



## FINANCE CAREER CLUSTER PERFORMANCE INDICATORS

The Finance Career Cluster Performance Indicators are used for the following competitive events:

1. Accounting Applications Series Event (Accounting Pathway)
2. Business Finance Series Event (Corporate Finance Pathway)
3. Financial Services Team Decision Making Event

Draft Performance Indicators  
2013 - 2014 DECA Competitive Events

Performance Indicators for this competitive event are used to define the parameters of the written exam and other activities that are part of the overall competition. These performance indicators are a draft of the final document planned for release in the summer of 2012 for the 2013 events. This draft is the basis of events for the 2013 DECA ICDC only.

This draft list was compiled by MBAResearch and Curriculum Center and DECA Inc. and represents preliminary efforts to support all DECA competitive events within the overall framework of the National Business Administration Standards. Individual indicators are based on a review of prior research and on extensive review of available online and print literature—both from industry and education. Over the next year, MBAResearch and DECA Inc. will refine the list, edit, and evaluate individual indicators and validate the entire list with the national business community.

For additional information on these Performance Indicators, the National Curriculum Framework, or the National Business Administration Standards, please visit the MBAResearch web site at [www.MBAResearch.org](http://www.MBAResearch.org). Questions may be e-mailed to [betho@MBAResearch.org](mailto:betho@MBAResearch.org)

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**Key:**

**PQ = Prerequisite level performance indicator**

**CS = Career Sustaining level performance indicator**

**SP = Specialist level performance indicator**

**Performance Indicators**

**Content Interviews, Role-plays and Case Studies**

- Performance indicators for **Principles of Business Administration** content interviews will be selected from the business administration core.
- Performance indicators for **Team Decision Making** case studies will be selected from the appropriate career cluster and the business administration core.
- Performance indicators for **Individual Series** role-plays will be selected from the appropriate pathway, the appropriate career cluster and the business administration core.

**Career Cluster Exams**

- Performance indicators for the **Principles of Business Administration** exams will be selected from the business administration core.
- Performance indicators for the four cluster exams used for **Team Decision Making Events, Individual Series Events, Marketing Representative Events** and **Professional Selling Events** will be selected from the appropriate career cluster and the business administration core.
- Pathway performance indicators will not be used to develop any exam questions.

**Instructional Area: Business Law**

**Knowledge and Skill Statement:** Understands business’s responsibility to know, abide by, and enforce laws and regulations that affect business operations and transactions

**Performance Element:** Acquire foundational knowledge of business laws and regulations to understand their nature and scope.

**Performance Indicators:**

Discuss the nature of law and sources of law in the United States (SP)

Describe the United States’ judicial system (SP)

Describe legal issues affecting businesses (SP)

**Performance Element:** Understand the civil foundations of the legal environment of business to demonstrate knowledge of contracts.

**Performance Indicators:**

Identify the basic torts relating to business enterprises (SP)

Describe the nature of legally binding contracts (SP)

**Performance Element:** Explore the regulatory environment of United States’ businesses to understand the diversity of regulations.

**Performance Indicators:**

Describe the nature of legal procedure (SP)

Discuss the nature of debtor-creditor relationships (SP)

Explain the nature of agency relationships (SP)

Discuss the nature of environmental law (SP)

Discuss the role of administrative law (SP)

**Performance Element:** Apply knowledge of business ownership to establish and continue business operations.

**Performance Indicators:**

Explain types of business ownership (CS)

**Instructional Area: Communication Skills**

**Knowledge and Skill Statement:** Understands the concepts, strategies, and systems used to obtain and convey ideas and information

**Performance Element:** Read to acquire meaning from written material and to apply the information to a task.

**Performance Indicators:**

Identify sources that provide relevant, valid written material (PQ)

Extract relevant information from written materials (PQ)

Apply written directions to achieve tasks (PQ)

Analyze company resources to ascertain policies and procedures (CS)

**Performance Element:** Apply active listening skills to demonstrate understanding of what is being said.

**Performance Indicators:**

Explain communication techniques that support and encourage a speaker (PQ)

Follow oral directions (PQ)

Demonstrate active listening skills (PQ)

**Performance Element:** Apply verbal skills to obtain and convey information.

**Performance Indicators:**

Explain the nature of effective verbal communications (PQ)

Ask relevant questions (PQ)

Interpret others' nonverbal cues (PQ)

Provide legitimate responses to inquiries (PQ)

Give verbal directions (PQ)

Employ communication styles appropriate to target audience (CS)

Defend ideas objectively (CS)

Handle telephone calls in a businesslike manner (CS)

Participate in group discussions (CS)

Make oral presentations (SP)

**Performance Element:** Record information to maintain and present a report of business activity.

**Performance Indicators:**

Utilize note-taking strategies (CS)

Organize information (CS)

Select and use appropriate graphic aids (CS)

**Performance Element: Write internal and external business correspondence to convey and obtain information effectively.**

**Performance Indicators:**

- Explain the nature of effective written communications (CS)
- Select and utilize appropriate formats for professional writing (CS)
- Edit and revise written work consistent with professional standards (CS)
- Write professional e-mails (CS)
- Write business letters (CS)
- Write informational messages (CS)
- Write inquiries (CS)
- Write persuasive messages (SP)
- Write executive summaries (SP)
- Prepare simple written reports (SP)

**Performance Element: Communicate with staff to clarify workplace objectives.**

**Performance Indicators:**

- Explain the nature of staff communication (CS)
- Choose appropriate channel for workplace communication (CS)
- Participate in a staff meeting (CS)

**Instructional Area: Customer Relations**

**Knowledge and Skill Statement: Understands the techniques and strategies used to foster positive, ongoing relationships with customers**

**Performance Element: Foster positive relationships with customers to enhance company image.**

**Performance Indicators:**

Explain the nature of positive customer relations (CS)

Demonstrate a customer-service mindset (CS)

Reinforce service orientation through communication (CS)

Respond to customer inquiries (CS)

Adapt communication to the cultural and social differences among clients (CS)

Interpret business policies to customers/clients (CS)

**Performance Element: Resolve conflicts with/for customers to encourage repeat business.**

**Performance Indicators:**

Handle difficult customers (CS)

Handle customer/client complaints (CS)

**Performance Element: Reinforce company's image to exhibit the company's brand promise.**

**Performance Indicators:**

Identify company's brand promise (CS)

Determine ways of reinforcing the company's image through employee performance (CS)

**Performance Element: Understand the nature of customer relationship management to show its contributions to a company.**

**Performance Indicators:**

Discuss the nature of customer relationship management (SP)

Explain the role of ethics in customer relationship management (SP)

Describe the use of technology in customer relationship management (SP)

**Instructional Area: Economics**

**Knowledge and Skill Statement: Understands the economic principles and concepts fundamental to business operations**

**Performance Element: Understand fundamental economic concepts to obtain a foundation for employment in business.**

**Performance Indicators:**

- Distinguish between economic goods and services (CS)
- Explain the concept of economic resources (CS)
- Describe the concepts of economics and economic activities (CS)
- Determine economic utilities created by business activities (CS)
- Explain the principles of supply and demand (CS)
- Describe the functions of prices in markets (CS)

**Performance Element: Understand the nature of business to show its contributions to society.**

**Performance Indicators:**

- Explain the role of business in society (CS)
- Describe types of business activities (CS)
- Explain the organizational design of businesses (SP)
- Discuss the global environment in which businesses operate (SP)
- Describe factors that affect the business environment (SP)
- Explain the nature of business ethics (SP)
- Explain how organizations adapt to today's markets (SP)

**Performance Element: Understand economic systems to be able to recognize the environments in which businesses function.**

**Performance Indicators:**

- Explain the types of economic systems (CS)
- Explain the concept of private enterprise (CS)
- Identify factors affecting a business's profit (CS)
- Determine factors affecting business risk (CS)
- Explain the concept of competition (CS)

**Performance Element: Acquire knowledge of the impact of government on business activities to make informed economic decisions.**

**Performance Indicators:**

- Determine the relationship between government and business (CS)
- Describe the nature of taxes (SP)

**Performance Element: Analyze cost/profit relationships to guide business decision-making.**

**Performance Indicators:**

Explain the concept of productivity (CS)

Analyze impact of specialization/division of labor on productivity (SP)

Explain the concept of organized labor and business (SP)

Explain the impact of the law of diminishing returns (SP)

**Performance Element: Understand economic indicators to recognize economic trends and conditions.**

**Performance Indicators:**

Discuss the measure of consumer spending as an economic indicator (SP)

Explain the concept of Gross Domestic Product (GDP) (SP)

Discuss the impact of a nation's unemployment rates (SP)

Describe the economic impact of inflation on business (SP)

Explain the economic impact of interest-rate fluctuations (SP)

Determine the impact of business cycles on business activities (SP)

**Performance Element: Determine global trade's impact on business decision-making.**

**Performance Indicators:**

Explain the nature of global trade (SP)

Describe the determinants of exchange rates and their effects on the domestic economy (SP)

Discuss the impact of cultural and social environments on global trade (SP)



**Instructional Area: Emotional Intelligence**

**Knowledge and Skill Statement:** Understands techniques, strategies, and systems used to foster self-understanding and enhance relationships with others

**Performance Element:** Foster self-understanding to recognize the impact of personal feelings on others.

**Performance Indicators:**

Describe the nature of emotional intelligence (PQ)

Explain the concept of self esteem (PQ)

Recognize personal biases and stereotypes (PQ)

Assess personal strengths and weaknesses (PQ)

**Performance Element:** Develop personal traits to foster career advancement.

**Performance Indicators:**

Identify desirable personality traits important to business (PQ)

Exhibit self-confidence (PQ)

Demonstrate interest and enthusiasm (PQ)

Demonstrate initiative (PQ)

Make decisions.

**Performance Element:** Apply ethics to demonstrate trustworthiness.

**Performance Indicators:**

Demonstrate responsible behavior (PQ)

Demonstrate honesty and integrity (PQ)

Demonstrate ethical work habits (PQ)

**Performance Element:** Exhibit techniques to manage emotional reactions to people and situations.

**Performance Indicators:**

Exhibit a positive attitude (PQ)

Demonstrate self control (PQ)

Explain the use of feedback for personal growth (PQ)

Adjust to change (PQ)

**Performance Element:** Identify with others' feelings, needs, and concerns to enhance interpersonal relations.

**Performance Indicators:**

Respect the privacy of others (PQ)

Show empathy for others (PQ)

Exhibit cultural sensitivity (CS)

**Performance Element: Use communication skills to foster open, honest communications.**

**Performance Indicators:**

Explain the nature of effective communications (PQ)

Explain ethical considerations in providing information (SP)

**Performance Element: Use communication skills to influence others.**

**Performance Indicators:**

Persuade others (SP)

Demonstrate negotiation skills (SP)

**Performance Element: Manage stressful situations to minimize negative workplace interactions.**

**Performance Indicators:**

Use appropriate assertiveness (PQ)

Use conflict-resolution skills (CS)

Explain the nature of stress management (SP)

**Performance Element: Implement teamwork techniques to accomplish goals.**

**Performance Indicators:**

Participate as a team member (CS)

Use consensus-building skills (SP)

Motivate team members (SP)

**Performance Element: Employ leadership skills to achieve workplace objectives.**

**Performance Indicators:**

Explain the concept of leadership (CS)

Determine personal vision (CS)

Demonstrate adaptability (CS)

Develop an achievement orientation (CS)

Lead change (CS)

Enlist others in working toward a shared vision (CS)

Coach others (CS)

**Performance Element: Manage internal and external business relationships to foster positive interactions.**

**Performance Indicators:**

Treat others fairly at work (PQ)

Foster positive working relationships (CS)

Maintain collaborative partnerships with colleagues (SP)

Explain the impact of political relationships within an organization (SP)

**Instructional Area: Financial Analysis**

**Knowledge and Skill Statement:** Understands tools, strategies, and systems used to maintain, monitor, control, and plan the use of financial resources

**Performance Element:** Understand the fundamental principles of money needed to make financial exchanges.

**Performance Indicators:**

Explain forms of financial exchange (cash, credit, debit, electronic funds transfer, etc.) (PQ)

Identify types of currency (paper money, coins, banknotes, government bonds, treasury notes, etc.) (PQ)

Describe functions of money (medium of exchange, unit of measure, store of value) (PQ)

Describe sources of income (wages/salaries, interest, rent, dividends, transfer payments, etc.) (PQ)

Explain the time value of money (CS)

Explain the purposes and importance of credit (CS)

Explain legal responsibilities associated with financial exchanges (CS)

**Performance Element:** Analyze financial needs and goals to determine financial requirements.

**Performance Indicators:**

Explain the nature of financial needs (e.g., college, retirement, wills, insurance, etc.) (CS)

Set financial goals (CS)

Develop personal budget (CS)

**Performance Element:** Manage personal finances to achieve financial goals.

**Performance Indicators:**

Explain the nature of tax liabilities (PQ)

Interpret a pay stub (PQ)

Prepare bank account documents (e.g., checks, deposit/withdrawal slips, endorsements, etc.) (PQ)

Maintain financial records (PQ)

Read and reconcile bank statements (PQ)

Demonstrate the wise use of credit (CS)

Validate credit history (CS)

Protect against identity theft (CS)

Prepare personal income tax forms (i.e., 1040 EZ form) (CS)

**Performance Element:** Understand the use of financial-services providers to aid in financial-goal achievement.

**Performance Indicators:**

Describe types of financial-services providers (CS)

Discuss considerations in selecting a financial-services provider (CS)

**Performance Element:** Use investment strategies to ensure financial well-being.

**Performance Indicators:**

Explain types of investments (CS)

**Performance Element:** Identify potential business threats and opportunities to protect a business's financial well-being.

**Performance Indicators:**

Describe the concept of insurance (CS)

Explain the nature of risk management (SP)

**Performance Element:** Acquire a foundational knowledge of accounting to understand its nature and scope.

**Performance Indicators:**

Describe the need for financial information (CS)

Explain the concept of accounting (CS)

Explain the need for accounting standards (GAAP) (CS)

Discuss the role of ethics in accounting (SP)

Explain the use of technology in accounting (SP)

Explain legal considerations for accounting (SP)

**Performance Element:** Implement accounting procedures to track money flow and to determine financial status.

**Performance Indicators:**

Describe the nature of cash flow statements (SP)

Explain the nature of balance sheets (SP)

Describe the nature of income statements (SP)

**Performance Element:** Acquire a foundational knowledge of finance to understand its nature and scope.

**Performance Indicators:**

Explain the role of finance in business (CS)

Discuss the role of ethics in finance (SP)

Explain legal considerations for finance (SP)

**Performance Element:** Manage financial resources to ensure solvency.

**Performance Indicators:**

Describe the nature of budgets (SP)

**Instructional Area: Human Resources Management**

**Knowledge and Skill Statement:** Understands the tools techniques, and systems that businesses use to plan, staff, lead, and organize its human resources

**Performance Element:** Understand the role and function of human resources management to obtain a foundational knowledge of its nature and scope.

**Performance Indicators:**

- Discuss the nature of human resources management (CS)
- Explain the role of ethics in human resources management (SP)
- Describe the use of technology in human resources management (SP)

**Performance Element:** Manage staff growth and development to increase productivity and employee satisfaction.

**Performance Indicators:**

- Orient new employees (CS)

**Instructional Area: Information Management**

**Knowledge and Skill Statement:** Understands tools, strategies, and systems needed to access, process, maintain, evaluate, and disseminate information to assist business decision-making

**Performance Element:** Use information literacy skills to increase workplace efficiency and effectiveness.

**Performance Indicators:**

- Assess information needs (CS)
- Obtain needed information efficiently (CS)
- Evaluate quality and source of information (CS)
- Apply information to accomplish a task (CS)
- Store information for future use (CS)

**Performance Element:** Acquire a foundational knowledge of information management to understand its nature and scope.

**Performance Indicators:**

- Discuss the nature of information management (CS)
- Explain the role of ethics in information management (SP)
- Explain legal issues associated with information management (SP)

**Performance Element: Utilize information-technology tools to manage and perform work responsibilities.**

**Performance Indicators:**

- Identify ways that technology impacts business (PQ)
- Explain the role of information systems (PQ)
- Discuss principles of computer systems (PQ)
- Use basic operating systems (PQ)
- Describe the scope of the Internet (PQ)
- Demonstrate basic e-mail functions (PQ)
- Demonstrate personal information management/productivity applications (PQ)
- Demonstrate basic web-search skills (PQ)
- Demonstrate basic word processing skills (PQ)
- Demonstrate basic presentation applications (PQ)
- Demonstrate basic database applications (PQ)
- Demonstrate basic spreadsheet applications (PQ)
- Use an integrated business software application package (CS)
- Demonstrate collaborative/groupware applications (CS)
- Create and post basic web page (SP)

**Performance Element: Maintain business records to facilitate business operations.**

**Performance Indicators:**

- Describe the nature of business records (SP)
- Maintain customer records (SP)

**Performance Element: Acquire information to guide business decision-making.**

**Performance Indicators:**

- Describe current business trends (SP)
- Monitor internal records for business information (SP)
- Conduct an environmental scan to obtain business information (SP)
- Interpret statistical findings (SP)

**Instructional Area: Marketing**

**Knowledge and Skill Statement:** Understands the tools, techniques, and systems that businesses use to create exchanges and satisfy organizational objectives

**Performance Element:** Understand marketing's role and function in business to facilitate economic exchanges with customers.

**Performance Indicators:**

Explain marketing and its importance in a global economy (CS)

Describe marketing functions and related activities (CS)

**Performance Element:** Acquire foundational knowledge of customer/client/business behavior to understand what motivates decision-making.

**Performance Indicators:**

Explain customer/client/business buying behavior (SP)

Discuss actions employees can take to achieve the company's desired results (SP)

Demonstrate connections between company actions and results (e.g., influencing consumer buying behavior, gaining market share, etc.) (SP)

**Instructional Area: Operations**

**Knowledge and Skill Statement:** Understands the processes and systems implemented to monitor, plan, and control the day-to-day activities required for continued business functioning

**Performance Element:** Understand operation's role and function in business to value its contribution to a company.

**Performance Indicators:**

- Explain the nature of operations (CS)
- Discuss the role of ethics in operations (SP)
- Describe the use of technology in operations (SP)

**Performance Element:** Adhere to health and safety regulations to support a safe work environment.

**Performance Indicators:**

- Describe health and safety regulations in business (PQ)
- Report noncompliance with business health and safety regulations (PQ)

**Performance Element:** Implement safety procedures to minimize loss.

**Performance Indicators:**

- Follow instructions for use of equipment, tools, and machinery (PQ)
- Follow safety precautions (PQ)
- Maintain a safe work environment (CS)
- Explain procedures for handling accidents (CS)
- Handle and report emergency situations (CS)

**Performance Element:** Implement security policies/procedures to minimize chance for loss.

**Performance Indicators:**

- Explain routine security precautions (CS)
- Follow established security procedures/policies (CS)
- Protect company information and intangibles (CS)

**Performance Element:** Utilize project-management skills to improve workflow and minimize costs.

**Performance Indicators:**

- Explain the nature of project management (SP)
- Identify resources needed for project (SP)
- Develop project plan (SP)
- Apply project-management tools to monitor project progress (SP)
- Evaluate project results (SP)



**Performance Element: Implement purchasing activities to obtain business supplies, equipment, and services.**

**Performance Indicators:**

- Explain the nature and scope of purchasing (CS)
- Place orders/reorders (CS)
- Maintain inventory of supplies (CS)
- Manage the bid process in purchasing (SP)
- Select vendors (SP)
- Evaluate vendor performance (SP)

**Performance Element: Understand production’s role and function in business to recognize its need in an organization.**

**Performance Indicators:**

- Explain the concept of production (CS)

**Performance Element: Implement quality-control processes to minimize errors and to expedite workflow.**

**Performance Indicators:**

- Identify quality-control measures (SP)
- Utilize quality control methods at work (SP)
- Describe crucial elements of a quality culture (SP)

**Performance Element: Implement expense-control strategies to enhance a business’s financial wellbeing.**

**Performance Indicators:**

- Explain the nature of overhead/operating costs (SP)
- Explain employee's role in expense control (SP)

**Performance Element: Maintain property and equipment to facilitate ongoing business activities.**

**Performance Indicators:**

- Identify routine activities for maintaining business facilities and equipment (SP)

**Instructional Area: Professional Development**

**Knowledge and Skill Statement:** Understands concepts, tools, and strategies used to explore, obtain, and develop in a business career

**Performance Element:** Acquire self-development skills to enhance relationships and improve efficiency in the work environment.

**Performance Indicators:**

- Maintain appropriate personal appearance (PQ)
- Demonstrate systematic behavior (PQ)
- Set personal goals (CS)

**Performance Element:** Utilize critical-thinking skills to determine best options/outcomes.

**Performance Indicators:**

- Explain the need for innovation skills (CS)
- Make decisions (CS)
- Demonstrate problem-solving skills (CS)
- Demonstrate appropriate creativity (SP)
- Use time-management skills (SP)

**Performance Element:** Participate in career-planning to enhance job-success potential.

**Performance Indicators:**

- Assess personal interests and skills needed for success in business (PQ)
- Analyze employer expectations in the business environment (PQ)
- Explain the rights of workers (PQ)
- Identify sources of career information (CS)
- Identify tentative occupational interest (CS)
- Explain employment opportunities in business (CS)
- Explain career opportunities in entrepreneurship (CS)

**Performance Element:** Implement job-seeking skills to obtain employment.

**Performance Indicators:**

- Utilize job-search strategies (PQ)
- Complete a job application (PQ)
- Interview for a job (PQ)
- Write a follow-up letter after job interviews (CS)
- Write a letter of application (CS)
- Prepare a résumé (CS)
- Use networking techniques to identify employment opportunities (SP)

**Performance Element: Utilize career-advancement activities to enhance professional development.**

**Performance Indicators:**

Describe techniques for obtaining work experience (e.g., volunteer activities, internships) (PQ)

Explain the need for ongoing education as a worker (PQ)

Explain possible advancement patterns for jobs (PQ)

Identify skills needed to enhance career progression (SP)

Utilize resources that can contribute to professional development (e.g., trade journals/periodicals, professional/trade associations, classes/seminars, trade shows, and mentors) (SP)

**Instructional Area: Strategic Management**

**Knowledge and Skill Statement: Understands tools, techniques, and systems that affect a business's ability to plan, control, and organize an organization/department**

**Performance Element: Recognize management's role to understand its contribution to business success.**

**Performance Indicators:**

Explain the concept of management (CS)

**Instructional Area: Business Law**

**Knowledge and Skill Statement:** Understands business's responsibility to know, abide by, and enforce laws and regulations that affect business operations and transactions

**Performance Element:** Understand government regulations pertaining to the finance industry to protect the company wellbeing.

**Performance Indicators:**

Discuss legal considerations in the finance industry (SP)

Discuss the effect of tax laws and regulations on financial transactions (SP)

**Instructional Area: Compliance**

**Knowledge and Skill Statement:** Understands business's responsibility to know, comply with, and enforce laws and regulations that affect financial business operations and transactions

**Performance Element:** Acquire a foundational knowledge of compliance to understand its nature and scope.

**Performance Indicators:**

Discuss the nature and scope of compliance in the finance industry (SP)

Describe the use of technology in compliance (SP)

**Instructional Area: Customer Relations**

**Knowledge and Skill Statement:** Understands the techniques and strategies used to foster positive, ongoing relationships with customers

**Performance Element:** Understand characteristics, motivations, and behaviors of clients in finance to facilitate client interaction.

**Performance Indicators:**

Explain the responsibilities of finance professionals in providing client services (CS)

**Performance Element:** Utilize technology to facilitate customer relationship management.

**Performance Indicators:**

Use Customer Relationship Management (CRM) technology (SP)

**Instructional Area: Financial Analysis**

**Knowledge and Skill Statement:** Understands tools, strategies, and systems used to maintain, monitor, control, and plan the use of financial resources

**Performance Element:** Analyze financial needs and goals to determine financial requirements.

**Performance Indicators:**

Explain the need to save and invest (CS)

**Performance Element:** Understand financial markets to recognize their importance in business.

**Performance Indicators:**

Describe the role of financial institutions (CS)

Explain types of financial markets (e.g., money market, capital market, insurance market, commodities markets, etc.) (SP)

Discuss the nature of convergence/consolidation in the finance industry (SP)

Describe the relationship between economic conditions and financial markets (SP)

Explain the nature and scope of financial globalization (SP)

**Performance Element:** Utilize sources of securities information to make informed financial decisions.

**Performance Indicators:**

Describe sources of securities information (CS)

Interpret securities table (SP)

**Additional Specialized Performance Indicators:**

Calculate gross revenue.

Calculate financial ratios.

Analyze daily transactions.

Explain the nature of costing procedures.

Explain the effect of inventory systems on cost of goods sold.

Describe the concept of economies of scale.

Make capital expenditure decisions.

Maintain financial records.

Apply information to accomplish a task.

Assist clients with establishing financial goals.

Explain investment goals and objectives.

Interpret basic charts/tables.

Conduct client conferences.

**Instructional Area: Financial-Information Management**

**Knowledge and Skill Statement: Understands tools, strategies, and systems needed to access, process, maintain, evaluate, and disseminate financial information to assist business decision-making**

**Performance Element: Acquire foundational knowledge of financial-information management to understand its scope and nature.**

**Performance Indicators:**

Explain the nature and scope of the financial-information management function (SP)

Explain the role of ethics in financial-information management (SP)

**Performance Element: Utilize financial information technology tools to manage financial information and perform work responsibilities.**

**Performance Indicators:**

Describe the use of technology in the financial-information management function (SP)

Demonstrate data mining techniques (SP)

Demonstrate budgeting applications (SP)

Demonstrate financial analysis applications (SP)

Demonstrate advanced database applications (SP)

**Performance Element: Understand the importance of accurately reporting a business's financial position to provide information in a proper manner.**

**Performance Indicators:**

Describe the need to accurately report a business's financial position (CS)

Determine financial strengths/weaknesses of a business.

Describe the relationship between accounting (with an emphasis on cash flow) and finance (with an emphasis on decision making) (SP)

Discuss types of accounting systems used to report a business's financial position (i.e. financial, tax, management, cost, accrual) (SP)

**Performance Element: Acquire foundational knowledge of financial information analysis to aid in financial decision-making.**

**Performance Indicators:**

Explain the use of financial information to identify trends (SP)

Describe the need to analyze customer financial information (SP)

Identify reasons to analyze financial data (e.g. to understand accounting treatment, to verify information, to analyze variances, to guide financial decision-making) (SP)

**Instructional Area: Professional Development**

**Knowledge and Skill Statement:** Understands concepts, tools, and strategies used to explore, obtain, and develop in a business career

**Performance Element:** Explore careers in finance to enhance potential for career success.

**Performance Indicators:**

Discuss career opportunities in the finance industry (CS)

**Performance Element:** Utilize career-advancement activities to enhance professional development.

**Performance Indicators:**

Discuss licensure and certification available to finance professionals (SP)

Discuss opportunities for building professional relationships in finance (SP)

**Instructional Area: Risk Management**

**Knowledge and Skill Statement:** Understands risk-management strategies and techniques used to minimize business loss

**Performance Element:** Acquire a foundational understanding of risk management to demonstrate knowledge of its nature and scope.

**Performance Indicators:**

Explain the role of ethics in risk management (SP)

Describe the use of technology in risk management (SP)

Discuss legal considerations affecting risk management (SP)

**Performance Element:** Explore risk control to understand its relationship to risk management.

**Performance Indicators:**

Discuss the nature of risk control (i.e. internal and external) (SP)

Accounting encompasses careers that record, classify, summarize, analyze, and communicate a business's financial information/business transactions for use in management decision-making. Accounting includes such activities as bookkeeping, systems design, analysis, and interpretation of accounting information. Sample occupations include:

Accountant  
Auditor  
Controller

Accounting Clerk  
Bookkeeper  
Cost Analyst

## **Instructional Area: Business Law**

**Knowledge and Skill Statement:** Understands business's responsibility to know, abide by, and enforce laws and regulations that affect business operations and transactions

**Performance Element:** Understand regulation of accounting to adhere to government requirements.

**Performance Indicators:**

Discuss the impact of the Sarbanes-Oxley Act of 2002 on accounting (SP)

Describe the role of the Securities and Exchange Commission (SEC) in regulating the accounting industry (SP)

Discuss state regulation of the accounting industry (SP)



**Instructional Area: Financial Analysis**

**Knowledge and Skill Statement:** Understands tools, strategies, and systems used to maintain, monitor, control, and plan the use of financial resources

**Performance Element:** Classify, record, and summarize data to produce needed financial information.

**Performance Indicators:**

- Discuss the nature of the accounting cycle (CS)
- Demonstrate the effects of transactions on the accounting equation (CS)
- Prepare a chart of accounts (CS)
- Use T accounts (CS)
- Record transactions in a general journal (CS)
- Post journal entries to general ledger accounts (CS)
- Prepare a trial balance (CS)
- Journalize and post adjusting entries (CS)
- Journalize and post closing entries (CS)
- Prepare a post-closing trial balance (CS)
- Prepare work sheets (SP)
- Discuss the nature of annual reports (SP)
- Discuss the use of financial ratios in accounting (SP)

**Performance Element:** Maintain cash controls to track cash flow.

**Performance Indicators:**

- Explain cash control procedures (e.g. signature cards, deposit slips, internal/external controls, cash clearing, etc.) (CS)
- Prove cash (CS)
- Journalize/post entries to establish and replenish petty cash (CS)
- Journalize/post entries related to banking activities (CS)
- Explain the benefits of electronic funds transfer (EFT) (CS)
- Prepare bank deposits (CS)
- Prepare purchase requisitions (CS)
- Prepare purchase orders (CS)
- Prepare sales slips (CS)
- Prepare invoices (CS)
- Explain the nature of the voucher system (CS)
- Prepare vouchers (CS)
- Record transactions using a voucher system (CS)

**Performance Element: Perform accounting functions specific to a merchandising business to classify, record, and summarize business data.**

**Performance Indicators:**

- Explain the nature of special journals (CS)
- Record transactions in special journals (CS)

**Performance Element: Perform accounts payable functions to record, control, and disburse payments to vendors.**

**Performance Indicators:**

- Explain the nature of accounts payable (CS)
- Maintain a vendor file (CS)
- Analyze purchase transactions (CS)
- Post to an accounts payable subsidiary ledger (CS)
- Prepare a credit memorandum for returned goods (CS)
- Process invoices for payment (CS)
- Process accounts payable checks (CS)
- Prepare an accounts payable schedule (SP)

**Performance Element: Perform accounts receivable functions to record, control, and collect payments due from the sale of goods and services.**

**Performance Indicators:**

- Explain the nature of accounts receivable (CS)
- Maintain a customer file for accounts receivable (CS)
- Analyze sales transactions (CS)
- Post to an accounts receivable subsidiary ledger (CS)
- Process sales orders and invoices (CS)
- Process sales returns and allowances (CS)
- Process customer payments (CS)
- Prepare customer statements (CS)
- Process uncollectible accounts (CS)
- Prepare an accounts receivable schedule (SP)

**Performance Element: Maintain inventory records to track the location, quantity, and value of current assets.**

**Performance Indicators:**

- Record inventory usage (CS)
- Process invoice of inventory (CS)
- Process results of inventory (CS)
- Process inventory adjustments (CS)
- Determine the cost of inventory (SP)

**Performance Element: Complete payroll procedures to calculate, record, and distribute payroll earnings.**

**Performance Indicators:**

- Calculate time cards (CS)
- Maintain employee earnings records (CS)
- Calculate employee earnings (e.g. gross earnings, net pay) (SP)
- Calculate employee-paid withholdings (SP)
- Prepare a payroll register (SP)
- Record the payroll in the general journal (SP)
- Complete payroll tax expense forms (SP)
- Prepare federal, state, and local payroll tax reports (SP)

**Performance Element: Perform specialized accounting procedures to track cash flow.**

**Performance Indicators:**

- Process notes payable and receivable (SP)
- Determine the book value of a plant asset (SP)
- Prepare depreciation schedules (SP)
- Record the disposition of assets (SP)

**Performance Element: Utilize cost accounting methods to track, record, and analyze business costs.**

**Performance Indicators:**

- Maintain job order cost sheets (SP)
- Calculate the cost of goods sold (SP)
- Compute overhead rates (SP)

**Performance Element: Determine suitable internal accounting controls to ensure the proper recording of financial transactions.**

**Performance Indicators:**

- Explain the purpose of internal accounting controls (SP)

**Performance Element: Conduct an audit to verify the integrity of a business's financial reporting process, accounting functions, and internal controls.**

**Performance Indicators:**

- Explain the nature of audits (SP)

**Performance Element: Perform tax accounting functions to lessen clients' tax burdens.**

**Performance Indicators:**

Explain record keeping procedures for tax accounting (SP)

Identify tax issues for clients (SP)

Explain the role of accountants in income tax planning (SP)

Integrate tax strategies with family financial goals (SP)

Discuss the nature of corporate tax accounting (SP)

## **Instructional Area: Information Management**

**Knowledge and Skill Statement: Understands tools, strategies, and systems needed to access, process, maintain, evaluate, and disseminate information to assist business decision-making**

**Performance Element: Utilize technology to record and analyze accounting transactions.**

**Performance Indicators:**

Discuss the use of data mining in accounting (SP)

Integrate technology into accounting (SP)

## **Instructional Area: Professional Development**

**Knowledge and Skill Statement: Understands concepts, tools, and strategies used to explore, obtain, and develop in an accounting career**

**Performance Element: Understand careers in accounting to determine which role and responsibilities best match personal abilities and traits.**

**Performance Indicators:**

Discuss the role and responsibilities of certified public accountants (CPAs) (SP)

Describe the role and responsibilities of general ledger accountants (SP)

Explain the role and responsibilities of management accountants (SP)

Discuss the role and responsibilities of auditors (SP)

Discuss the role and responsibilities of government accountants (SP)

Explain the role and responsibilities of international accountants (SP)

Discuss the role and responsibilities of forensic accountants (SP)

Discuss the role and responsibilities of senior management in accounting (SP)

**Performance Element: Explore licensing and certification in the accounting industry to enhance professional development.**

**Performance Indicators:**

Discuss professional designations for accountants (e.g. CPA, CMA, ABA, etc.) (SP)

**Performance Element: Understand the fundamentals of cost accounting to obtain a foundation for employment in the accounting industry.**

**Performance Indicators:**

Explain the nature of managerial cost accounting (e.g. activities, costs, cost drivers, etc.) (SP)

Discuss the use of cost-volume-profit analysis (SP)

Discuss cost accounting systems (e.g. job order costing, process costing, activity-based costing [ABC], project costing, etc.) (SP)

Explain the nature of cost accounting decision making (SP)

Discuss the nature of cost accounting budgets (SP)

Discuss the use of variance analysis for cost accounting (SP)

Discuss the nature of cost allocation (SP)

**Performance Element: Understand the significance of responsibility in accounting to act appropriately in the workplace.**

**Performance Indicators:**

Describe social responsibility in accounting (SP)

Discuss responsibility accounting (SP)

**Performance Element: Acquire knowledge of Generally Accepted Accounting Principles to adhere to general accounting standards.**

**Performance Indicators:**

Discuss the use of Generally Accepted Accounting Principles (GAAP) (SP)

Primarily concerned with accepting deposits, lending funds, and extending credit, banking services include cash management, short-term investments, mortgages and other loans, credit cards, and bill payment. Banking services are delivered via a number of different institutions, from commercial banks (the largest group) and other traditional means (savings and loans associations, credit unions, and local banks) to newer ventures through insurance companies, brokerage houses, and the internet. Sample occupations include:

Acquisitions Specialist  
Credit Analyst  
Loan Officer or Counselor  
Relationship Manager

Branch Manager  
Financial Manager  
Mortgage Broker  
Trust Officer

### **Instructional Area: Business Law**

**Knowledge and Skill Statement:** Understands business's responsibility to know, abide by, and enforce laws and regulations that affect business operations and transactions

**Performance Element:** Understand regulations governing banking services to adhere to government requirements.

**Performance Indicators:**

Discuss e-compliance issues in banking services (SP)

Discuss federal regulation of lending functions (SP)

Discuss federal regulation of operations functions in banking services (SP)

Discuss the responsibilities of regulatory agencies that oversee the banking industry (SP)

**Instructional Area: Customer Relations**

**Knowledge and Skill Statement:** Understands the techniques and strategies used to foster positive, ongoing relationships with customers

**Performance Element:** Foster positive relationships with customers to enhance company image.

**Performance Indicators:**

Discuss the importance of meeting and exceeding customer expectations (CS)  
Describe the relationships that institutions providing banking services have with their communities (SP)

**Performance Element:** Manage a profitable investment portfolio to build customer relationships.

**Performance Indicators:**

Select customers for portfolios using established criteria (SP)

**Instructional Area: Financial Analysis**

**Knowledge and Skill Statement:** Understands tools, strategies, and systems used to maintain, monitor, control, and plan the use of financial resources

**Performance Element:** Utilize financial formulas to aid in the growth and stability of banking services.

**Performance Indicators:**

Explain key ratios/terms in banking (SP)  
Compute key banking calculations (e.g. interest, annual percentage rate, exchange rates, etc.) (SP)

**Instructional Area: Information Management**

**Knowledge and Skill Statement:** Understands tools, strategies, and systems needed to access, process, maintain, evaluate, and disseminate information to assist business decision-making

**Performance Element:** Acquire fundamental knowledge of banking technology to increase workplace efficiency and effectiveness.

**Performance Indicators:**

Fill/empty ATMs (Automatic Teller Machines) (CS)

Discuss the impact of technology on the banking industry (SP)

**Instructional Area: Operations**

**Knowledge and Skill Statement:** Understands the processes and systems implemented to monitor, plan, and control the day-to-day activities required for continued business functioning

**Performance Element:** Acquire knowledge of bank security programs to minimize chance for loss.

**Performance Indicators:**

Discuss procedures for the secure handling of cash (CS)

Discuss the secure handling of checks (CS)

Explain procedures for detecting and reporting counterfeit currency (CS)

Describe crimes to which a bank could fall victim (e.g. fraud, robbery, phishing, etc.) (CS)

Discuss the elements and role of a bank security program (SP)

**Performance Element:** Perform daily banking activities to process cash.

**Performance Indicators:**

Process damaged and/or mutilated currency and coin (CS)

Order and deposit currency/coin (CS)

Deposit checks (CS)

Handle differences in cash received/deposited (SP)

Identify requirements for transporting cash (SP)

Discuss the role of the Federal Reserve system in banking operations (SP)



**Performance Element: Underwrite loan applications to determine creditworthiness of customers.**

**Performance Indicators:**

Describe the loan application generating process (SP)

Explain the process of credit analysis (SP)

Describe factors affecting loan pricing and loan structuring (SP)

Underwrite a loan application (SP)

**Performance Element: Understand real estate lending to service bank loans and mortgages.**

**Performance Indicators:**

Discuss the involvement of financial institutions in the real estate industry (SP)

Explain approaches to real estate lending (SP)

Describe the functions and responsibilities of the loan servicing department (SP)

**Performance Element: Acquire knowledge of problem loan management to protect the institution's financial wellbeing.**

**Performance Indicators:**

Discuss the nature of problem loan management (SP)

**Instructional Area: Professional Development**

**Knowledge and Skill Statement:** Understands concepts, tools, and strategies used to explore, obtain, and develop in a banking services career

**Performance Element:** Acquire knowledge of the banking industry to understand the environment in which its services are offered.

**Performance Indicators:**

Explain the evolution of commercial banking (SP)

Discuss ethical issues in the banking industry (SP)

**Performance Element:** Understand types of banking institutions to be aware of their roles in providing banking services.

**Performance Indicators:**

Describe the nature of the national banking system (SP)

Explain the role of central banks (SP)

Describe the nature of retail banking (SP)

Discuss the nature and scope of investment banking (SP)

Explain the nature of financial services companies (universal banks) (SP)

Discuss the role of credit unions (SP)

Explain the role of savings and loan associations (SP)

Discuss the role of the World Bank Group in international financial assistance (SP)

**Performance Element:** Acquire knowledge of banking processes and services to facilitate workplace activities.

**Performance Indicators:**

Describe the nature of retail/business banking processes (CS)

Describe types of retail/business banking products and services (CS)

Describe basic teller performance standards (CS)

Discuss the nature of loan products (SP)

Describe trust services available to customers (SP)

**Performance Element:** Understand careers in banking services to determine which role and responsibilities best match personal abilities and traits.

**Performance Indicators:**

Explain the role and responsibilities of administrative careers in banking services (CS)

Describe the role and responsibilities of executive/managerial careers in banking services (SP)

**Instructional Area: Selling**

**Knowledge and Skill Statement:** Understands the concepts and actions needed to determine client needs and wants and respond through planned, personalized communication that influences purchase decisions and enhances future business operations

**Performance Element:** Utilize sales techniques to generate new business.

**Performance Indicators:**

Describe the importance of selling in the banking industry (CS)

Cross-sell banking products and services (CS)

Demonstrate the relationship-selling process (CS)

Assist a customer in the opening of an account (CS)

Call on small business clients (SP)

Interpret loan terms for a client (SP)

Describe the nature of event-based selling (SP)

The business finance function in a company is to manage policy and strategy for (and the implementation of) capital structure, budgeting, acquisition and investment, financial modeling and planning, funding, dividends, and taxation. Sample occupations include:

Capital Budgeting Specialist  
Cash Manager  
Financial Analyst  
Project Analyst  
Treasurer

Capital Expenditure Manager  
Credit Analyst  
Foreign Exchange Manager  
Project Finance Manager

## **Instructional Area: Business Law**

**Knowledge and Skill Statement:** Understands business's responsibility to know, abide by, and enforce laws and regulations that affect business operations and transactions

**Performance Element:** Understand regulations governing business finance to adhere to government requirements.

**Performance Indicators:**

Explain laws and regulations pertaining to business finance (SP)

Explain the nature of business taxation (SP)

**Instructional Area: Financial Analysis**

**Knowledge and Skill Statement:** Understands tools, strategies, and systems used to maintain, monitor, control, and plan the use of financial resources

**Performance Element:** Understand fundamental financial concepts to appropriately manage business finances.

**Performance Indicators:**

Discuss the nature of depreciation (SP)

Describe the nature of cash flows (SP)

**Performance Element:** Acquire knowledge of efficient capital markets to make suitable financial decisions.

**Performance Indicators:**

Explain the role of efficient capital markets in business finance (SP)

**Performance Element:** Conduct cash flow analysis to select an acceptable capital expenditure.

**Performance Indicators:**

Discuss the nature of relevant cash flow analysis (SP)

Explain the nature of the payback period (SP)

Discuss the use of net present value (NPV) (SP)

Explain the relationship between the internal rate of return and net present value (SP)

**Performance Element:** Understand financial planning in business finance to strive for business goals.

**Performance Indicators:**

Discuss the financial planning process (SP)

Discuss the nature of short-term (operating) financial plans (SP)

**Performance Element:** Conduct cash planning to determine a company's short-term cash requirements.

**Performance Indicators:**

Explain the use of cash budgets (SP)

**Performance Element:** Conduct profit planning to forecast business profit.

**Performance Indicators:**

Discuss the use of pro forma statements in profit planning (SP)

**Performance Element: Utilize a company’s financial statements to analyze its financial situation.**

**Performance Indicators:**

Discuss the analysis of a company’s financial situation using its financial statements (SP)

Discuss external forces affecting a company’s value (SP)

Explain how value is created for a company (SP)

**Performance Element: Calculate business ratios to evaluate company performance.**

**Performance Indicators:**

Discuss the use of financial ratios in business finance (SP)

**Performance Element: Acquire fundamental knowledge of dividends to assist in the distribution of dividends.**

**Performance Indicators:**

Explain forms of dividends (SP)

Explain the nature of dividend reinvestment plans (DRIPs) (SP)

**Performance Element: Analyze ownership change transactions to aid in corporate growth and development.**

**Performance Indicators:**

Compare mergers and acquisitions (SP)

Explain the nature of hostile takeovers (SP)

## **Instructional Area: Professional Development**

**Knowledge and Skill Statement:** Understands concepts, tools, and strategies used to explore, obtain, and develop in a business finance career

**Performance Element:** Explore the fundamentals of business finance to build a foundation for employment in the field.

**Performance Indicators:**

Describe the nature of business finance (SP)

**Performance Element:** Understand ethics in business finance to behave appropriately in the workplace.

**Performance Indicators:**

Discuss business ethics for business finance (SP)

**Performance Element:** Understand careers in business finance to determine which role and responsibilities best match personal abilities and traits.

**Performance Indicators:**

Explain the role and responsibilities of financial managers (SP)

Explain the role and responsibilities of a financial analyst (SP)

Describe the role and responsibilities of a controller (SP)

Describe the role and responsibilities of a risk manager (SP)

**Performance Element:** Explore licensing and certification in the field of business finance to enhance professional development.

**Performance Indicators:**

Explain professional designations in the field of business finance (e.g. CF, CFA, CCM, CTP, CFM, etc.) (SP)

## **Instructional Area: Risk Management**

**Knowledge and Skill Statement:** Understands risk-management strategies and techniques used to minimize business loss

**Performance Element:** Manage risk to protect a business's wellbeing.

**Performance Indicators:**

Discuss the relationship between risk management and business finance (SP)

Discuss the nature of risk measurement (SP)

Explain the nature of interest rate risk (SP)

The insurance industry, which exists to protect individuals and businesses from financial losses, delivers “products” that transfer risk from an individual or business to an insurance company. Sample occupations include:

Benefits Consultant  
Claims Adjuster  
Insurance Broker  
Producer  
Special Investigator

Branch Manager  
Insurance Agent  
Loss Control Manager  
Product Manager  
Underwriter

## **Instructional Area: Business Law**

**Knowledge and Skill Statement:** Understands business’s responsibility to know, abide by, and enforce laws and regulations that affect business operations and transactions

**Performance Element:** Understand regulation of the insurance industry to adhere to government requirements.

**Performance Indicators:**

Discuss federal and state regulation governing the insurance industry (SP)

Explain the significance of the Consolidated Omnibus Budget Reconciliation Act (COBRA) (SP)

Discuss Title I of the Health Insurance Portability and Accountability Act (HIPAA) (SP)



**Instructional Area: Information Management**

**Knowledge and Skill Statement:** Understands tools, strategies, and systems needed to access, process, maintain, evaluate, and disseminate information to assist business decision-making

**Performance Element:** Utilize information-technology tools to underwrite an insurance policy.

**Performance Indicators:**

Use computer smart systems to assist in the underwriting process (SP)

Use the Internet to determine a potential client's risk (SP)

**Performance Element:** Acquire information to investigate insurance fraud.

**Performance Indicators:**

Conduct a database search to obtain background information on claimants and witnesses (SP)

**Instructional Area: Operations**

**Knowledge and Skill Statement:** Understands the processes and systems implemented to monitor, plan, and control the day-to-day activities required for continued business functioning

**Performance Element:** Use investigative techniques to identify insurance fraud.

**Performance Indicators:**

Discuss the nature of insurance fraud (SP)

Investigate suspected insurance fraud (SP)

Conduct surveillance work (SP)

**Performance Element:** Manage agency policies to protect the insurance company's financial wellbeing.

**Performance Indicators:**

Notify client in writing when policy is cancelled (SP)

**Performance Element: Process a claim to fulfill company's legal obligation to client.**

**Performance Indicators:**

Discuss the nature of insurance claims (CS)

Process an insurance claim (SP)

Interview claimant and witnesses (SP)

Inspect property damage (SP)

Compile claim report (SP)

Negotiate with claimant (SP)

## **Instructional Area: Professional Development**

**Knowledge and Skill Statement: Understands concepts, tools, and strategies used to explore, obtain, and develop in an insurance career**

**Performance Element: Acquire knowledge of the insurance industry to obtain a foundation for employment in insurance.**

**Performance Indicators:**

Describe the nature of the insurance industry (CS)

Discuss the manner in which insurance companies generate income (SP)

Explain the use of state risk pool programs (SP)

Discuss trends in the insurance industry (e.g. hacker insurance, identity theft insurance, etc.) (SP)

Discuss licensing and certification in the insurance industry (SP)

**Performance Element: Analyze careers in insurance to determine which role and responsibilities best match personal abilities and traits.**

**Performance Indicators:**

Discuss the role and responsibilities of an underwriter (SP)

Discuss the role and responsibilities of an insurance sales representative (SP)

Discuss the role and responsibilities of an actuary (SP)

Discuss the role and responsibilities of claims personnel (SP)

Explain the role and responsibilities of a loss control specialist (SP)

## Instructional Area: Risk Analysis

**Knowledge and Skill Statement:** Understands techniques and strategies used to gather, access, and evaluate the risk posed by potential insurance clients

**Performance Element:** Analyze the risk posed by potential clients in order to make insurance approval/denial decisions.

**Performance Indicators:**

Explain the importance of actuarial science in the insurance industry (SP)

Discuss the nature of credit-based insurance scores (SP)

Underwrite an insurance policy (SP)

## Instructional Area: Selling

**Knowledge and Skill Statement:** Understands the concepts and actions needed to determine client needs and wants and respond through planned, personalized communication that influences purchase decisions and enhances future business opportunities

**Performance Element:** Acquire product knowledge to communicate product benefits and to ensure appropriateness of product for the customer.

**Performance Indicators:**

Explain the nature of liability insurance (SP)

Describe components of automobile insurance coverage (SP)

Discuss components of homeowners/renters insurance (SP)

Discuss components of flood and earthquake insurance (SP)

Describe components of commercial property insurance (SP)

Explain the nature of commercial liability insurance (SP)

Discuss the nature of title insurance (SP)

Discuss the nature of health insurance coverage (SP)

Discuss the nature of long-term care insurance (SP)

Explain the nature of Medicare (SP)

Discuss the nature of Medicaid (SP)

Discuss the nature of unemployment insurance (SP)

Explain the nature of workers compensation insurance (SP)

Describe the nature of disability insurance (SP)

Discuss the nature of life insurance (SP)

Discuss the role of life insurance in investment and estate planning (SP)

**Performance Element: Evaluate existing client insurance and risk management needs to generate more business.**

**Performance Indicators:**

Evaluate a client's insurance needs (SP)

Recommend coverage upgrades to clients where appropriate (SP)

**Performance Element: Utilize sales processes and techniques to aid in successfully completing the sale.**

**Performance Indicators:**

Identify prospective clients (SP)

Schedule appointments with prospective clients (SP)

Interview client (SP)

Determine client's insurance needs (SP)

Prepare sales presentation materials (SP)

Present insurance recommendation to client (SP)

Close the insurance sale (SP)

Handle objections (SP)

Process insurance documentation (SP)

The investments industry consists of brokerage firms, investment banks, and stock exchanges, all of which support the flow of funds from investors to companies and institutions. Related services include financial planning, asset management, hedge fund management, and custody services. Sample occupations include:

Financial Analyst	Financial Consultant
Financial Planner	Investment Banker
Mutual Fund Manager	Real Estate Developer
Securities Sales Agent (Broker)	Trader

## Instructional Area: Business Law

**Knowledge and Skill Statement:** Understands business's responsibility to know, abide by, and enforce laws and regulations that affect business operations and transactions

**Performance Element:** Understand regulation of the securities and investments industry to adhere to government requirements.

**Performance Indicators:**

- Discuss legal and ethical considerations in buying and selling securities (SP)
- Discuss state regulation of the securities and investments industry (SP)
- Explain the role of the National Association of Securities Dealers (NASD) in the regulation of securities and investments (SP)
- Explain the regulation of extensions of credit in the securities industry (SP)
- Describe the nature of the Securities Investor Protection Corporation (SIPC) (SP)
- Discuss taxation issues that impact securities and investments (SP)
- Describe the nature of the Chartered Financial Analysts (CFA) Institute Code of Ethics and Professional Conduct (SP)

**Performance Element:** Acquire fundamental knowledge of real estate law to adhere to government requirements.

**Performance Indicators:**

- Explain state licensure laws for the real estate industry (SP)
- Discuss laws pertaining to the conveyance of real estate (SP)
- Discuss the impact of local zoning regulations on the real estate industry (SP)
- Discuss the nature of a real estate sales contract (SP)

**Performance Element: Acquire knowledge of real estate titling to ensure the accuracy of real estate documents.**

**Performance Indicators:**

Discuss methods of transferring real estate titles (SP)

Discuss reasons for title work (SP)

Explain the nature of title insurance (SP)

Discuss types of real estate property titling (e.g. sole ownership, joint tenancy with right of survivorship, tenancy in common, etc.) (SP)

## **Instructional Area: Financial Analysis**

**Knowledge and Skill Statement: Understands tools, strategies, and systems used to maintain, monitor, control, and plan the use of financial resources**

**Performance Element: Acquire fundamental knowledge of investment analysis and selection to make prudent investment decisions.**

**Performance Indicators:**

Discuss types of investment objectives (SP)

Discuss the nature of investment risk (SP)

Describe the nature of diversification strategies (SP)

Explain factors to consider when selecting investments (SP)

Explain information that can be obtained from financial statements (SP)

Describe information that can be obtained from annual reports (SP)

Explain the nature of a mutual fund prospectus (SP)

Explain fundamental analysis used in making investment decisions (SP)

Describe the nature of technical analysis (SP)

Explain strategies for selecting investments (SP)

**Performance Element: Select investments to generate revenue for clients.**

**Performance Indicators:**

Interpret financial ratios significant to investors (SP)

Calculate stock-related values (e.g. the value of a constant growth stock, the expected value of future dividends, the expected rate of return, etc.) (SP)

Calculate bond-related values (e.g. the price of a bond given its yield to maturity, the coupon interest payment for a bond, the effects of interest rates on the price of a bond, etc.) (SP)

Assess securities' fundamentals (SP)

Choose investments based on security's fundamental analysis (SP)

**Performance Element:** Appraise a property to determine its value.

**Performance Indicators:**

Explain the real estate valuation process (SP)

Conduct a real estate appraisal (SP)

Prepare a real estate appraisal report (SP)

Appraise an investment property (SP)

## **Instructional Area: Operations**

**Knowledge and Skill Statement:** Understands the processes and systems implemented to monitor, plan, and control the day-to-day activities required for continued business functioning

**Performance Element:** Implement operations activities to facilitate ongoing business processes.

**Performance Indicators:**

Discuss the functions of operations departments in securities and investments (SP)

Perform the buy/sell functions of a brokerage clerk (SP)

Post transaction data to accounting ledgers and certificate records (SP)

Schedule the delivery of customers' securities (SP)

**Instructional Area: Professional Development**

**Knowledge and Skill Statement:** Understands concepts, tools, and strategies used to explore, obtain, and develop in a securities and investments career

**Performance Element:** Understand careers in securities and investments to determine which role and responsibilities best match personal abilities and traits.

**Performance Indicators:**

Describe the role and responsibilities of individuals in the securities and investments industry (SP)

**Performance Element:** Explore licensing and certification in the securities and investments industry to enhance professional development.

**Performance Indicators:**

Describe the Series 6 and Series 7 licensing exams required to sell securities and other financial products (SP)

Explain professional designations in the securities and investments industry (e.g. CFS, CFA, BCAA, BCS, CSC, CFP, etc.) (SP)

**Performance Element:** Acquire knowledge of the securities and investments industry to understand the environment in which its services are offered.

**Performance Indicators:**

Discuss considerations in selecting a securities sales agent (SP)

Describe types of securities and investment firms (SP)

Describe how securities are traded (SP)

Explain the principal factors that affect securities markets (SP)

Explain causes of stock price fluctuations (SP)

Discuss the relationship between bond prices and yields (SP)

Discuss the role of investment banking in the primary marketplace (SP)

Discuss the nature of margin accounts (SP)

Explain the nature of short sales (SP)

Discuss the nature of market timing (SP)

Discuss the nature of international investment strategies (SP)



**Performance Element: Understand careers in real estate to determine which role and responsibilities best match personal abilities and traits.**

**Performance Indicators:**

- Explain the role and responsibilities of real estate sales agents (SP)
- Describe the role and responsibilities of real estate appraisers (SP)
- Discuss the role and responsibilities of title company personnel (SP)
- Explain the role and responsibilities of real estate entrepreneurs (SP)
- Discuss the role and responsibilities of property managers (SP)

## **Instructional Area: Selling**

**Knowledge and Skill Statement: Understands the concepts and actions needed to determine client needs and wants and respond through planned, personalized communication that influences purchase decisions and enhances future business opportunities**

**Performance Element: Acquire product knowledge to communicate product benefits and to ensure appropriateness of product for the client.**

**Performance Indicators:**

- Explain the nature of stocks (SP)
- Describe the rights of stockholders (SP)
- Explain the nature of dividends (SP)
- Discuss the nature of stock splits (SP)
- Discuss the nature of options strategies (SP)
- Discuss the nature of hedge funds (SP)
- Describe the nature of futures (SP)
- Explain the nature of bonds (SP)
- Describe the nature of mutual funds (SP)
- Explain the rights of mutual fund shareholders (SP)
- Explain the nature of venture capital (SP)
- Explain the nature of real estate investments (SP)
- Discuss the nature of retirement investment plans (SP)
- Explain the nature of education savings plans (SP)

**Performance Element: Utilize sales processes and techniques to aid in successfully completing the sale.**

**Performance Indicators:**

Conduct lectures, seminars, and forums to attract potential clients (SP)  
Schedule appointments with prospective clients (SP)  
Interview client (SP)  
Obtain information on the client's finances and investment goals (SP)  
Determine investment strategies for meeting client's investment goals (SP)  
Develop an investment recommendation for the client (SP)  
Prepare sales presentation materials (SP)  
Present investment recommendation to client (SP)  
Convert securities and investment objections into selling points (SP)  
Close the securities/investment sale (SP)  
Complete the order ticket according to the client's instructions (SP)  
Enter the order (SP)  
Follow up on the completion of the transaction (SP)  
Monitor the client's portfolio (SP)

**Performance Element: Explore real estate sales functions to aid in the profitable sale of a property.**

**Performance Indicators:**

Discuss the listing of property to sell (SP)  
Explain ways to advertise real estate listings for sale (SP)  
Discuss ways to show property (SP)  
Explain the nature of a real estate closing/settlement (SP)

**Performance Element: Act on the behalf of property owners to attract buyers to their properties.**

**Performance Indicators:**

Determine a list price (SP)  
Formulate showing instructions (SP)  
Hold an open house (SP)  
Conduct a caravan tour (SP)