit, and the legal aspects of using credit.**

**Level 3-4 Performance Expectations**

- analyze various sources and types of credit (e.g., short- and long-term) and related

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costs

- select an appropriate form of credit for a particular buying decision
- compare and contrast the various aspects of credit cards (e.g., APR, grace period, incentive buying, methods of calculating interest, and fees)
- explain credit ratings and credit reports and describe why they are important to consumers
- describe the relationship between a credit rating and the cost of credit
- identify strategies for effective debt management
- analyze the sources of assistance for debt management
- research rights and responsibilities of consumers according to credit legislation (e.g., truth-in-lending, fair credit reporting, equal credit opportunity, and fair debt collection)
- compare and contrast the legal aspects of different forms of credit (e.g., title transfer, responsibility limits, collateral requirements, and co-signing)
- describe legal and illegal types of credit that carry high interest rates (e.g., payday loans, rent-to-buy agreements, and loan sharking)
- identify the components listed on a credit report and explain how that information is used and how it is received by and reported from the credit reporting agencies
- identify specific steps that consumers can take to minimize their exposure to identify theft
- identify specific steps that should be taken by a victim of identify theft
- explain the implications of bankruptcy

**VIII. PROTECTING AGAINST RISK**

**Achievement Standard: Analyze choices available to consumers for protection against risk and financial loss.**

**Level 3 Performance Expectations**

- identify the type of insurance associated with different types of risk (e.g., auto-mobile, personal and professional liability, home and apartment, health, life, long-term care, disability)
- explain why insurance needs change throughout the life cycle
- identify various suppliers of insurance (e.g., public and private)
- explain the role of insurance in financial planning

**Level 4 Performance Expectations**

- develop recommended insurance coverage for individuals/families for various risks and different income levels
- develop a plan for family financial security (e.g., secure storage of documents, cash reserve, household inventory, medical records retention) in case of a disaster

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**ENTREPRENEURSHIP**

**I. ENTREPRENEURS AND ENTREPRENEURIAL OPPORTUNITIES**

**Achievement Standard: Recognize that entrepreneurs possess unique characteristics and evaluate the degree to which one possesses those characteristics.**

**A. CHARACTERISTICS OF AN ENTREPRENEUR**

**Level 3 Performance Expectations**

- Analyze the degree to which one possesses the characteristics of an entrepreneur
- Analyze the personal advantages and risks of owning a business
- Describe the paths to becoming an entrepreneur
- Discuss entrepreneurship as a choice for women and minorities

**Level 4 Performance Expectations**

- Assess one's personal qualifications to become an entrepreneur
- Examine how outside influences play an important role in the choice of paths an entrepreneur chooses

**B. ROLE OF THE ENTREPRENEUR IN BUSINESS**

**Level 3 Performance Expectation**

- Analyze the trade-offs between the roles of a manager and an entrepreneur

**Level 4 Performance Expectations**

- Identify and appraise the unique contributions of entrepreneurs to the economy of a country
- Explain the importance of entrepreneurship as a choice in a market economy

**C. OPPORTUNITY/PROBLEM RECOGNITION AND PURSUIT**

**Level 3 Performance Expectations**

- Utilize virtual entrepreneurs, blogs, webcasts, webouts, and various other technology avenues to identify and solve various business problems
- Compare and contrast the advantages and disadvantages of buying an existing business, starting an entirely new business, or purchasing a franchise
- Explain the feasibility of starting a home-based or Internet-based business
- Describe an entrepreneurial opportunity and formulate the steps in establishing a business oriented toward that opportunity

**Level 4 Performance Expectations**

- Analyze potential business opportunities in relation to personal preferences, financial worthiness, and perceived risk
- Explain the methods used to determine the financial value of an existing business

**II. MARKETING**

**Achievement Standard: Analyze customer groups and develop a plan to identify, reach, and keep customers in a specific target market.**

**A. IDENTIFYING THE MARKET**

**Level 3 Performance Expectations**

- Identify target markets for potential new businesses
- Use primary and secondary data sources to locate information about potential target markets
- Formulate a customer profile for a planned business
- Compare and contrast the customer profile for a business today and ten years ago where significant change has occurred in a community (i.e., downtown vs. big

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box stores)

**Level 4 Performance Expectations**

- Estimate market share for a specific product or service
- Identify target markets for home-based and online businesses

**B. REACHING THE MARKET**

**Level 3 Performance Expectations**

- Identify the advantages and disadvantages of starting a business on the Internet
- Describe how the Internet and other emerging technologies have impacted the components of marketing (e.g., product, place, price, and promotion)
- Describe the layout and facilities needed for a planned business
- Analyze the components of an effective e-commerce site
- Design a marketing plan for a business (include the Internet and other emerging technologies if appropriate)

**Level 4 Performance Expectations**

- Analyze the advantages and disadvantages of possible locations for planned businesses—brick and mortar stores and virtual enterprises
- Assess the costs of renovating or improving a site for a planned business
- Select appropriate channels of distribution to reach a target market
- Describe ways to evaluate the effectiveness of promotional efforts

**C. KEEPING/INCREASING THE MARKET**

**Level 3 Performance Expectations**

- Select appropriate methods to respond to customer concerns
- Identify new product/service opportunities
- Identify ways businesses track customers
- Design strategies for maintaining customer loyalty
- Describe benefits of participating in a business-sponsored community service activity
- Develop quality control procedures

**Level 4 Performance Expectations**

- Design policies and procedures for serving customers
- Create a customer database to track customer purchases and feedback
- Modify marketing plans based on customer feedback

**III. ECONOMICS**

**Achievement Standard: Apply economic concepts when making decisions for an entrepreneurial venture.**

**A. ECONOMIC CONCEPTS**

**Level 3 Performance Expectation**

- Determine the differences between marginal costs and sunk costs

**B. MARKET ECONOMY CHARACTERISTICS**

**Level 3 Performance Expectations**

- Compare and contrast the different types of market structures (e.g., competition and monopoly)
- Explain the effect of different market structures on market price

**C. FUNCTION OF PRICE**

**Level 3 Performance Expectations**

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- Assess how market prices ration goods and services among those who want them
- Assess how market prices provide an incentive to produce goods and services
- Establish prices for products/services

**D. ROLE OF PROFIT AND RISK**

**Level 3 Performance Expectation**

- Evaluate long-term alternatives for a business to reach profitability

**Level 4 Performance Expectation**

- Establish a profit goal for a planned business

**E. ROLE OF GOVERNMENT**

**Level 3 Performance Expectations**

- Assess how government plays a role in determining what is and what is not provided in a market economy
- Assess how government plays a role in modifying the way in which a market economy distributes income

**Level 4 Performance Expectation**

- Assess the role of government assistance in the growth and development of small businesses

**IV. FINANCE**

**Achievement Standard: Use the financial competencies needed by an entrepreneur.**

**A. DETERMINING CASH NEEDS**

**Level 3 Performance Expectation**

- Project the total cash needed to start a business (e.g., start-up costs, ongoing operational expenses, and cash reserves)

**Level 4 Performance Expectation**

- Assess alternatives for solving cash flow problems

**B. IDENTIFYING SOURCES AND TYPES OF FUNDING**

**Level 3 Performance Expectations**

- Identify the major sources of funding for a business
- Examine the need for accounting assistance, financial investor planning, and angel networks to aid in the planning for funding
- Describe the trade-offs between debt and equity financing
- Discuss types of funding within each funding source (e.g., mortgage, short-term loan, long-term loan, angel network, investors, and credit line)
- Identify the components of a loan application

**Level 4 Performance Expectation**

- Assess the impact of responses to loan application questions on an entrepreneur's chances of receiving a loan

**C. INTERPRETING FINANCIAL STATEMENTS**

**Level 3 Performance Expectations**

- Analyze for decision-making purposes the financial health of a business
- Analyze for decision-making purposes the cash flow of a business
- Analyze for decision-making purposes the worth of a business
- Describe situations in which financial experts should be consulted for the interpretation of financial data
- Calculate the number of products to be sold to make a profit using break-even

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analysis

**Level 4 Performance Expectation**

- Identify factors that cause changes in the financial picture of a business

**V. ACCOUNTING**

**Achievement Standard: Recognize that entrepreneurs must establish, maintain, and analyze appropriate records to make business decisions.**

**A. KEEPING BUSINESS RECORDS**

**Level 3 Performance Expectation**

- Examine software, methods, and systems that are available for business record-keeping

**B. IDENTIFYING TYPES OF BUSINESS RECORDS**

**Level 3 Performance Expectations**

- Describe the interrelationships of various business records
- Describe the effect that inaccurate or missing records have on other business records

**Level 4 Performance Expectations**

- Identify records needed for the day-to-day operation of a planned business
- Understand the importance of inventory control systems
- Analyze the relationship of record keeping and tax reporting

**C. ESTABLISHING AND USING BUSINESS RECORDS**

**Level 3 Performance Expectations**

- Describe the importance of comparing plans/budgets with actual data from business records
- Identify and use appropriate technology resources to fulfill record-keeping needs

**Level 4 performance Expectations**

- Prepare an opening day balance sheet for a planned business
- Prepare one-year proforma statements for a planned business
- Develop plans to manage accounts receivable and accounts payable

**D. INTERPRETING BUSINESS RECORDS**

**Level 3 Performance Expectations**

- Forecast sales in order to plan purchases
- Plan purchases based on sales forecasts
- Compare actual income and expenses to budgeted amounts for a specific period

**Level 4 Performance Expectation**

- Evaluate the financial condition of a firm based on business records

**VI. MANAGEMENT**

**Achievement Standard: Develop a management plan for an entrepreneurial venture.**

**A. ESTABLISHING A VISION**

**Level 3 Performance Expectations**

- Develop a vision for a planned business
- Create a mission statement for a planned business

**Level 4 Performance Expectations**

- Establish goals and objectives for a planned business

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- Analyze exit plan options for a planned business

**B. HIRING EMPLOYEES**

**Level 3 Performance Expectations**

- Diagram the organizational structure of a planned business
- Design hiring procedures for a specific job, ranging from the initial advertisement to the final interview
- Develop job descriptions for positions in a planned business
- Identify situations where outsourcing should be used for hiring needs

**Level 4 Performance Expectations**

- Plan human resource needs and determine the types of employees required
- Identify sources of personnel for a small business
- Describe the role of compensation in relation to productivity when hiring individuals
- Assess alternatives to hiring permanent full-time employees

**C. BUILDING TEAMS AND SUPPORT NETWORKS**

**Level 3 Performance Expectations**

- Describe ways to motivate others
- Identify practices of an entrepreneurial leader
- Explain the importance of delegation
- Explain the importance of linking the goals of the individual to the goals of the team
- Establish the importance of support networks in problem solving and motivation of successful teams

**Level 4 Performance Expectations**

- Outline a training program for new employees
- Appraise employee performance
- Develop an appropriate compensation plan for a planned business
- Design personnel policies for a planned business
- Outline procedures for handling employee suggestions and complaints
- Apply effective leadership and motivation techniques in small group situations

**D. MANAGING TECHNOLOGY**

**Level 3 Performance Expectations**

- Identify different technologies used to operate and manage a business
- Determine technology needs for a business
- Evaluate the feasibility of conducting business on the Internet
- Examine ways to establish a business on the Internet (e.g., e-Bay, stand-alone, virtual malls)

**Level 4 Performance Expectation**

- Develop a technology plan for a business

**E. MONITORING ACHIEVEMENT**

**Level 3 Performance Expectations**

- Establish criteria to monitor achievement of the vision for a planned business
- Analyze vision statements from various businesses in terms of future trends

**Level 4 Performance Expectation**

- Establish control practices and procedures for a planned business

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**F. MANAGING RISKS**

**Level 3 Performance Expectations**

- Identify types of business insurance
- Identify types of insurance needed for a planned business

**Level 4 Performance Expectations**

- Explain the principles of a sound risk management program
- Evaluate appropriate levels of insurance for a planned business

**VII. GLOBAL MARKETS**

**Achievement Standard: Analyze the effect of cultural differences, export/import opportunities, and trends on an entrepreneurial venture in the global marketplace.**

**A. CULTURAL DIFFERENCES**

**Level 3 Performance Expectation**

- Analyze necessary modifications to US. business practices to facilitate interaction in the global marketplace

**Level 4 Performance Expectations**

- Recognize the globalization of the workforce and how it has enabled high performance networks to be established wherever and whenever in the world the best skills can be found.
- Recognize how American culture has changed and how it affects the way business is conducted in the United States

**B. IMPORT/EXPORT OPPORTUNITIES**

**Level 3 Performance Expectations**

- Explain the effects of government regulations on international trade
- Identify the challenges of selling to consumers in other countries
- Describe ways the Internet has impacted trade between countries
- Identify forms of financial export assistance programs that U.S. government agencies and investment corporations offer

**Level 4 Performance Expectations**

- Identify requirements facing small businesses considering exporting
- Analyze how expanding from domestic to international trade impacts a business

**C. GLOBAL TRENDS**

**Level 3 Performance Expectations**

- Analyze current trends in the global marketplace and their impacts on business
- Describe how foreign competition has changed how business is conducted in the United States
- Describe how knowledge of the “business culture” of other countries is important to the success of business in the United States

**Level 4 Performance Expectation**

- Identify opportunities for small business development based on trends in the global marketplace

**VIII. LEGAL**

**Achievement Standard: Analyze how forms of business ownership, government regulations, and business ethics affect entrepreneurial ventures.**

**A. FORMS OF BUSINESS OWNERSHIP**

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**Level 3 Performance Expectations**

- Describe the advantages and disadvantages of owning a franchise
- Describe the relationship between franchising and other forms of business ownership
- Compare and contrast the advantages and disadvantages of the various forms of business ownership
- Select the most appropriate form of business ownership for a planned business
- Identify legal issues facing entrepreneurs who establish e-commerce sites

**Level 4 Performance Expectation**

- Assess specific franchising opportunities

**B. GOVERNMENT REGULATIONS**

**Level 3 Performance Expectations**

- Identify and evaluate the various ways in which government affects specific businesses
- Analyze the effect of government intervention on entrepreneurial incentives

**Level 4 Performance Expectations**

- Assess the need for legal assistance
- Identify ways of protecting ideas and inventions
- Explain the importance of contracts and the enforcement of intellectual property
- Analyze the impact of governmental regulations on a planned business
- Acquire the information necessary to comply with governmental regulations affecting a planned business
- Analyze the need for estate planning

**C. BUSINESS ETHICS**

**Level 3 Performance Expectations**

- Analyze the effect of unethical behavior on a business
- Identify strategies that facilitate ethical behavior in a small business

**Level 4 Performance Expectation**

- Develop a code of ethics for a small business

**IX. BUSINESS PLANS**

**Achievement Standard: Develop a business plan.**

**Level 3 Performance Expectations**

- Identify the information to be included in each component of a business plan
- Identify sources of information to be included in the business plan
- Critique a business plan for a specific business (include an analysis of the company's use of the Internet and other emerging technologies if appropriate)
- Develop a business plan for a planned business

**Level 4 Performance Expectations**

- Decide when professional consultants should be used in preparing a business plan
- Prepare a timetable for establishing a planned business
- Recognize that a business plan is an on-going process and should be often re-visited and updated

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## **INFORMATION AND TECHNOLOGY**

### **I. IMPACT ON SOCIETY**

**Achievement Standard:** assess the impact of information technology on society.

#### **Level 3—4 Performance Expectations**

- Analyze how developments in information technology affect the supply/demand characteristics of the job market
- Illustrate how information technology changes organization structures
- Examine how information technology changes the breadth and level of worker responsibilities
- Evaluate how information technology transforms business processes and relationships
- Assess how information technology changes the manner in which training is offered and implemented
- Identify and evaluate how information technology developments changes the way humans do their work
- Analyze and compare society's influence on information technology and information technology's influence on society
- Use information technology skills in today's learning
- Apply information technology skills to lifelong learning

### **II. HARDWARE**

**Achievement Standard:** describe current and emerging hardware; configure, install, and upgrade hardware; diagnose problems; and repair hardware.

#### **Level 3 Performance Expectations**

- Remove, upgrade, store, and install computer hardware and supportive software
- Repair computer hardware and solve supportive software problems
- Troubleshoot advanced hardware and supportive software problems
- Obtain hardware certification(s) needed for a chosen career path

#### **Level 4 Performance Expectations**

- Evaluate and recommend hardware to solve specific problems
- Analyze cost benefit and life cycle of hardware
- Evaluate hardware vendors, warranties, and purchasing options

### **III. OPERATING SYSTEMS AND UTILITIES**

**Achievement Standard:** Identify, evaluate, select, install, use, upgrade, customize, and diagnose and solve problems with various types of operating systems and utilities.

#### **Level 3—4 Performance Expectations**

- Describe various types of operating systems and utilities
- Compare and contrast the functions, features, and limitations of different operating systems and utilities (e.g., open source, mobile, and proprietary operating systems)
- Select operating systems and utilities appropriate for specific hardware *software*, and tasks
- Install and customize operating systems and utilities
- Diagnose and repair installation and operational problems of operating systems and utilities
- Identify and use appropriate help resources (e.g., help desks, online help, and

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- manuals) to install) configure, upgrade, diagnose, and repair operating systems and utilities
- Maintain a current secured operating system installation
- Obtain operating system certification(s) needed for a chosen career path

**IV. INPUT TECHNOLOGIES**

**Achievement Standard: Use various input technologies to enter and manipulate information appropriately.**

**Level 2—4 Performance Expectations**

- Select appropriate input technology to optimize performance
- Apply a variety of input technologies to maximize productivity
- Optimize academic and workplace performance using a variety of input technologies
- Compose documents using a variety of input technologies
- Explore translation and digital language input tools and resources for effective global communication

**V. PRODUCTIVITY SOFTWARE**

**Achievement Standard: identify, evaluate, select, install, use, upgrade, and customize productivity software; diagnose and solve software problems.**

**Level 3 Performance Expectations**

- Compare and contrast productivity software features from different providers
- Evaluate software vendors, licensing, and purchasing options
- Research advanced software functions using knowledge-based tools (e.g., user communities, RSS feeds, tech support)
- Use the collaborative features of productivity software to accomplish organizational tasks
- Use advanced features of productivity software
- Evaluate the effectiveness of software to solve specific problems
- Diagnose and solve problems resulting from a productivity software's installation and use
- Obtain software industry certification(s) needed for a chosen career path

**Level 4 performance Expectations**

- Demonstrate the transferability of skills between productivity software applications
- Install, upgrade, and customize productivity software
- Diagnose and solve productivity software problems
- Select and integrate productivity software products appropriate for various computer platforms
- Identify, evaluate, and select software specific to an organizational function and/or industry
- Analyze cost benefit and life cycle of software

**VI. INTERACTIVE MULTIMEDIA**

**Achievement Standard: Use multimedia software to create media rich projects.**

**Level 3 Performance Expectations**

- Identify and select appropriate multimedia file formats and properties (e.g., plug-ins, codecs, compression)

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- Create multimedia content and prepare it for delivery (e.g., compression, resolution)
- Configure multimedia delivery tools (e.g., blogs, podcasting, webcasting)
- Obtain interactive multimedia industry certification(s) needed for a chosen career path

**Level 4 performance Expectations**

- Analyze multimedia delivery tools and their impact on business functions
- Build multimedia delivery systems (e.g., blogs, podcasting, webcasting, streaming media servers)
- Troubleshoot multimedia software and projects
- Select and integrate multimedia software products appropriate for various computer platforms

**VII. INPUT TECHNOLOGIES**

**Achievement Standard: Use input technologies appropriately to enter and manipulate text and data.**

**VIII. INFORMATION RETRIEVAL**

**Achievement Standard: gather, evaluate, use, and cite information from information technology sources.**

**IX. DATABASE MANAGEMENT SYSTEMS**

**Achievement Standard: Use, plan, develop, and maintain database management systems.**

**X. PROGRAMMING AND APPLICATION DEVELOPMENT**

**Achievement Standard: Design, develop, test, and implement programs.**

**XI. SYSTEMS ANALYSIS AND DESIGN**

**Achievement Standard: analyze and design information systems using appropriate development tools.**

**XII. COMMUNICATIONS AND NETWORKING INFRASTRUCTURES**

**Achievement Standard: develop the skills to design, deploy, and administer networks and communications systems.**

**XIII. NETWORK APPLICATIONS**

**Achievement Standard: Use, evaluate, and deploy communications and networking applications.**

**XIV. INFORMATION TECHNOLOGY PLANNING AND ACQUISITION**

**Achievement Standard: Plan the selection and acquisition of information technologies.**

**XV. TECHNICAL SUPPORT AND TRAINING**

**Achievement Standard: develop the technical and interpersonal skills and knowledge to support the user community.**

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**XVI. RISK MANAGEMENT**

**Achievement Standard: Design and implement risk management policies and procedures for information technology.**

**XVII. PRIVACY AND ETHICS**

**Achievement Standard: Describe, analyze, develop, and follow policies for managing privacy and ethical issues in organizations and in a technology-based society.**

**XVIII. INFORMATION TECHNOLOGY CAREERS**

**Achievement Standard: describe positions and career paths in information technology.**

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**INTERNATIONAL BUSINESS**

*Foundations of International Business*

**Achievement Standard:** explain the role of international business; analyze how it impacts business at all levels (including the local, state, national, and international levels).

*The Global Business Environment*

**Achievement Standard:** describe the interrelatedness of the social, cultural, political, legal, and economic factors that shape and impact the international business environment.

*International Business Communication*

**Achievement Standard:** apply communication strategies necessary and appropriate for effective and profitable international business relations.

*Global Business Ethics*

**Achievement Standard:** describe the environmental factors that define what is considered ethical business behavior in a global business environment.

*Organizational Structures for International Business Activities*

**Achievement Standard:** identify forms of business ownership and entrepreneurial opportunities available in international business.

*International Trade Relations*

**Achievement Standard:** relate balance of trade concepts to the import/export process.

*International Management*

**Achievement Standard:** analyze special challenges in operations and human resource management in international business.

*International Marketing*

**Achievement Standard:** apply marketing concepts to international business situations.

*International Finance*

**Achievement Standard:** explain the concepts, role, and importance of international finance and risk management.

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**MANAGEMENT**

**I. MANAGEMENT FUNCTIONS**

**Achievement Standard: Analyze the management functions and their implementation and integration within the business environment.**

**A. PLANNING**

**Level 3 Performance Expectations**

- Discuss the importance of vision, mission, goals, and objectives setting within the context of the business environment
- Describe the role of the strategic planning process
- Prepare a business plan

**Level 4 Performance Expectations**

- Analyze a business plan
- Discuss the importance of scenario planning in strategic planning
- Critique a strategic plan
- Evaluate how operational and tactical plans support the strategic plan
- Compare and contrast the planning function to other management functions

**B. ORGANIZING**

**Level 3 Performance Expectations**

- Explain how management uses various resources in the organizing process to accomplish goals
- Explain reasons for centralizing and decentralizing authority
- Explain the advantages and disadvantages of centralization and decentralization
- Describe how the organization provides accountability by delegating authority and assigning responsibility

**Level 4 Performance Expectations**

- Evaluate how businesses are organized to achieve desired goals
- Compare and contrast the organizing function to other management functions

**C. LEADING/DIRECTING**

**Level 3 Performance Expectations**

- Differentiate between leading and managing
- Compare and contrast leadership styles
- Identify the leadership style most appropriate for a given situation

**Level 4 Performance Expectations**

- Relate management theories to the leading/directing function
- Analyze the management skills necessary for leading/directing at various management levels
- Compare and contrast the leading/directing function to other management functions
- Describe change management
- Describe management's role in change management
- Describe management's role in stimulating innovation and creativity

**D. EVALUATING/CONTROLLING**

**Level 3 Performance Expectations**

- Discuss the importance of the evaluating/controlling function in the business environment

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- Determine alternative actions (e.g., changing goals and changing strategies) when goals are not being met in a specific situation

**Level 4 Performance Expectations**

- Determine the evaluating/controlling strategy for a given business situation
- Measure financial and non-financial performance and compare it with established standards
- Compare and contrast the evaluating/controlling function to other management functions

**II. MANAGEMENT THEORIES**

**Achievement Standard: Analyze management theories and their application within the business environment.**

**Level 3 Performance Expectations**

- Identify and discuss management theories (e.g., Taylor, Weber, Follett, McGregor)
- Identify motivation theories that impact management (e.g., Maslow, Herzberg, McClelland)

**Level 4 Performance Expectations**

- Explain how management theories evolved and are interrelated
- Illustrate how traditional and current management theories are applied in the business environment

**III. BUSINESS ORGANIZATION**

**Achievement Standard: Analyze the organization of a business.**

**A. FORMS OF BUSINESS OWNERSHIP**

**Level 3 Performance Expectations**

- Identify variations of basic ownership forms (e.g., franchise, limited partnership, limited liability company, and S corporation)
- Compare the forms of business ownership

**Level 4 Performance Expectation**

- Identify the appropriate forms of ownership in the evolution of a business organization

**B. MANAGEMENT LEVELS**

**Level 3 Performance Expectations**

- Describe the interaction between and among management levels
- Differentiate between tall and flat organizational structures

**Level 4 Performance Expectations**

- Analyze emerging trends in organizational structuring
- Describe how the strategic management process impacts various levels of management

**C. ORGANIZATIONAL STRUCTURE**

**Level 3 Performance Expectations**

- Identify the factors that influence an organization's structure
- Discuss the interrelationships of a variety of organizational structures (e.g., line, line and staff, and functional)
- Describe line versus staff departments and the authority relationship between them

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- Describe the effects of group dynamics on group decision making and consensus building

**Level 4 Performance Expectations**

- Analyze organizational structures
- Compare divisional and departmental structures (e.g., customer, geographic, and product)
- Compare organizational structures (e.g., organic, matrix, and mechanistic)
- Describe the evolution of organizational structure as a company changes due to internal and external forces (e.g., size, age, strategies, and environment)

**IV. PERSONAL MANAGEMENT SKILLS**

**Achievement Standard: Develop personal management skills to function effectively and efficiently in a business environment.**

**A. TIME MANAGEMENT**

**Level 3 Performance Expectations**

- Design and implement a time management schedule as a result of a time management analysis
- Evaluate and modify a time management plan as appropriate

**Level 4 Performance Expectation**

- Analyze the value of time for managers at various levels of responsibilities within an organization

**B. STRESS MANAGEMENT**

**Level 3 Performance Expectations**

- Identify stressors in the business environment
- Determine appropriate reactions to stressors in the business environment
- Recognize the benefits of motivational stress
- Explain the concept of emotional intelligence

**Level 4 Performance Expectations**

- Anticipate and minimize stressors
- Identify components of an effective stress-reduction plan
- Evaluate personal emotional intelligence

**C. PROFESSIONAL GROWTH AND DEVELOPMENT**

**Level 3 Performance Expectation**

- Recognize the need for lifelong learning

**Level 4 Performance Expectations**

- Identify avenues for professional growth (e.g., seminars, professional associations, and journals)
- Describe key components of a professional development plan

**D. COMMUNICATION SKILLS**

**Level 3 Performance Expectations**

- Identify effective communication skills for the business environment
- Identify major problems that prevent effective communication in business

**Level 4 Performance Expectations**

- Analyze types of communication that are appropriate for specific situations
- Evaluate communications for effectiveness
- Express complex issues using appropriate verbal and/or written communications

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**E. RELATIONSHIP BUILDING**

**Level 3 Performance Expectations**

- Identify available resources inside and outside the school for making professional contacts (e.g., career development centers, business schools, alumni, and business leaders)
- Describe why different managerial styles can be equally effective and successful

**Level 4 Performance Expectations**

- Describe the advantages and disadvantages of networking to achieve professional goals
- Evaluate the impact of community, governmental, and professional organizations on the business environment

**V. ETHICS AND SOCIAL RESPONSIBILITY**

**Achievement Standard: Examine the role of ethics and social responsibility in decision making.**

**A. ETHICS**

**Level 3 Performance Expectations**

- Examine a business code of ethics
- Explain the importance of operating within an ethical work environment
- Identify the impact of unethical behavior on a business
- Explain the relationship between ethics and governmental regulations
- Identify guidelines for ethical decision-making
- Identify ethical considerations resulting from various situations (e.g., technological advances, international competition, employer-employee relationships, and consumer relations)

**Level 4 Performance Expectations**

- Evaluate a business code of ethics
- Identify government regulations that have resulted from unethical behavior
- Analyze various schools of ethical thought as they relate to business decisions
- Demonstrate awareness of ethical responsibility to business professions and society

**B. SOCIAL RESPONSIBILITY**

**Level 3 Performance Expectations**

- Identify ways in which a business organization demonstrates social responsibility toward its internal and external stakeholders
- Discuss the impacts resulting from business organizations being socially responsible toward their internal and external stakeholders

**Level 4 Performance Expectations**

- Recognize the long-term impact of practicing social responsibility
- Evaluate managerial approaches to social responsibility
- Identify government regulations that have resulted from social irresponsibility

**VI. HUMAN RESOURCE MANAGEMENT**

**Achievement Standard: Describe human resource functions and their importance to an organization's successful operation.**

**A. HUMAN RESOURCE PLANNING**

**Level 3 Performance Expectations**

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- Define human resource planning
- Identify activities of the human resource unit
- Define outsourcing as it relates to human resource planning

**Level 4 Performance Expectations**

- Analyze how legislation (including data privacy legislation) has changed the workplace
- Analyze how the impact of human resource activities help organizations to achieve their goals
- Examine methods of conducting a needs analysis to determine human resource requirements
- Analyze the impact of outsourcing on businesses

**B. RECRUITMENT AND SELECTION**

**Level 3 Performance Expectations**

- Identify recruitment sources
- Identify selection tools and determine why they are used (e.g., interviews, tests, and reference checks)
- Identify legislation affecting the recruitment and selection process (e.g., affirmative action, right to privacy, and Americans with Disabilities act)

**Level 4 Performance Expectations**

- Evaluate selection tools based on existing legislation
- Evaluate recruitment sources based on existing legislation
- Analyze recruitment and selection procedures used by different companies

**C. EMPLOYEE DEVELOPMENT**

**Level 3 Performance Expectations**

- Explain why orientation and training are necessary for successful employee performance
- Discuss why professional development is a shared responsibility between a business and an employee

**Level 4 Performance Expectations**

- Identify appropriate orientation activities and training programs
- Recognize the value of cross training
- Describe the relationship between lifelong learning and professional development
- Identify the benefits of employee development (e.g., workshops, conferences, courses, and professional associations)
- Examine the relationship between goal-setting and performance expectations

**D. EVALUATION**

**Level 3 Performance Expectations**

- Explain why employees are evaluated
- Explain how employees are evaluated
- Identify the impact of performance appraisals on employees and the organization

**Level 4 Performance Expectations**

- Assess the procedures used in the evaluation process
- Analyze the evaluation process based on existing legislation
- Analyze the impact of performance appraisals on motivation and job performance

**E. COMPENSATION, PROMOTION, BENEFITS AND INCENTIVES**

**Level 3 Performance Expectations**

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- Identify compensation plans, benefit packages, and incentive programs available to employees
- Identify advancement opportunities within an organization
- Identify issues encountered when determining levels of compensation

**Level 4 Performance Expectations**

- Discuss policies and procedures used to determine compensation (e.g., company performance, benchmarking, profit sharing, and gain sharing)
- Establish criteria for promotion decisions
- Describe the merits of reassignment and promotion versus hiring from outside
- Assess an employee compensation package (e.g., wages/salaries and benefits)

**F. SEPARATION, TERMINATION, AND TRANSITION**

**Level 3 Performance Expectations**

- Define and discuss the concept of rightsizing
- Describe legal reasons for terminating employees

**Level 4 Performance Expectations**

- Discuss how internal and external factors affect rightsizing (e.g., economy, competition, and government regulations)
- Discuss an organization's responsibility to provide retraining programs and severance packages for displaced or transitioning employees
- Describe criteria used to make termination and transition decisions
- Describe programs available to assist employees in transition
- Describe the legal implications and processes relating to termination and transition decisions

**G. LABOR RELATIONS**

**Level 3 Performance Expectations**

- Describe an employment contract

**Level 4 Performance Expectations**

- Describe the common elements of a labor contract
- Outline the procedures involved in the grievance process
- Discuss the role of human resource personnel in the collective-bargaining process

**VII. ORGANIZED LABOR**

**Achievement Standard: Describe the role of organized labor and its influence on government and business.**

**Level 3 Performance Expectations**

- Describe the history of the labor movement and why unions were organized
- Describe the collective-bargaining process
- Explain the role of labor unions and the process of collective bargaining

**Level 4 Performance Expectations**

- Describe the process involved in forming, operating, and disbanding labor unions
- Explain the changing roles of labor unions
- Describe legal strategies used by labor and management (e.g., strikes, boycotts, layoffs, and lockouts)
- Describe illegal strategies used by labor and management (e.g., wildcat strikes, secondary boycotts, and preventing workers from forming unions)
- Describe the role of employer associations in labor-management relations

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- Identify specific state legislation affecting organized labor and management
- Identify federal legislation affecting organized labor and management
- Discuss the appropriateness and effectiveness of current legislation in protecting workers' rights

**VIII. TECHNOLOGY AND INFORMATION MANAGEMENT**

**Achievement Standard: Utilize information and technology tools to conduct business effectively and efficiently.**

**A. TECHNOLOGY TOOLS**

**Level 3 Performance Expectations**

- Use appropriate technology tools for business applications

**Level 4 Performance Expectations**

- Select the appropriate technology tools for conveying information, solving problems, and expediting business processes

**B. INFORMATION MANAGEMENT**

**Level 3 Performance Expectations**

- Define knowledge management
- Interpret, analyze, and synthesize information for use in decision making

**Level 4 Performance Expectations**

- Recognize and demonstrate the knowledge management skills needed to make decisions

**C. E-BUSINESS**

**Level 3 Performance Expectations**

- Discuss the advantages and disadvantages of e-business
- Evaluate an e-business web site

**Level 4 Performance Expectations**

- Analyze the impact of e-business on profitability

**IX. INDUSTRY ANALYSIS**

**Achievement Standard: Analyze a business organization's competitive position within the industry.**

**A. COMPETITION**

**Level 3 Performance Expectations**

- Describe ways to increase market share
- Compare various forms of competition (pure competition, monopolistic competition, oligopoly, and monopoly)
- Describe how various laws (e.g., Sherman Antitrust Act and Robinson-Patman Act) impact competition

**Level 4 Performance Expectations**

- Describe the process of conducting an industry analysis
- Define benchmarking
- Discuss the importance of benchmarking
- Research and apply best practices, through benchmarking, for specific business situations

**B. COMPETITIVE ADVANTAGE**

**Level 3 Performance Expectations**

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- Define competitive advantage
- Analyze various businesses to determine their competitive advantage
- Discuss why financial ratios are used in business decision making

**Level 4 Performance Expectations**

- Compare the financial ratios of a firm (e.g., current, return on investment, and acid) with those of the competition and industry averages
- Analyze relative competitive strengths and weaknesses using appropriate tools (e.g., SWOT analysis)

**C. INTERNAL AND EXTERNAL SOURCES OF DATA**

**Level 3 Performance Expectations**

- Identify internal and external data sources and explain how businesses use them

**Level 4 Performance Expectations**

- Analyze various sources of industry information
- Evaluate the reliability of internal and external data sources
- Describe how ongoing industry analysis is used to maintain competitive advantage

**X. FINANCIAL DECISION MAKING**

**Achievement Standard: Analyze financial data influenced by internal and external factors in order to make short-term and long-term decisions.**

**A. FINANCIAL STATEMENTS**

**Level 3 Performance Expectations**

- Describe the purpose of financial statements
- Interpret the data shown on financial statements (e.g., income statement, balance sheet, cash flow statement, and statement of net worth)

**Level 4 Performance Expectations**

- Distinguish between internal and external financial statements
- Benchmark a firm's position against industry standards
- Analyze statistical tools useful in making financial decisions

**B. SHORT-TERM AND LONG-TERM FINANCING**

**Level 3 Performance Expectations**

- Identify sources of financing

**Level 4 Performance Expectations**

- Assess the short-term and long-term financial needs of a business
- Compare debt and equity financing
- Explain the concept of leverage

**C. RISK MANAGEMENT**

**Level 3 Performance Expectations**

- Identify risks to business

**Level 4 Performance Expectations**

- Identify ways to minimize and manage risk

**XI. OPERATIONS MANAGEMENT**

**Achievement Standard: Apply operations management principles and procedures to the design of an operations plan.**

**A. PRODUCT DESIGN (GOODS/SERVICES)**

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**Level 3 Performance Expectations**

- Identify methods and tools to design or redesign products

**Level 4 Performance Expectations**

- Evaluate a product design process

**B. SCHEDULING**

**Level 3 Performance Expectations**

- Identify factors used in scheduling and the tools that assist in the process

**Level 4 Performance Expectations**

- Evaluate the effectiveness and efficiency of a production schedule

**C. MATERIALS PROCUREMENT**

**Level 3 Performance Expectations**

- Explain the benefits of establishing and maintaining close working relationships with suppliers
- Identify the factors considered when selecting suppliers (e.g., quality, price, and reliable delivery)

**Level 4 Performance Expectations**

- Identify domestic and international supply sources
- Evaluate the requirements of International Standards Organizations

**D. INVENTORY MANAGEMENT**

**Level 3 Performance Expectations**

- Define inventory control
- Identify methods of inventory control
- Identify inventory control concerns

**Level 4 Performance Expectations**

- Evaluate a system for maintaining inventory control

**E. QUALITY SERVICES**

**Level 4 Performance Expectations**

- Explain the concept of quality management and its evolution
- Explain why high quality and efficiency standards are necessary to compete in the global marketplace

**XII. GLOBAL PERSPECTIVE**

**Achievement Standard: Examine the issues of managing in the global environment.**

**A. LEGAL ISSUES**

**Level 3 Performance Expectations**

- Recognize the legal issues related to managing a business in the global environment

**Level 4 Performance Expectations**

- Examine and determine the impact of laws and regulations governing global business

**B. ECONOMIC CONSIDERATIONS**

**Level 3 Performance Expectations**

- Recognize the economic impact of laws and regulations governing global business
- Identify global economic factors that impact business

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- Identify approaches used by global business firms

**Level 4 Performance Expectations**

- Analyze the impact of the global economy on business profitability

**C. WORKPLACE DIVERSITY**

**Level 3 Performance Expectations**

- Discuss the impact of diversity within the global environment
- Identify the advantages of a diverse workforce

**Level 4 Performance Expectations**

- Recognize the benefits and challenges in managing a diverse workplace
- Identify strategies for managing a culturally diverse workforce
- Identify strategies for achieving common objectives in a diverse cultural environment

**D. GLOBAL PARTNERING**

**Level 3 Performance Expectations**

- Define forms of global partnering (e.g., licensing, joint ventures, exporting, importing, and franchising)
- Identify business that have global partners

**Level 4 Performance Expectations**

- Analyze the benefits of global partnering
- Explain the impact of internationalization on the various functional areas of business
- Analyze business situations to determine opportunities for global partnering

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## **MARKETING**

### **I. FOUNDATIONS OF MARKETING**

**Achievement Standard: Recognize the customer-oriented nature of marketing and analyze the impact of marketing activities on the individual, business, and society.**

#### **Level 3 Performance Expectations**

- recognize that a successful marketing strategy is built on positive customer relationships
- identify the elements of the marketing mix (e.g., product, price, place, and promotion)
- describe the wide scope of marketing— business-to-consumer, business-to-business, industrial, nonprofit, personal, government, and electronic
- describe the importance of marketing in a global economy

#### **Level 4 Performance Expectations**

- describe the role of the marketing system in a developing nation's economy
- analyze the differences between a production-oriented company, a sales-oriented company, and a marketing-oriented company
- analyze the differences between transactional marketing and relationship marketing
- describe the opportunities created by the Internet

### **II. CONSUMERS AND THEIR BEHAVIOR**

**Achievement Standard: Analyze the characteristics, motivations, and behaviors of consumers.**

#### **A. CHARACTERISTICS OF CONSUMER BEHAVIOR**

##### **Level 3 Performance Expectations**

- describe the impact of consumer differences (e.g., life stages and socioeconomic characteristics) on buying decisions
- differentiate between ultimate consumers and other types of consumers (e.g., government, business, industry, and nonprofit)
- describe characteristics of the changing domestic and global population (e.g., demographics, psychographics, geographics, and sociographics)
- differentiate between rational (cognitive) and emotional (affective) buying motives
- examine the ways the appearance of a business (to include professional offices, online businesses, and in-store businesses) impacts a customer's perceptions and expectations

##### **Level 4 Performance Expectation**

- analyze buyer behavior models

#### **B. SEGMENTATION AND TARGET MARKETS**

##### **Level 3 Performance Expectations**

- define market segmentation and describe how it is used
- identify the tools of market segmentation (e.g., demographics, psychographics, and geographics)
- explain ways that segmentation can be used to identify target markets

##### **Level 4 performance Expectation**

- describe variables used to create customer profiles (e.g., usage level, brand

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loyalty, and benefits derived)

**III. EXTERNAL FACTORS**

**Achievement Standard: Analyze the influence of external factors on marketing.**

**A. GOVERNMENT AND LEGAL REGULATIONS**

**Level 3 Performance Expectations**

- identify specific regulations/laws and their impact on marketing
- describe the impact of specific marketing regulations/laws on both domestic and international business

**Level 4 Performance Expectation**

- analyze the effects of marketing regulations/ laws on specific industries

**B. ETHICAL ISSUES**

**Level 3 Performance Expectations**

- identify ethical issues and their impact on marketing
- differentiate between ethical and unethical marketing practices
- identify the differences in ethical standards in international markets
- explain how unethical behavior can lead to government regulations

**Level 4 Performance Expectations**

- compare and contrast legal and ethical marketing practices
- describe a code of ethical behavior for marketing

**C. ECONOMIC ISSUES**

**Level 3 Performance Expectation**

- determine the ways in which economic conditions, both domestic and international, affect marketing

**Level 4 Performance Expectation**

- analyze the impact of changing economic conditions on marketing strategies

**D. COMPETITIVE ENVIRONMENT**

**Level 3 Performance Expectations**

- describe ways competition affects marketing decisions
- identify how technology affects competition and marketing decisions
- explain competitive situations (e.g., monopolistic, oligopolistic, and pure competition) and the impact they have on marketing decisions

**Level 4 Performance Expectation**

- describe the ways marketing strategies are altered to meet competition
- analyze the ways in which marketers may respond to the concerns of special groups

**E. STAKEHOLDERS**

**Level 3 Performance Expectations**

- identify special interest groups concerned with marketing policy (e.g., stockholders, consumer groups, labor groups, and environmental groups)
- describe the ways in which special interest groups influence marketing (e.g., pressure from government and labor groups)
- analyze ways in which marketers may respond to the concerns of special groups

**Level 4 Performance Expectations**

- analyze the cost benefit of different technological approaches to marketing (e.g., electronic versus print media)

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- examine the advantages and disadvantages of a heavy reliance on technological approaches to marketing

**F. CULTURE**

**Level 3 Performance Expectations**

- describe ways cultural differences, both domestic and international, affect marketing activities
- analyze ways in which marketers may respond to the concerns of cultural groups

**Level 4 Performance Expectation**

- analyze the ways in which changing cultural characteristics (e.g., aging population, single-person households, and mobility) impact marketing

**G. TECHNOLOGY**

**Level 3 Performance Expectations**

- explain the importance of having a technological edge over the competition (e.g., faster to market with new products)
- determine new ways of marketing products using emerging and evolving technologies

**Level 4 Performance Expectations**

- analyze the cost benefit of different technological approaches to marketing (e.g., electronic versus print media)
- examine the advantages and disadvantages of a heavy reliance on technological approaches to marketing

**IV. THE MARKETING MIX**

**Achievement Standard: Analyze the elements of the marketing mix, their interrelationships, and how they are used in the marketing process.**

**A. PRODUCTS AND SERVICES**

**1. Classification**

**Level 3 Performance Expectation**

- classify products in consumer categories (e.g., convenience, shopping, and specialty goods) or industrial categories (e.g., raw materials, component parts, and installations)

**Level 4 Performance Expectations**

- analyze marketing mix strategies for each product classification
- examine the validity of the product classification process

**2. New Product Development and Ideas**

**Level 3 Performance Expectations**

- describe the process for new product and service development (e.g., conception, development, and test marketing)
- identify ethical issues associated with product development
- examine global opportunities for new products

**Level 4 Performance Expectations**

- describe the management process of new-product development

**3. Packaging**

**Level 3 Performance Expectations**

- explain ethical and socially responsible considerations of packaging
- identify packaging options for different market segments

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**Level 4 Performance Expectations**

- analyze functionality of packaging options
- illustrate package design as a product feature
- use packaging as an advertising tool
- identify cultural issues that may affect international product packaging

**4. Branding**

**Level 3 Performance Expectations**

- identify qualities of an effective brand
- explain the impact of brands on consumer behavior
- examine reasons for consumers to have brand loyalty

**Level 4 Performance Expectations**

- identify examples of brands with staying power and suggest reasons for their longevity
- identify methods to protect brands
- assess the impact of brands on global marketing
- explain the rationale for some companies to extend brand names to related products

**5. Product Mix**

**Level 3 Performance Expectations**

- define product mix
- illustrate how product mix is impacted by consumer demand

**Level 4 Performance Expectations**

- apply the tools of product portfolio analysis
- explain the advantages and disadvantages of extending product lines
- explain the advantages and disadvantages of product line diversification

**6. Service Extensions**

**Level 3 Performance Expectations**

- identify examples of service extensions (e.g., product warranty, technical support, or service contract)
- explain the need for comprehensive marketing of extended services

**Level 4 Performance Expectation**

- explain the concept of service extensions and their role in differentiating a firm's offerings

**7. Product Life Cycle**

**Level 3 Performance Expectations**

- identify the stages of a product life cycle
- identify the product life cycle stage in which a product is located

**Level 4 Performance Expectations**

- identify strategies for managing a product through its life cycle
- explain how companies have extended their products' life cycle
- evaluate the validity of the product life cycle model

**B. PLACE**

**Level 3 Performance Expectations**

- examine direct and indirect channels of distribution (e.g., wholesaler, agent, and broker) and when each is most appropriate to use
- describe evolving technologies (e.g., the Internet) as a channel of distribution

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**Level 4 Performance Expectations**

- identify the most efficient means (e.g., cost benefit analysis) for distributing different types of products and services
- define channel power and describe how companies gain channel power
- describe the impact the Internet has had on channel power

**C. PRICE**

**Level 3 performance Expectations**

- identify pricing strategies (e.g., line, loss leader, psychological, penetration, and skimming) and situations in which each is applicable
- calculate a product's price using different pricing methods
- describe the impact of global influences (e.g., currency exchange rates, tariffs, and distribution Costs) on pricing
- explain ways that government regulations! laws affect pricing practices (e.g., price discrimination and collusion)
- explain the impact of evolving technologies on the changing roles of buyers and sellers in determining price

**Level 4 Performance Expectations**

- analyze the impact of strategic alliances on pricing policy
- describe the influences of supply and demand on pricing
- explain the concept of price elasticity

**D. PROMOTION**

**1. Advertising**

**Level 3 Performance Expectations**

- evaluate factors used to determine media selection
- identify methods for evaluating the effectiveness of various forms of advertising (e.g., print, broadcast, and electronic)
- evaluate media pricing in relation to reach and frequency
- identify ethical issues (e.g., false and misleading advertising, copyright infringement, and age group discrimination)
- recognize the impact of different cultural standards on advertising
- recognize marketing opportunities created by new communication technologies

**Level 4 Performance Expectations**

- explain the concept of outsourcing advertising functions
- identify criteria to be used for outsourcing decisions

**2. Sales Promotion**

**Level 3 performance Expectations**

- describe the purposes of various types of sales promotion (e.g., encouraging repeat purchases and building traffic)
- evaluate alternative forms of sales promotion
- identify legal issues related to various forms of sales promotion (e.g., sweepstakes, contests, and giveaways)
- identify new technologies as effective forms of sales promotion

**Level 4 Performance Expectations**

- plan a comprehensive sales promotion campaign for a business
- evaluate a current sales promotion campaign for a business

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**3. Public Relations and Publicity**

**Level 3 Performance Expectations**

- identify various forms of public relations activities
- differentiate between public relations activities (which are largely controllable) and publicity (which is largely uncontrollable)

**Level 4 Performance Expectation**

- describe a crisis management plan to respond to unfavorable publicity

**4. Personal Selling**

**Level 3 Performance Expectations**

- demonstrate the steps involved in the personal selling process
- explore the ethical issues involved in personal selling (e.g., high pressure sales and misrepresenting product information)
- examine the role of salespersons in building customer relationships

**Level 4 Performance Expectations**

- analyze the impact of evolving technologies on personal selling
- analyze the impact of cultural differences on the personal selling process

**V. MARKETING RESEARCH**

**Achievement Standard: Analyze the role of marketing research in decision making.**

**Level 3 Performance Expectations**

- identify the reasons for conducting market research
- differentiate between primary and secondary sources of data
- identify sources of secondary data (e.g., electronic and library)
- identify the methods for collecting primary data (e.g., focus groups and surveys)
- describe the procedures for conducting marketing research

**Level 4 Performance Expectation**

- analyze the validity and reliability of market data collected

**VI. THE MARKETING PLAN**

**Achievement Standard: Describe the elements, design, and purposes of a marketing plan.**

**Level 3 Performance Expectations**

- explain why a marketing plan is essential
- differentiate between short-term and long-term planning
- identify the components of a marketing plan
- identify the goals of a marketing plan
- recognize that a marketing plan is not a static document

**Level 4 Performance Expectations**

- analyze the impact of short-term versus long-term planning
- plan strategies to position or reposition a product or service
- review the marketing plan to ensure consistency in relation to building customer relationships and the marketing concept