

Business (2011)

Introduction to Business

HS (9-12)

1. Describe the major types of business organizations, including sole proprietorships, partnerships, corporations, and limited liability companies, operating within the socioeconomic arena of the national and international marketplace
 - 1.1 list the most common forms of business associations
 - 1.2 define sole proprietorship, partnership, and corporation
 - 1.3 describe the powers and duties of partners
 - 1.4 explain the legal procedures for forming and running business organization

2. Apply basic social communication skills in both personal and professional settings
 - 2.1 explain the role that self concept plays in one's personal and professional lives
 - 2.2 exhibit professional and ethical behavior in the work environment
 - 2.3 discuss the impact of careless performance on professional image and job retention
 - 2.4 define human relations and interpersonal communication skills
 - 2.5 respect the rights and feelings of others
 - 2.6 practice tact and courtesy in relationships with peers and authority figures

3. Incorporate appropriate leadership and supervision techniques, customer service strategies and personal ethics standards to communicate effectively with various business constituencies
 - 3.1 incorporate appropriate leadership and supervision techniques, customer service strategies, and personal ethics standards to communicate effectively with various business constituencies
 - 3.2 discuss the importance of listening skills in customer/client relations
 - 3.3 participate in group activities in a supervisory capacity
 - 3.4 demonstrate ways of promoting mutual respect through role-playing
 - 3.5 supervise a group activity promoting team-building concepts
 - 3.6 use delegation techniques
 - 3.7 discuss the importance of listening to peers and subordinates
 - 3.8 use techniques to provide appropriate feedback
 - 3.9 construct and deliver objective and effective performance appraisals
 - 3.10 discuss the impact of legislation (Americans with disability act "ADA" and family medical leave act "FMLA")
 - 3.11 discuss common types of unethical behavior in the workplace
 - 3.12 define ethics and identify the process by which individuals develop the foundation for making ethical decisions
 - 3.13 discuss the importance of taking responsibility for all spoken and written communication and actions taken

4. 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
 - 4.1 identify questions that must be answered by any economic system (e.g., what is to be produced, how it is to be produced and for whom it is to be produced)
 - 4.2 compare and contrast the different types of economic systems with focus on planned and emerging economies
 - 4.3 illustrate the relationship between individual households, businesses, and

government (e.g., circular flow of goods and services) in making production and distribution decisions in a market oriented economy

- 4.4 explain the roles of the entrepreneur as a driving force in an economy

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

- 5.1 define and give examples of economic wants
- 5.2 apply opportunity costs and trade-offs to personal decision making
- 5.3 apply the steps in a rational decision-making process to a situation involving an economic decision by an individual
- 5.4 recognize and assume responsibility for the consequences of economic choices

6. Develop and evaluate a spending/savings plan

- 6.1 identify various sources of money for personal spending
- 6.2 identify ways in which individuals and families obtain financial resources
- 6.3 define fixed and variable cost
- 6.4 categorize expenses as fixed or variable
- 6.5 identify the opportunity cost of savings
- 6.6 differentiate between saving and investing
- 6.7 distinguish between simple and compound interest

7. Apply a decision making model to maximize consumer satisfaction when buying goods and services

- 7.1 apply a rational decision making process to personal buying decisions
- 7.2 identify goods and services and distinguish between the two
- 7.3 apply comparison shopping practices
- 7.4 identify alternative sources for purchases (retail stores, tv, catalogues, internet,)
- 7.5 recognizes that laws are available to protect the rights of the consumer

8. Evaluate services provided by financial deposit institutions to transfer funds

- 8.1 identify various types of financial institutions
- 8.2 list the basic services provided by financial institutions
- 8.3 understand the role of the federal reserve and government play in regulating financial institutions
- 8.4 explain the principle of diminishing returns and illustrate how it relates to productivity
- 8.5 distinguish between fixed, variable, explicit and implicit costs
- 8.6 explain how investment in research and development affects productivity

9. Recognize that entrepreneurs possess unique characteristics and evaluate the degree to which one possesses those characteristics

- 9.1 identify the characteristics of a successful entrepreneur
- 9.2 identify one's personal traits that are typical characteristics of an entrepreneur
- 9.3 compare the costs and benefits of choosing to become an entrepreneur
- 9.4 analyze the degree to which one possesses the characteristics of an entrepreneur
- 9.5 analyze the personal advantages and risks of owning a business

10. Analyze how forms of business ownership, government regulations, and business ethics affect entrepreneurial ventures.

- 10.1 identify the difference between a sole proprietorship and a partnership
- 10.2 define a corporation and explain how it differs from sole proprietorship and a partnership
- 10.3 define and give examples of franchising
- 10.4 describe special types of business ownership(cooperation and cooperatives)

11. Develop a business plan

- 11.1 describe the importance of planning
- 11.2 develop a plan for a specific event
- 11.3 describe why businesses must plan
- 11.4 define long term and short term planning
- 11.5 select the specific events and identify the short term and long term planning activities
- 11.6 identify the major components of a business plan
- 11.7 describe the use of a business plan

12. Assess the impact of information technology in global society

- 12.1 identify uses of information technology in the home, school, workplace and global society
- 12.2 explain how information technologies meet human needs and affects quality of life
- 12.3 describe how information technology changes social background, including approaches toward work, family school and other cultures
- 12.4 identify the impact of information technologies on the environment and society- both positive and negative
- 12.5 identify the risks of information technology to personal health and safety and privacy

Marketing

Standard 1: Understand fundamental business, management, and entrepreneurial concepts that affect business decision-making

- 1.1 understand ways that technology impacts business
- 1.2 understand variable associated with business risk
- 1.3 understand potential business ventures based on community, market, and opportunity analyses

Standard 2: Knows the necessary communication and interpersonal skills vital to successful business dealings

- 2.1 understands concepts, strategies, and systems needed to interact effectively with others
- 2.2 knows the appropriate technology needed to facilitate marketing communications
- 2.3 knows interpersonal skills needed in team working relationships

Standard 3: Understands economic principles and concepts fundamental to marketing

- 3.1 understands that the demand for a product will normally change (i.e., the demand curve will shift) if there is a change in consumers' incomes, tastes, and preferences, or a change in the prices of related (i.e., complementary or substitute) products
- 3.2 understands that the supply of a product will normally change (i.e., the supply curve will shift) if there is a change in technology, in prices of inputs, or in the prices of other

- products that could be made and sold by producers
- 3.3 understands that changes in supply or demand cause relative prices to change; in turn, buyers and sellers adjust their purchase and sales decisions
- 3.4 understands that a shortage occurs when buyers want to purchase more than producers want to sell at the prevailing price, and a surplus occurs when producers want to sell more than buyers want to purchase at the prevailing price
- 3.5 understands that shortages or surpluses usually result in price changes for products in a market economy
- 3.6 understands that when price controls are enforced, shortages and surpluses occur and create long-run allocation problems in the economy

Standard 4: Understands the fundamentals of the distribution procedure

- 4.1 understands the concepts and processes needed to move, store, locate, and/or transfer ownership of goods and services

Standard 5: Understands the integration of marketing-information management

- 5.1 understands the concepts, systems, and tools needed to gather, access, synthesize, evaluate, and disseminate information for use in making business decisions

Standard 6: Understands the principles and concepts of pricing

- 6.1 understands concepts and strategies utilized in determining and adjusting prices to maximize return and meet customer's perception of value

Standard 7: Understands the concepts of product / service management

- 7.1 understands the concepts and processes needed to obtain, develop, maintain, and improve a product or service mix in response to market opportunities
- 7.2 understands product-liability risks
- 7.3 understands the factors used by marketers to position products / businesses
- 7.4 understands the factors for selecting materials / products/ or services to purchase

Standard 8: Understands the concepts of promotion

- 8.1 understands the concepts and strategies needed to communicate information about products, services, images, and/or ideas to achieve a desired outcome
- 8.2 understand the psychology behind promotional messages aimed at target markets
- 8.3 understands how to effectively use publicity for promoting a product
- 8.4 understands the steps involved in developing a promotional plan

Standard 9: Understands the concepts of selling

- 9.1 understands the concepts and actions needed to determine client needs and wants
- 9.2 understands how to respond through planned, personalized communication that influences purchase decisions and enhances future business opportunities
- 9.3 understands how to utilize selling techniques to aid customers / clients in making buying decisions
- 9.4 understands how to determine or minimize risks in selling to a customer / client
- 9.5 understands strategies used to build and maintain a clientele

1. Understand how to complete and explain the purpose of the various steps in the accounting cycle
 - 1.1 Understand basic accounting concepts and the purpose of the accounting system
 - 1.2 Understand the concept of generally accepted accounting principles and ascertain the source of these standards
 - 1.3 Demonstrate an understanding of the fundamental accounting equation
 - 1.4 Classify items as assets, liabilities, or owner's equity
 - 1.5 Explain the purposes of revenue, expense, and drawing accounts and illustrate their effects on owner's equity
 - 1.6 Analyze business transactions using source documents and describe the effect on the accounting equation
 - 1.7 Explain the double-entry system of accounting and apply debit and credit rules when analyzing business transactions
 - 1.8 Explain the purpose of the journal and the process of journalizing business transactions
 - 1.9 Analyze the relationship of the journal to the ledger
 - 1.10 Explain the purpose of a ledger account and post information from the journal to the ledger
 - 1.11 Prepare a trial balance and explain its uses and limitations
 - 1.12 Explain the purpose of adjusting entries
 - 1.13 Analyze the trial balance to determine the necessary adjustments to prepare financial statements
 - 1.14 Prepare and explain the purpose of each financial statement and describe the way they articulate with each other
 - 1.15 Explain the purposes of the closing process and journalize and post closing entries

2. Understand the concepts of assets, liabilities, and owner's equity
 - 2.1 Understand the concept of profit
 - 2.2 Understand the difference between current assets, fixed assets, and intangible assets
 - 2.3 Understand the concept of liabilities
 - 2.4 Understand the difference between current liabilities and long-term liabilities and their impact on financial statements
 - 2.5 Understand appropriate accounting techniques used to account for investments and withdrawals by owners
 - 2.6 Understand the concept of dividends

3. Understand generally accepted accounting principles in order to determine the value of assets, liabilities, and owner's equity
 - 3.1 Understand current and long-term assets and their impact on financial statements
 - 3.2 Define cash; prepare bank reconciliations; establish, maintain, and reconcile petty cash and change accounts; identify cash control techniques
 - 3.3 Explain the benefits of electronic fund transfers, automated teller machine transactions, electronic data interchange, automated bill paying, and uses of a debit card
 - 3.4 Create and maintain the accounts receivable subsidiary ledger and an account for credit card sales
 - 3.5 Apply appropriate accounting techniques for uncollectible accounts
 - 3.6 Establish and maintain accounts for receivables and related interest
 - 3.7 Compare and evaluate inventory concepts and costing procedures and apply these concepts and procedures to merchandising and manufacturing businesses
 - 3.8 Explain the purpose of depreciation
 - 3.9 Apply appropriate accounting concepts and techniques for acquisition, depreciation,

- and disposal of property, plant, and equipment
 - 3.10 Identify and define current and long-term liabilities and explain their impact on financial statements
 - 3.11 Create and maintain the accounts payable subsidiary ledger
 - 3.12 Explain the purposes of notes payable
 - 3.13 Establish and maintain accounts for payables and related interest
 - 3.14 Explain the purpose of the capital and drawing accounts for a sole proprietorship and partnership
 - 3.15 Explain the purpose of the capital stock and retained earnings accounts for a corporation
4. Understand how to prepare, interpret, and analyze financial statements
- 4.1 Analyze the income statement and balance sheet of a business
 - 4.2 Analyze the statement of cash flows
 - 4.3 Perform horizontal and vertical analyses and compute appropriate ratios
 - 4.4 Apply the revenue realization and matching principles
 - 4.5 Determine cost of goods sold and gross profit
5. Understand how to apply accounting principles to payroll, income taxation, and various forms of ownership
- 5.1 Explain the advantages and disadvantages of the three forms of business ownership
 - 5.2 Apply appropriate accounting techniques for the formation and allocation of earnings of a partnership and corporation
 - 5.3 Prepare and maintain payroll records
 - 5.4 Calculate earnings at an hourly and piece rate and on salary, commission, and salary/commission basis
 - 5.5 Calculate deductions including federal income tax, Social Security tax, Medicare tax, and other deductions to determine net pay
 - 5.6 Calculate employer's payroll taxes and employee benefits paid by the employer
 - 5.7 Prepare federal, state, and local payroll reports
 - 5.8 Differentiate between taxation at the personal and business levels

Economics

1. Apply a decision making model to maximize consumer satisfaction when buying goods and services
- 1.1 apply a rational decision-making process to personal buying decisions
 - 1.2 apply comparison shopping practices
 - 1.3 identify and use alternative sources for purchase (e.g., e-malls, retail stores, and catalogs)
 - 1.4 discuss various ways competition among buyers helps the consumer
2. Evaluate services provided by financial deposit institutions and analyze factors that affect the choice of credit, the cost of credit, and the legal aspects of using credit
- 2.1 examine the use of banks and other financial institutions from a global consumer perspective
 - 2.2 differentiate among types of electronic monetary transactions (e.g., debit cards, atm, and automatic deposits/payments)
 - 2.3 evaluate services and related costs associated with financial institutions in terms of

personal banking needs

- 2.4 analyze privacy and security issues associated with financial transactions
- 2.5 explain when and why borrowing is used for the purchase of goods and services, identifying the opportunity cost of credit decisions
- 2.6 define interest as a cost of credit and explain why it is charged
- 2.7 explain how the amount of principal, the period of the loan, and the interest rate affect the amount of interest charged
- 2.8 explain credit ratings and credit reports and describe why they are important and how they impact the cost of credit

3. Evaluate opportunity costs and trade-offs involved in making choices about how to use scarce economic resources

- 3.1 define and give examples of economic wants
- 3.2 demonstrate how resources (factors of production) may be used to satisfy economic wants
- 3.3 explain, through examples, why scarcity requires people, businesses, societies, and governments to make choices
- 3.4 provide examples of the opportunity cost of personal choices, demonstrating understanding of rational economic decision making through explanation of advantages and disadvantages of alternatives in a given situation

4. 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

- 4.1 compare and contrast the different types of economic systems with focus on planned and emerging economies
- 4.2 identify questions that must be answered by any economic system (e.g., what is to be produced, how it is to be produced and for whom it is to be produced)
- 4.3 illustrate the relationship between individual households, businesses, and government (e.g., circular flow of goods and services) in making production and distribution decisions in a market oriented economy
- 4.4 explain how change in one component of the circular flow of economic activity affects other components
- 4.5 explain the roles of the entrepreneur as a driving force in an economy

5. Analyze how the U.S. economy functions as a whole and describe selected macroeconomic measure of economic activity

- 5.1 define unemployment and describe how it would affect purchasing power
- 5.2 give examples of how inflation and deflation affect purchasing power
- 5.3 analyze the causes and effects of demand-pull and cost-push inflation
- 5.4 compare and contrast the different stages of the business cycle (e.g., recovery, expansion, trough, and peak)
- 5.5 analyze the relationship of different components of gdp ($c+i+g+x-m$)
- 5.6 assess the understatement and overstatement of cpi and the effects on the economy and the individual

6. Analyze the role of core economic institutions and incentives in the U.S. economy

- 6.1 identify the various forms of business organizations and the limitations and rewards associated with eachwith each
- 6.2 describe different kinds of economic institutions in the u.s. economy (households, businesses, financial institutions, government agencies, labor unions, and nonprofit

- organizations)
- 6.3 explain how cultural traditions and customs influence economic behavior
- 6.4 identify the roles of profit and competition in a market-oriented economy

7. Analyze the role of markets and prices in the U.S. economy.

- 7.1 explain the law of demand, law of supply, and equilibrium price
- 7.2 describe how relative prices affect the buying and selling decisions of consumers and producers
- 7.3 describe the role of the market in determining what, how and for whom economic goods and services are produced
- 7.4 explain the process by which competition of buyers against buyers and sellers against sellers determines equilibrium price
- 7.5 identify determinants of supply and demand
- 7.6 demonstrate an understanding of the supply and demand curves that show increases and decreased in quantity supplied and quantity demanded
- 7.7 demonstrate an understanding of the supply and demand curves when there are increases and decreased in supply and demand and explain why these changes occur
- 7.8 illustrate how a change in price affects quantity demanded or quantity supplied
- 7.9 explain and illustrate how the equilibrium price changes according to changes in supply or demand
- 7.10 explain and illustrate how a market reacts to shortages and surpluses with no government intervention
- 7.11 explain and illustrate how a market reacts to governmental intervention (e.g., price ceilings, price floors, and regulations)
- 7.12 describe the concept of elasticity and inelasticity
- 7.13 identify the effects of changes in the relative price of substitute or complimentary good on supply and demand

8. Analyze the difference types of market structures and the effect they have on the price and the quality of the goods and services produced.

- 8.1 explain how competition among sellers of a good or service generally results in lower prices for buyers and lower profits for sellers
- 8.2 describe how competition among buyers of good or service generally results in higher prices for buyers and higher profits for sellers
- 8.3 describe the characteristics of pure competition and identify examples in the current market
- 8.4 describe how competition in a purely competitive market encourages the production of higher quality goods and services
- 8.5 describe the characteristics of monopoly and natural monopoly and identify examples in the current market
- 8.6 determine the role of government in preventing private monopolies and regulating public monopolies
- 8.7 describe the characteristics of an oligopoly and identify examples in the current market
- 8.8 describe the characteristics of monopolistic competition and identify examples in the current market
- 8.9 describe how collusion affects market competition
- 8.10 discuss the major barriers to new firms entering a market and how the barriers to new firms entering a market and how the barriers affect the level of competition in an industry
- 8.11 examine US laws and government regulations that are designed to impact

- competition
 - 8.12 give examples of positive and negative externalities
9. Explain the importance of productivity and analyze its affect on trade.
- 9.1 explain the principle of diminishing returns and illustrate how it relates to productivity
 - 9.2 distinguish between fixed, variable, explicit and implicit costs
 - 9.3 explain how investment in research and development affects productivity
10. Analyze the role of government in economic systems.
- 10.1 explain the role of government taxation and its effect on consumers and producers
 - 10.2 define and give examples of progressive, regressive, and proportional taxes and their effect on specific income groups
 - 10.3 give examples of taxes based on the principles of benefits received and ability to pay
 - 10.4 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
 - 10.5 differentiate between monetary and fiscal policies and identify when it may be appropriate to use a given policy
 - 10.6 analyze the effect of national debt or surplus on the economy
11. Examine the role of trade, protectionism, and monetary markets in the global economy.
- 11.1 identify examples of goods and services exported to or imported from a particular country
 - 11.2 explain how specialization promotes international trade and how international trade increases total world output and interdependence among nations
 - 11.3 discuss the influence of cartels on international trade
 - 11.4 differentiate between currency appreciation and currency depreciation
 - 11.5 analyze how a change in the value of a nation's currency can affect the level of its imports and exports
 - 11.6 compare and contrast absolute and comparative advantage
 - 11.7 appraise free trade agreements between and among nations
 - 11.8 discuss the advantages and disadvantages and distributive effects of trade restrictions (e.g., tariffs, quotas, and embargoes)