Instructional Framework

Business Management

52.0201.00

This Instructional Framework identifies, explains, and expands the content of the standards/measurement criteria, and, as well, guides the development of multiple-choice items for the Technical Skills Assessment. This document corresponds with the Technical Standards endorsed on May 19, 2021.

Domain 1: Management	
Instructional Time: 30 – 35%	
STANDARD 1.0 ANALYZE GENERAL MANAGEMENT PRACTICES	
1.1 Compare and contrast types of business ownership (i.e., sole proprietorship, partnership, corporation, LLC, nonprofit, etc.)	- Sole proprietorship - Partnership - Corporation - LLC - Nonprofit
1.2 Compare and contrast vertical and horizontal management structures in business	- Organizational charts - Hierarchy - Chain of command - Vertical management structure - Top down - Horizontal management structure - Cross function (department to department) - More employee input - Difference between vertical and horizontal
1.3 Explain the functions of management (e.g., planning, organizing, leading, and controlling)	- Planning - Strategic planning (long-term) - Operational planning (short-term) - Organizing - Division of work (staffing) - Facilities and working conditions - Employee relations - Leading (implementing) - Effective communication - Motivating employees

	- Controlling - Establishing standards - Measuring performance - Taking corrective action
1.4 Define leadership styles [e.g., roles of leadership (direct, coach, support, and delegate)]	- Roles of leadership - Direct - Coach - Support - Delegate - Leadership styles - Autocratic - Democratic - Laissez-Faire - Situational - Identifying your own
1.5 Define management styles (e.g., authoritative, affiliative, participative, pacesetting, and coaching)	- Authoritative - Affiliative - Participative - Pacesetting - Coaching
1.6 Compare and contrast leadership and management and how one affects the other	- Leading employees vs. managing employees - Similarities - Differences - Define leadership - Define management - How to be a good employee
1.7 Assess how a business' social responsibility affects business decisions (i.e., stakeholders, community activities, environment, etc.)	- Stakeholders - Individuals or groups affected by a firm's actions - Community activities - Activities that contribute to a community's well-being - Environment - NGO's (non-governmental organizations) - Groups that examine the conduct of businesses - ACLU - Social responsibility

1.8 Identify the impact of cultural and social environments on domestic, international, and global trade	- Cultural/social environment - Domestic trade - International trade - Global trade - Compare different business cultures across the world - Cultural environment - Social environment - Ethical behavior
1.9 Examine the impact of business cycles on the economy and business activities	- Four phases - Recession - Depression - Recovery - Prosperity - What is happening to unemployment, productivity, demand and spending during each phase
1.10 Describe how government policies influence business management decisions (i.e., worker and consumer regulations, environmental protections, market regulations, Privacy Act, HIPAA, HR, etc.)	- Human Resources responsibility toward government policy - Worker and consumer regulations - Environmental protections - Market regulations - Privacy Act - HIPAA
1.11 Explain economic indicators and trends and how they impact businesses (i.e., GDP, CPI, inflation, unemployment, etc.)	- Gross Domestic Product (GDP) - Consumer Price Index (CPI) - Inflation - Unemployment
1.12 Describe a budget as a tool used for planning and controlling within an organization (i.e., types of budgets, how to create, etc.) and demonstrate how budgets can be used to guide strategic planning (i.e., forecast, tactical planning, etc.)	- Budgets - Types - How to create - Strategic Planning - Forecast - Tactical planning
1.13 Compare and contrast the role of stakeholders (i.e., financing projects, creating schedules, setting milestone dates, educating developers, etc.) and the role of a board of directors for a business (i.e., advising, advocating, making decisions on issues, strategic	- Define stakeholder and stakeholder responsibility - Explain board of directors and their responsibility - Role of stakeholders - Financing projects - Creating schedules

planning, accountability, etc.)	○ Setting milestone dates ○ Educating developers - Role of board of directors ○ Advising ○ Advocating ○ Making decisions on issues ○ Strategic planning ○ Accountability

Domain 2: Finance
Instructional Time: 25 – 30%

STANDARD 2.0 ANALYZE BUSINESS FINANCIAL PRACTICES

2.1 Describe ways in which credit history and other factors affect credit scores (e.g., payment history, debt-to-credit ratio, length of credit history, new credit, and amount of credit available)	- FICO score/Credit score ○ Payment history ○ Debt-to-credit ratio ○ Length of credit history ○ New credit/hard inquiries ○ Amount of credit available
2.2 Explain types of business financial services [i.e., merchant services, credit lines, types of accounts, digital banking services, online payment services (Apple Pay, Venmo, Cash App, Zelle), etc.]	- Merchant services - Credit lines ○ Home equity loans - Types of accounts ○ Checking ○ Savings - Digital banking services - Online payment services ○ Apple Pay, Venmo, Cash App, Zelle, PayPal ○ Autopay
2.3 Analyze economic principles (e.g., scarcity, factors of production, productivity, production possibilities curve, opportunity costs, and tradeoffs) and their impact on financial decisions	- Scarcity ○ Limited resources vs. unlimited wants - Factors of production ○ Natural resources ○ Human resources ○ Capital resources ○ Entrepreneurial resources - Productivity

	● Production possibilities curve ● Opportunity costs ● Tradeoffs ● How the economy impacts financial decisions

2.4 Describe factors that affect economic decision-making (e.g., supply, demand, taxes, inflation, interest rates, exchange rates, scarcity, incentives, competition, productivity, surplus, and shortage)	● Supply/demand
	  ○ Competition
	  ○ Productivity
	  ○ Equilibrium price
	  ○ Surplus
	  ○ Shortage
	● Taxes
	● Inflation
	● Interest rates
	● Exchange rates
	● Scarcity
	● Incentives
	● Competition
	● Productivity

2.5 Compare types of financial statements used in a business financial report (i.e., balance sheet, income statement, cash flow statement, budget vs. actual, etc.)	● Balance sheet
	  ○ Assets = Liabilities + Owner's Equity
	  ○ Definition of an asset, liability, and owner's equity
	● Income statement [Profit & Loss Statement (P&L)]
	  ○ Definition of revenue and expenses
	  ○ Net income vs. net loss
	  ○ How to calculate net income/net loss
	  ○ Understanding gross profit
	● Cash flow statement
	● Budget vs. actual

2.6 Analyze financial measures of performance used in business decision-making [i.e., cost-benefit analysis, marginal analysis, return on investment (ROI), etc.]	● Cost-benefit analysis ● Marginal analysis ● Return on investment (ROI)
2.7 Identify the types and benefits of insurance (e.g., life, health, property, liability, and debt protection)	● Define Insurance ○ Risk Management ● Life insurance ● Health insurance ● Property and Renters insurance

	- Liability insurance for businesses - Debt protection
2.8 Explain accounts receivable and accounts payable and how they impact day-to-day business operations, including cashflow	- Accounts receivable - Customers - Accounts payable - Vendors - Impact of each on the cash flow - Credit terms - n30 - Discount terms 2/10 n30
2.9 Describe financing sources for a business (i.e., credit, venture capital, cash, crowd funding, etc.)	- Credit - Bank loan - Line of credit - Venture capital - Cash - Crowdfunding
2.10 Explain payroll setup (i.e., EIN, federal and state tax withholding, benefits, work hours, social security, Medicare, etc.)	- EIN - Gross pay vs. net pay - How is it calculated? - Work hours - Regular hours - Overtime hours - Calculate gross pay for hourly and salaried employees - Mandatory deductions - Federal income tax withholding - State income tax withholding - FICA - Social Security - Medicare - Voluntary deductions - Health insurance - Retirement (401K) - Other: charitable deductions, etc.
2.11 Examine common taxes and tax forms (e.g., state, federal, 1040, W2, and W4)	- State - Federal tax form 1040 - W2

	- W4 - 1099-MISC
2.12 Identify investment options (i.e., stocks, bonds, mutual funds, cryptocurrency, etc.)	- Stocks - Bonds - Mutual funds - Cryptocurrency

Domain 3: Marketing
Instructional Time: 25 – 30%

STANDARD 3.0 ANALYZE MARKETING CONCEPTS

3.1 Identify the principles of marketing and explain their importance to an organization [i.e., target market, marketing strategies (4Ps), market segmentation, marketing channels, etc.]	- Target market
	- Marketing strategies (4Ps)
	  ○ Product
	  ○ Place
	  ○ Price
	  ○ Promotion
	- Market segmentation
	  ○ Demographic
	  ○ Geographic
	  ○ Psychographic
	  ○ Behavioral
	- Marketing channels

3.2 Compare and contrast marketing channels (e.g., people, organizations, and activities) and channels of distribution (e.g., direct selling, selling through intermediaries, dual distribution, and reverse channels)	- Marketing channels
	  ○ People
	  ○ Organizations
	  ○ Activities
	- Channels of distribution
	  ○ Direct selling
	  ○ Selling through intermediaries
	  ○ Dual distribution
	  ○ Reverse channels
	  ○ Social media

3.3 Describe factors that impact markets (e.g., supply and demand, price floors and ceilings, competition, and monopolies)	- Supply and demand - Price floors and ceilings

	• Competition • Monopolies
3.4 Explain the purpose and content of a marketing plan	• Components of a Marketing Plan ○ Executive Summary ○ Mission Statement ○ SWOT Analysis ○ Financial Plan ○ Market Research ○ Target Market ○ Product ○ Competition ○ Market Strategies ○ Pricing, Positioning, and Branding
3.5 Explain advertising as a component of marketing	• Role and purpose of advertising • Types of advertising ○ Social media advertising ○ Commercial ○ Print media ○ Billboards
3.6 Describe how businesses compete for market share (i.e., innovation, strengthening, customer relationships, smart hiring practices, acquiring competitors, etc.)	• Innovation • Strengthening • Customer relationships • Smart hiring practices • Acquiring competitors • Brand name • Promotion/commercialization
3.7 Analyze the role that data and market research play in marketing decisions (i.e., demographics, motivations, priorities, etc.)	• Market research ○ Demographics ○ Motivations ○ Priorities • Market segmentation ○ Demographics ○ Psychographics ○ Geographic ○ Behavioral

3.8 Explain the benefits of global trade (i.e., opens up new markets and exposes countries to goods and services)	• Opens new markets and exposes countries to goods and services
3.9 Explain the importance of protecting intellectual property (IP) for the individual and the business (e.g., protecting an idea or concept and protecting patents, copyrights, trademarks, and trade secrets)	• Protecting an idea or concept and protecting patents • Copyrights • Trademarks • Trade secrets

Domain 4: Human Resources
Instructional Time: 5 – 10%

STANDARD 4.0 ANALYZE HUMAN RESOURCE FUNCTIONS

4.1 Identify different types of employees (i.e., full time, contractors, consultants, part time, interns, etc.)	• Types of employees ○ Full-time ○ Contractors ○ Consultants ○ Part-time ○ Interns
4.2 Describe factors that may affect staffing over time (i.e., promotion policy, future growth plans, technology used by business, gig economy, etc.)	• Promotion policy • Future growth plans • Technology used by business • Gig economy • Downsizing
4.3 Discuss the content of a job description and a job profile	• Job description ○ Job title ○ Qualifications ○ Working conditions • Job profile ○ Job responsibilities ○ Tasks ○ Duties and responsibilities
4.4 Describe mediums that identify candidates for available positions (i.e., Indeed, social media, LinkedIn, Upwork, etc.)	• Indeed • Social media • LinkedIn • Upwork

	• Recruitment agencies ○ Headhunters
4.5 Explain the hiring process, including the importance of inclusion, diversity, equity, equal opportunity, and the right to work	• Inclusion • Employee rights • Diversity • Equity • Equal opportunity • Right to work

4.6 Define workplace culture (i.e., what it is, why it matters, etc.)	• Workplace culture
	    ○ What it is
	    ○ Why it matters

4.7 Discuss the hiring process (i.e., interview process/documents, résumé, cover letter, in person and/or virtual presentation, background, skills, certifications, licensures, etc.)	• Interview process/documents • Résumé • Cover letter • In person and/or virtual presentation • Background • Skills • Certifications • Licensures

4.8 Describe the new-hire onboarding/orientation process including organizational policies and procedures, job roles and responsibilities, employee benefits, and employee rights	• Organizational policies and procedures
	    ○ Orientation
	    ○ Training
	    ○ Mentorship programs
	    ○ Employee handbook
	• Job roles and responsibilities
	• Employee benefits
	• Employee rights

4.9 Explain the characteristics and importance of professionalism in the workplace	• Workplace culture
	• Professionalism
	    ○ Dress code
	    ○ Ethical behavior
	        ■ Harassment (sexual, etc.)

4.10 Explain the process of monitoring and evaluating employee performance (i.e., 30/60/90-day, annual, semi-annual, etc.)	• Evaluations
	    ○ 30/60/90-day
	    ○ Annual

	○ Semi-annual ○ Probationary period - Types of evaluations ○ Performance appraisals ○ Setting goals
4.11 Explain disciplinary actions and dismissal procedures (i.e., performance improvement plan, etc.)	- Performance improvement plan - Disciplinary actions ○ Negative performance ■ Transfer ■ Demoted ■ Dismissal ■ Probation
STANDARD 5.0 ANALYZE PROJECT MANAGEMENT FUNCTIONS	
5.1 Identify project management tools used to management work tasks and document outcomes (e.g., GANTT, project management timeline, project network diagram, Kanban board, scrum board, cross-functional flowchart, checklist, and regression analysis)	- Project management tools - GANTT - Project management timeline - Project network diagram - Kanban board - Scrum board - Cross-functional flowchart - Checklist - Regression analysis
5.2 Identify process automation tools and describe their uses (i.e., Asana, Zapier, Spatial.io, etc.)	- Process automation tools ○ Asana ○ Zapier ○ Spatial.io ○ Scoro - Define process automation tools
5.3 Determine specific, measurable, achievable, realistic, and time-bound (SMART) goals for a project	- What makes a goal a SMART goal - Write SMART goals for a project
5.4 Explain the importance of scheduling in project management and what it includes [e.g., resources (money, people, materials), goals and tasks, timeline with start and end dates and milestones]	- Scheduling - Resources (money, people, materials) - Goals and tasks - Timeline with start and end dates and milestones

5.5 Identify factors used to evaluate progress in meeting project goals (i.e., monitoring, tracking, weekly/monthly meetings, workflow charts, etc.)	- Monitoring - Tracking - Weekly/monthly meetings - Workflow charts
5.6 Identify project risks (i.e., purpose is not well defined, deliverables are incomplete, no control over staffing priorities, scheduling conflicts, etc.) and methods to manage those risks (i.e., well defined and reasonable scope of work, costs, time, technology, and resources are in line with scope of project, SWOT analysis is used to assess project strengths, weaknesses, opportunities, threats, etc.)	- Project risks - Purpose is not well defined - Deliverables are incomplete - No control over staffing priorities - Scheduling conflicts - Project management risk mitigation methods - Well defined and reasonable scope of work - Costs, time, technology, and resources are in line with scope of project - SWOT analysis is used to assess project strengths, weaknesses, opportunities, threats

Domain 5: Communication
Instructional Time: 5 – 10%

STANDARD 6.0 ANALYZE TECHNOLOGY AND WEB-BASED TOOLS

6.1 Explore how technology benefits consumers (i.e., responsive services, convenience, enhanced experiences, decision-making support, etc.) and how it impacts business (I.e., efficiency, work performance, customer experience, etc.)	- Technology benefits for consumers - Responsive services - Convenience - Enhanced experiences - Decision-making support - Technology impacts on business - Efficiency - Work performance - Customer experience
6.2 Identify hardware used to generate business communications and reports [i.e., smart devices (phones, tablets), Internet of Things (IOT), Augmented Reality (AR), etc.]	- Hardware to generate business communications and reports - Computers - Smart devices (phones, tablets) - Internet of Things (IOT) - Augmented Reality (AR)
6.3 Identify software used to generate business communications and reports (i.e., word processing, spreadsheet, database, presentation,	Software used to generate business communications and reports

graphics, etc.) and to create and design printed/electronic promotional materials (i.e., flyers, brochures, etc.)	- Word processing, spreadsheet, database, presentation, graphics, etc. (i.e., Microsoft Word, Excel, PowerPoint, etc.) - Software used to create and design printed/electronic promotional materials - Flyers, brochures, etc. (i.e., Publisher, Adobe, etc.) - Email
6.4 Apply web search skills to research industry best practices, challenges, opportunities, etc.	- Search engines - Define key words - Efficient internet searching - Using keywords to refine internet search - Using quotation marks
6.5 Describe how e-commerce and other electronic methods impact the global marketplace [i.e., online portals (marketplace, trading, and discussion), etc.]	- E-commerce and other electronic methods impact the global marketplace - Online portals (marketplace, trading, and discussion)
6.6 Explain the effects of a digital footprint on an individual and on an organization (i.e., encryption, archiving data, etc.)	- Effects of a digital footprint on an individual and on an organization - Encryption - Archiving data - Explain how it is on the internet forever
6.7 Identify issues and regulations affecting computers, other devices, the internet, and information privacy (i.e., HIPAA, COPPA, CISPA, FERPA, PCI, GDPR, data brokers, etc.)	- Health Insurance Portability and Accountability Act (HIPAA) - Children's Online Privacy Protection Act (COPPA) - Cyber Intelligence Sharing and Protection Act (CISPA) - Family Educational Rights and Privacy Act (FERPA) - Payment Card Industry (PCI) - General Data Protection Regulation (GDPR) - Data brokers
6.8 Identify common computer threats (e.g., viruses, phishing, suspicious email, social engineering, spoofing, identity theft, and spamming)	- Viruses - Phishing - Suspicious email - Social engineering - Spoofing - Identity theft - Spamming - Security software

6.9 Identify the elements of cybersecurity and its effect on an individual and organization (i.e., data loss, lawsuits, etc.)	- Define cybersecurity - Data loss - Lawsuits - Ransomware - Disaster recovery (DR) plan
STANDARD 7.0 ANALYZE CUSTOMER SERVICE AND ORGANIZATIONAL COMMUNICATION	
7.1 Write and speak in the workplace language, using industry terminology when appropriate	- Public speaking - Types of communication in the workplace - Email, letters, reports, meetings, telephone, etc.
7.2 Describe the elements of customer service and their impact on a business (e.g., availability, courtesy, consistency, accuracy, responsiveness, and efficiency)	- Availability - Courtesy - Consistency - Accuracy - Responsiveness - Efficiency
7.3 Use effective communication/research techniques to obtain accurate information from sources, audiences, and clients	- Search engines - Copyright issues and plagiarism - Identifying credible resources - Best way to communicate with clients
7.4 Explain how communicating in person, sending an email, and texting a message affect the quality of communication (i.e., consider body language, choice of words, relying on autofill, etc.)	- Consider body language - Choice of words - Relying on autofill
7.5 Use verbal, nonverbal, and listening skills with people of diverse cultures and generations	- Non-verbal cues - Verbal cues - Listening skills - Define generational gaps in language
7.6 Describe how electronic communication is used in the workplace (e.g., cell phone, text messaging, and social networking)	- Cell phone - Text messaging - Social networking - Email - Voicemail - Video messaging

7.7 Format communications for the purpose, audience, and medium/media	- Block letter format - Business letters - Emails
7.8 Use editing and proofing skills and check spelling when reviewing communications	- Word processing features - Spell check - Grammar check - Proofreading techniques
7.9 Explain options for virtual engagements (i.e., meetings, conferences, and workshops in TEAMs, Zoom, Skype, etc.)	- Meetings, conferences, and workshops in Teams, Zoom, Skype, Google Meets - Virtual meeting etiquette
7.10 Explain how intellectual property can be violated through email (e.g., sender uses wrong email address, recipient forwards the email, an Excel attachment contains hidden content in a tab, and data is forwarded to personal email account)	- Sender uses wrong email address - Recipient forwards the email - An Excel attachment contains hidden content in a tab - Data is forwarded to personal email account - Sharing files
7.11 Describe the importance of business communications such as reports, charts, and narratives on the success of an organization	Use of reports, charts, and narratives in various business communications
7.12 Describe the role of networking and relationships in the success of an organization	- Define networking in a business - Mentorship programs - Professional organizations