

Comprehensive Business Pathway Test Blueprint

I. Finance

A. Personal Finance

1. Describe the fundamental principles of money needed to make financial exchanges
 - a. Differentiate between different forms of financial exchange (cash, credit, debit, electronic funds transfer, etc.)
 - b. Identify types of currency (paper money, coins, banknotes, government bonds, treasury notes, etc.)
 - c. Describe sources of income (wages/salaries, interest, rent, dividends, transfer payments, etc.)
 - d. Compare and contrast the advantages and disadvantages of good versus bad credit
 - e. Identify legal responsibilities associated with personal financial exchanges (e.g., signing checks, signing credit card receipts, etc.)
2. Analyze financial needs and goals to determine financial requirements
 - a. Identify different types of financial needs (e.g., savings, college, retirement, wills, insurance, etc.)
 - b. Calculate personal financial goals (e.g., savings, college, retirement, wills, insurance, etc.)
3. Manage personal finances to achieve financial goals
 - a. Define different types of taxes (e.g., sales tax, income tax, etc.)
 - b. Interpret a pay stub
 - c. Reconcile bank statements
 - d. Maintain financial records (e.g., check registry, investment statements, insurance, etc.)
 - e. Identify credit history sources
 - f. Identify strategies to protect against identity theft
 - g. Differentiate between personal income tax forms (e.g., 1040 EZ, 1040, etc.)
4. Explain the use of financial service providers to aid in financial-goal achievement
 - a. Describe types of financial service providers
 - b. Analyze considerations for selecting a financial service provider (e.g., banks, credit unions, etc.)
5. Use investment strategies to ensure financial well-being
 - a. Define different types of investments
 - b. Define the time value of money

B. Business Finance

1. Develop a foundational knowledge of accounting to understand its nature and

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scope

- a. Identify components of the accounting equation
 - b. Identify the need for accounting standards (GAAP)
 - c. Analyze the role of ethics in accounting
 - d. Identify types of technology in accounting (e.g., Quickbooks, spreadsheets, payroll systems, accounting systems, etc.)
2. Demonstrate accounting procedures used to track money flow and to determine financial status
 - a. Identify the components of a cash flow statement
 - b. Identify the components of a balance sheet
 - c. Calculate the capital investment on a balance sheet
 - d. Identify the components of an income statement

II. Economics

A. Fundamentals of Economics and Economic Systems

1. Identify fundamental economic concepts employed in business
 - a. Distinguish between economic goods and services
 - b. Categorize key concepts of economic resources (e.g., natural resources, human resources, capital resources, etc.)
 - c. Describe the concepts of economics and economic activities (e.g., scarcity, supply and demand, production, price and value in markets, etc.)
 - d. Define different types of economic utilities (i.e., form, place, time, possession, information)
2. Recognize how economic systems influence environments in which businesses function
 - a. Compare and contrast the types of economic systems
 - b. Demonstrate concept of private enterprise
 - c. Identify factors affecting a business's profit
 - d. Illustrate the concept of competition
 - e. Identify market structures (i.e., pure competition, pure monopoly, monopolistic competition, and oligopoly)

B. Utilizing Economics in Decision Making

1. Use knowledge regarding the impact government has on businesses to make informed economic decisions
 - a. Identify relationships between government and business
 - b. Describe the need for taxes
 - c. Define the role of the Federal Reserve System (i.e., monetary policy and interest rates)

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d. Analyze the effects of fiscal and monetary policies on business opportunities
2. Analyze cost/profit relationships to guide business decision-making
a. Define the concept of productivity
b. Analyze impact of specialization/division of labor on productivity
c. Illustrate the effects of organized labor in business
d. Demonstrate the impact of the law of returns (i.e., diminishing, increasing marginal utility)
e. Describe the concept of economies of scale
C. Macroeconomics
1. Use economic indicators to detect economic trends and conditions
a. Describe the concept of price stability as an economic measure
b. Illustrate the impact of a nation's unemployment rates
c. Define the concept of Gross Domestic Product (i.e., consumer spending, government spending, net exports, investments)
d. Describe the economic impact of inflation on business
e. Identify the economic impact of interest-rate fluctuations
f. Determine the impact of business cycles on business activities
2. Determine global trade's impact on business decision-making
a. Describe the determinants of exchange rates and their effects on the domestic economy
b. Identify labor pros and cons associated with global trade (e.g., offshoring)
III. Entrepreneurship
A. Idea Generation and Planning
1. Employ entrepreneurial discovery strategies to generate feasible ideas for business ventures
a. Identify idea-generation methods
b. Predict opportunities for venture creation
c. Analyze feasibility of venture ideas
2. Develop a concept for a new business idea/venture
a. List entrepreneurial planning steps (e.g. competition, capital available, location, other start up requirements, etc.)
b. Identify resources used by entrepreneurs for venture planning (chamber info, advisors needed, survey data)
c. Assess risks associated with venture
d. Identify components of a business plan to develop venture idea
e. Create the organizational structure of the business

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f. Identify the local, regional and/or global environment in which businesses operate
3. Determine the resources needed for start-up viability of a business venture
a. Identify factors to consider in determining a venture's human-resource needs (type/number of positions needed, pay levels/structure, benefits, etc.)
b. Assess the costs/benefits associated with resources
4. Actualize the new business venture to generate profit and/or meet objectives
a. Select business structure for immediate and long-term operations
b. Determine promotional/marketing needs
c. Identify business mission/vision
d. Identify operating procedures to be used in specific departments
e. Develop plan to invest resources into improving current products or creating new ones
f. Determine needs to adapt to changes in business environment
B. Establish and Manage Entrepreneurial Financial Resources
1. Obtain business credit and establish financial controls
a. Identify the purposes and importance of obtaining business credit
b. Analyze the need for sources of financing (e.g., bank loans, venture capitalist)
c. Identify risks associated with obtaining business credit
2. Manage financial resources to maintain business solvency
a. Identify the importance of budgeting
b. Distinguish relationships among total revenue, marginal revenue, output, and profit
c. Forecast sales
d. Calculate financial ratios
e. Interpret financial statements
f. Distinguish types of business taxes
IV. Legal Responsibilities
A. Business laws and regulations
1. Describe the nature and scope of business laws and regulations
a. Discuss the nature and sources of law in the United States
b. Describe the US Judicial system hierarchy for legal appeals
c. Describe laws affecting businesses (e.g., administrative, environmental, commerce, etc.)
d. Evaluate business regulations concerning employee vs. employer responsibilities (e.g., child labor, discrimination, workman's compensation)

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e. Identify the basic torts relating to business enterprises (e.g., crimes, fraud, negligence, etc.)

B. Contracts

1. Describe the elements of a business contract

a. Identify the elements of legally binding contracts

b. Describe the importance of legally binding contracts

V. Management

A. Project Management

1. Evaluate project-management skills to improve workflow and minimize costs

a. Identify the importance of project management

b. Identify resources needed for each stage of the project life cycle

c. Identify standard project-management processes

d. Develop project plan and schedule

e. Evaluate project results

B. Operations Management

1. Implement expense-control strategies to enhance a business's financial well-being

a. Identify the significance of overhead/operating costs

b. Identify employees' roles in expense control

c. Calculate a breakeven analysis

d. Evaluate budgets to adjust daily operations

2. Maintain inventory, property, and equipment necessary for ongoing business activities

a. Identify routine activities for maintaining business operations (e.g., facilities, equipment, inventory, etc.)

C. Information Management

1. Acquire a foundational knowledge of information management

a. Describe the role of information management (e.g., computer systems, intellectual knowledge, etc.)

b. Define the role of ethics in information management

c. Determine legal issues associated with information management

2. Use information literacy skills to increase business efficiency and effectiveness

a. Assess information needs (e.g., sales, inventory expenses, payroll, tax information, etc.)

b. Identify means to efficiently obtain information

c. Apply information to accomplish a task

d. Organize information for future use (e.g., electronic filing, alphabetical filing,

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storage, etc.)

D. Quality Control

1. Define the role of quality management practices within a business
 - a. Define the importance of quality management
 - b. Identify the need for continuous improvement of the quality process
 - c. Define the role of production within business
 - d. Evaluate the balance between quality management and production efficiency

E. Human Resources Management

1. Describe the role and function of human resources management
 - a. Discuss the role of human resources management (e.g., hiring, termination, training, compensation, equal employment opportunity, performance appraisal, etc.)
 - b. Identify proper and ethical recruitment and termination techniques
 - c. Identify effective professional development techniques in human resources management
 - d. Identify employment qualifications needed in the hiring process

F. Safety/OSHA

1. Comply with health and safety regulations to support a safe work environment
 - a. Describe health and safety regulations in business
 - b. Identify procedures for reporting noncompliance with business health and safety regulations
2. Assess needed safety policies/procedures to ensure protection of employees
 - a. Identify potential workplace safety issues
 - b. Evaluate safety policies and procedures

G. Risk Management

1. Analyze the role of risk management practices within a business
 - a. Illustrate the role of ethics in risk management
 - b. Outline legal considerations affecting risk management
 - c. Determine factors affecting business risk
2. Identify potential business threats and opportunities for protecting a business's financial well-being
 - a. Define the need(s) for insurance
 - b. Identify types of insurance coverage needed

VI. Marketing

A. Marketing Management

1. Describe the role and function of marketing

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a. Identify the marketing mix (i.e., product/service, price, distribution, promotion)

b. Analyze the role of the marketing mix in business enterprises

c. Discuss the marketing impact of cultural and social environments on global trade

d. Evaluate customer needs based on knowledge of product/service features and benefits

B. Managing Customer Relations

1. Describe customer service activities to support customer relationships and encourage repeat business

a. Identify proper processing of customer orders and returns

b. Identify how to use technology to facilitate customer relationship management (e.g., coupons, email, social media, loyalty programs, etc.)

c. Analyze appropriate customer support behaviors and their effect on repeat business