



BUSINESS EDUCATION

Test Framework

	Content Domain	Range of Competencies	Approximate Percentage of Test Score
I.	Business Management, Law, and Ethics	0001–0003	19%
II.	Accounting, Personal Financial Management, and Quantitative Analysis	0004–0006	19%
III.	Economics and International Business	0007–0009	19%
IV.	Marketing, E-Commerce, and Entrepreneurship	0010–0012	19%
V.	Business Communications, Technology, Career Development, and Professionalism	0013–0016	25%

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I. BUSINESS MANAGEMENT, LAW, AND ETHICS

0001 Understand functions, principles, and methods of organizational management.

- ▶ Analyze theories and methods of organizational management; management functions, such as planning, controlling, leading, and organizing; and the roles of management in business organizations.
- ▶ Apply basic principles of financial management and the preparation of budgets.
- ▶ Apply principles and methods for managing change, making decisions, solving problems, and achieving innovations within business organizations.
- ▶ Apply strategies, procedures, and techniques for managing business operations to enhance productivity, add value, and increase profitability.
- ▶ Compare types of organizational structures, including the advantages and disadvantages of each type.

0002 Understand principles of human resources management.

- ▶ Apply knowledge of procedures for staffing a business, including employee recruitment, selection, training, evaluation, and termination.
- ▶ Analyze individual behavior and group dynamics, factors that influence employee motivation and morale, strategies for increasing job satisfaction, and conflict resolution in organizations.
- ▶ Apply strategies for managing employee compensation and benefits, including strategies for establishing compensation and managing retirement plans, benefit plans, unemployment insurance, and workers' compensation.
- ▶ Analyze laws and policies related to human resources management, including those related to discrimination, sexual harassment, collective bargaining, family medical leave, and workplace safety.

0003 Understand business law and issues related to ethics and social responsibility in business.

- ▶ Apply basic knowledge of the structure and operation of the U.S. legal system, legal terminology, and principles of law relevant to business operations.
- ▶ Apply basic knowledge of laws and regulations, including the Uniform Commercial Code and other contract, property, tax, bankruptcy, copyright, and antitrust laws, and of government agencies related to business operations and the regulation of competition.
- ▶ Apply knowledge of laws, regulations, and government agencies related to consumer protection, product testing and safety, and environmental protection.
- ▶ Examine issues related to ethics and social responsibility in business.

II. ACCOUNTING, PERSONAL FINANCIAL MANAGEMENT, AND QUANTITATIVE ANALYSIS

0004 Understand business accounting.

- ▶ Apply knowledge of basic terminology, principles, and methods of business accounting, including the accounting equation, and the types, characteristics, and purposes of various accounting documents.
- ▶ Apply knowledge of the steps of the accounting cycle and the use of computerized software in accounting.
- ▶ Apply procedures for generating and interpreting financial statements, calculating and interpreting financial ratios, and managing cash flow.
- ▶ Apply methods and procedures used in payroll and inventory accounting.
- ▶ Apply methods and procedures used in management accounting and evaluation of the financial performance of organizations.

0005 Understand personal finance and principles of consumer economics.

- ▶ Apply principles of personal financial management and financial planning, including types, characteristics, advantages, and disadvantages of various investment options.
- ▶ Analyze factors that affect the use of credit and strategies for personal credit management.
- ▶ Apply knowledge of strategies for personal risk management and the types, characteristics, advantages, and disadvantages of various insurance products.
- ▶ Apply knowledge of consumer economics and factors that affect employment opportunities, cost of living, and personal income.

0006 Understand basic techniques of computation and quantitative analysis in business.

- ▶ Apply basic computational skills and statistical principles and techniques in various business contexts.
- ▶ Interpret charts, tables, and graphs in various business contexts.
- ▶ Apply basic principles of measurement, algebra, mathematical formulae, and other quantitative techniques in various business contexts.

III. ECONOMICS AND INTERNATIONAL BUSINESS

0007 Understand fundamental principles of microeconomics.

- ▶ Demonstrate knowledge of basic terminology, concepts, and theories of microeconomics.
- ▶ Apply concepts related to business economics, including opportunity costs, supply and demand, and the law of diminishing returns.
- ▶ Analyze principles and theories of competition and characteristics of different types of competitive systems.
- ▶ Analyze concepts related to the factors of production.

0008 Understand fundamental principles of macroeconomics.

- ▶ Demonstrate knowledge of basic terminology, concepts, and theories of macroeconomics.
- ▶ Compare different economic and political systems.
- ▶ Analyze macroeconomic factors that influence economic growth and the business cycle.
- ▶ Apply economic indicators to assess the state of an economy.
- ▶ Analyze government, monetary, and fiscal policy and how these policies affect the U.S. economy.

0009 Understand international business, marketing, and trade.

- ▶ Analyze major concepts, historical patterns, and current trends in international trade and business.
- ▶ Analyze factors that affect international trade, domestic production, and the economies of the United States and other nations.
- ▶ Examine the roles of trade agreements, international agencies, and international financial institutions in expanding global commerce and promoting global economic integration.
- ▶ Analyze organizational structures and forms of international business ownership and how cultural, sociopolitical, economic, and language differences affect business operations and marketing in other countries.

IV. MARKETING, E-COMMERCE, AND ENTREPRENEURSHIP

0010 Understand basic principles of marketing, marketing research, and product/service planning and placement.

- ▶ Apply basic marketing principles, including the four Ps of product, placement, price, and promotion.
- ▶ Apply strategies for conducting market research, collecting and interpreting marketing data, and developing a marketing plan.
- ▶ Analyze marketing strategies, including market segmentation; factors affecting marketing decisions; and methods of evaluating markets and forecasting sales.
- ▶ Analyze the role of marketing in product/service design and development, the product life cycle, and strategies for determining the product mix.
- ▶ Apply principles and procedures related to product/service placement and distribution.
- ▶ Apply knowledge of consumer behavior and consumer decision making, the selling process, and strategies for increasing customer satisfaction.

0011 Understand principles and procedures related to e-commerce and Internet marketing.

- ▶ Demonstrate knowledge of types of e-commerce, the impact of e-commerce on the global economy, and the advantages and disadvantages of marketing goods and services over the Internet.
- ▶ Analyze market research, marketing strategies, product/service planning and placement, and product distribution for Internet businesses.
- ▶ Compare e-commerce and conventional business characteristics, tactics, and strategies.
- ▶ Analyze strategies and issues related to starting an Internet business and factors that influence the success or failure of Internet start-ups.

0012 Understand entrepreneurship and business plan development.

- ▶ Analyze the role of entrepreneurs in business, the characteristics of successful entrepreneurs, and the advantages and disadvantages of business ownership.
- ▶ Identify types of business ownership and the characteristics, advantages, and disadvantages of each type.
- ▶ Analyze factors, procedures, and issues related to starting a new business and developing a business plan for a new business.

V. BUSINESS COMMUNICATIONS, TECHNOLOGY, CAREER DEVELOPMENT, AND PROFESSIONALISM

0013 Understand principles and procedures related to business communication.

- ▶ Demonstrate knowledge of effective communication skills and proper etiquette in personal and professional situations.
- ▶ Demonstrate knowledge of specific business terminology, appropriate style, and standard English for written business communications.
- ▶ Examine strategies and technologies used for preparing and delivering presentations to diverse audiences.
- ▶ Demonstrate knowledge of terminology, components, procedures, and business applications related to the use of electronic communications systems.

0014 Understand information systems in business.

- ▶ Demonstrate knowledge of the impact of information technology on business and society.
- ▶ Examine strategies for planning the selection and acquisition of information technologies.
- ▶ Demonstrate knowledge of basic principles and terminology associated with the use of computer technology in business.
- ▶ Apply knowledge of how to use the Internet and systems networking.
- ▶ Demonstrate knowledge of principles, procedures, and issues related to laws, ethics, and security in technology systems.
- ▶ Demonstrate knowledge of the use of computer technology in production systems.

0015 Understand information processing and computer technology applications in business.

- ▶ Identify methods for developing the skills and knowledge of technology users in a business.
- ▶ Apply knowledge of components and operations of computer systems.
- ▶ Apply knowledge of principles and procedures related to software applications used for information processing.
- ▶ Demonstrate knowledge of skills and techniques used for data input technology and information processing.

0016 Understand career development and professionalism.

- ▶ Identify career opportunities in business; sources of information about business careers; and personal interests, education, and experience needed for business careers.
- ▶ Apply knowledge of career-planning strategies and skills related to job search and job acquisition.
- ▶ Demonstrate knowledge of career, technical, student, and professional organizations related to business education.