



PERFORMANCE INDICATORS

FINANCE CAREER CLUSTER

THE FINANCE CAREER CLUSTER PERFORMANCE INDICATORS ARE USED FOR THE FOLLOWING EVENTS:

ACCOUNTING APPLICATIONS SERIES **ACT**

Accounting Pathway

BUSINESS FINANCE SERIES **BFS**

Corporate Finance Pathway

FINANCIAL CONSULTING **FCE**

FINANCIAL SERVICES TEAM DECISION MAKING **FTDM**

Performance indicators are used to define the parameters of the comprehensive written career cluster exam and other activities that are part of the overall competition.

This list was compiled by MBAResearch and Curriculum Center and DECA Inc. and represents 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.

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. Questions may be e-mailed to betho@MBAResearch.org.

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TABLE OF CONTENTS

Tier 1: Business Administration Core..... 3

Tier 2: Finance Career Cluster 22

Tier 3: Finance Career Pathways

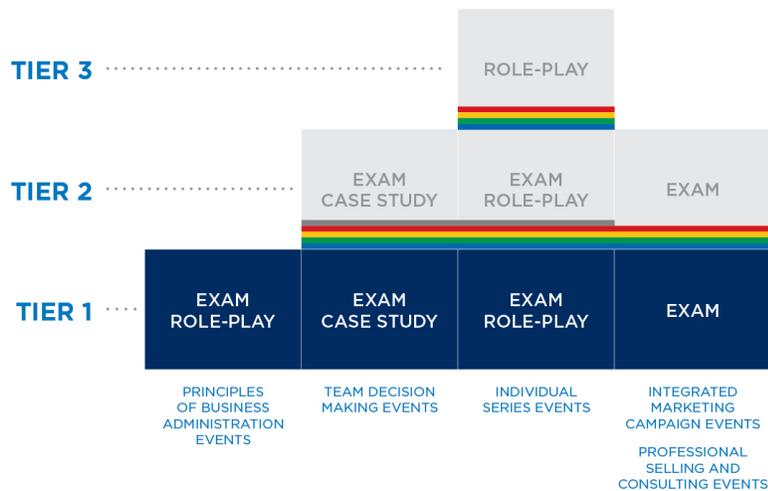
 Accounting Pathway 29

 Banking Services Pathway 36

 Corporate Finance Pathway..... 41

 Insurance Pathway..... 48

 Securities and Investments Pathway 52



Performance Indicators

- Performance indicators for **PRINCIPLES OF BUSINESS ADMINISTRATION** role-plays and exams will be selected from the business administration core (Tier 1).
- Performance indicators for **TEAM DECISION MAKING** case studies and exams will be selected from the business administration core (Tier 1) and appropriate career cluster (Tier 2).
- Performance indicators for **INDIVIDUAL SERIES** exams will be selected from the business administration core (Tier 1) and appropriate career cluster (Tier 2). Performance indicators for the role-plays will be selected from the business administration core (Tier 1), appropriate career cluster (Tier 2) and appropriate pathway (Tier 3).
- Performance Indicators for the exams used for **PROFESSIONAL SELLING AND CONSULTING EVENTS** will be selected from the business administration core (Tier 1) and appropriate career cluster (Tier 2).

Key

PQ = Prerequisite level performance indicator content develops employability and job-survival skills and concepts, including work ethics, personal appearance, and general business behavior.

CS = Career Sustaining level performance indicator content develops skills and knowledge needed for continued employment in or study of business based on the application of basic academics and business skills.

SP = Specialist level performance indicator content provides in-depth, solid understanding and skill development in all business functions.

An asterisk () indicates a new performance indicator.*

The **Business Administration Core** performance indicators will be used when preparing for all exams, role-play scenarios, and case studies in the following events:

- Accounting Applications Series Event
- Business Finance Series Event
- Financial Consulting Event
- Financial Services Team Decision Making Event

Instructional Area: Business Law (BL)

Standard: 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:

- Comply with the spirit and intent of laws and regulations (BL:163) (CS)*
- Discuss the nature of law and sources of law in the United States (BL:067) (SP)
- Describe the United States' judicial system (BL:068) (SP)
- Describe methods used to protect intellectual property (BL:051) (SP)
- Describe legal issues affecting businesses (BL:001) (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 (BL:069) (SP)
- Describe the nature of legally binding contracts (BL:002) (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 (BL:070) (SP)
- Discuss the nature of debtor-creditor relationships (BL:071) (SP)
- Explain the nature of agency relationships (BL:072) (SP)
- Discuss the nature of environmental law (BL:073) (SP)
- Discuss the role of administrative law (BL:074) (SP)

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

Performance Indicators:

- Explain types of business ownership (BL:003) (CS)

Performance Element: Acquire knowledge of commerce laws and regulations to continue business operations.

Performance Indicators:

- Explain the nature of import/export law (BL:145) (SP)
- Describe the nature of customs regulations (BL:126) (SP)

Instructional Area: Communication Skills (CO)

Standard: 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 (CO:054) (PQ)

Extract relevant information from written materials (CO:055) (PQ)

Apply written directions to achieve tasks (CO:056) (PQ)

Analyze company resources to ascertain policies and procedures (CO:057) (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 (CO:082) (PQ)

Follow oral directions (CO:119) (PQ)

Demonstrate active listening skills (CO:017) (PQ)

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

Performance Indicators:

Explain the nature of effective verbal communications (CO:147) (PQ)

Ask relevant questions (CO:058) (PQ)

Interpret others' nonverbal cues (CO:059) (PQ)

Provide legitimate responses to inquiries (CO:060) (PQ)

Give verbal directions (CO:083) (PQ)

Employ communication styles appropriate to target audience (CO:084) (CS)

Defend ideas objectively (CO:061) (CS)

Handle telephone calls in a businesslike manner (CO:114) (CS)

Participate in group discussions (CO:053) (CS)

Facilitate (lead) group discussions (CO:201) (SP)

Make oral presentations (CO:025) (SP)

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

Performance Indicators:

Utilize note-taking strategies (CO:085) (CS)

Organize information (CO:086) (CS)

Select and use appropriate graphic aids (CO:087) (CS)

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

- Explain the nature of effective written communications (CO:016) (CS)
- Select and utilize appropriate formats for professional writing (CO:088) (CS)
- Edit and revise written work consistent with professional standards (CO:089) (CS)
- Write professional emails (CO:090) (CS)
- Write business letters (CO:133) (CS)
- Write informational messages (CO:039) (CS)
- Write inquiries (CO:040) (CS)
- Write persuasive messages (CO:031) (SP)
- Write executive summaries (CO:091) (SP)
- Prepare simple written reports (CO:094) (SP)
- Explain how digital communications (e.g., email, text messages, chats) exposes business to risk (CO:202) (SP)
- Adapt written correspondence to targeted audiences (CO:203) (SP)
- Use data visualization techniques (e.g., infographics, heat-maps, dynamic model outputs) (CO:204) (SP)

Performance Element: Use social media to communicate with a business's stakeholders.**Performance Indicators:**

- Describe the impact of a person's social media brand on the achievement of organizational objectives (CO:205) (CS)
- Distinguish between using social media for business and personal purposes (CO:206) (CS)

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

- Explain the nature of staff communication (CO:014) (CS)
- Choose and use appropriate channel for workplace communication (CO:092) (CS)
- Participate in a staff meeting (CO:063) (CS)
- Participate in problem-solving groups (CO:067) (CS)

Instructional Area: Customer Relations (CR)

Standard: 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 (CR:003) (CS)

Demonstrate a customer-service mindset (CR:004) (CS)

Develop rapport with customers (CR:029) (CS)

Reinforce service orientation through communication (CR:005) (CS)

Respond to customer inquiries (CR:006) (CS)

Adapt communication to the cultural and social differences among clients (CR:019) (CS)

Interpret business policies to customers/clients (CR:007) (CS)

Build and maintain relationships with customers (CR:030) (SP)

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

Performance Indicators:

Handle difficult customers (CR:009) (CS)

Handle customer/client complaints (CR:010) (CS)

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

Performance Indicators:

Identify company's brand promise (CR:001) (CS)

Determine ways of reinforcing the company's image through employee performance (CR:002) (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 (CR:016) (SP)

Explain the role of ethics in customer relationship management (CR:017) (SP)

Describe the use of technology in customer relationship management (CR:018) (SP)

Instructional Area: Economics (EC)

Standard: 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 (EC:002) (CS)
- Explain the concept of economic resources (EC:003) (CS)
- Describe the concepts of economics and economic activities (EC:001) (CS)
- Determine economic utilities created by business activities (EC:004) (CS)
- Explain the principles of supply and demand (EC:005) (CS)
- Describe the functions of prices in markets (EC:006) (CS)

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

Performance Indicators:

- Explain the role of business in society (EC:070) (CS)
- Describe types of business activities (EC:071) (CS)
- Describe types of business models (EC:138) (SP)
- Explain the organizational design of businesses (EC:103) (SP)
- Discuss the global environment in which businesses operate (EC:104) (SP)
- Describe factors that affect the business environment (EC:105) (SP)
- Explain the nature of business ethics (EC:106) (SP)
- Explain how organizations adapt to today's markets (EC:107) (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 (EC:007) (CS)
- Identify the impact of small business/entrepreneurship on market economies (EC:065) (CS)
- Explain the concept of private enterprise (EC:009) (CS)
- Identify factors affecting a business's profit (EC:010) (CS)
- Determine factors affecting business risk (EC:011) (CS)
- Explain the concept of competition (EC:012) (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 (EC:008) (CS)
- Describe the nature of taxes (EC:072) (SP)

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

Explain the concept of productivity (EC:013) (CS)

Analyze impact of specialization/division of labor on productivity (EC:014) (SP)

Explain the concept of organized labor and business (EC:015) (SP)

Explain the impact of the law of diminishing returns (EC:023) (SP)

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

Discuss the measure of consumer spending as an economic indicator (EC:081) (SP)

Describe the economic impact of inflation on business (EC:083) (SP)

Explain the concept of Gross Domestic Product (GDP) (EC:017) (SP)

Discuss the impact of a nation's unemployment rates (EC:082) (SP)

Explain the economic impact of interest-rate fluctuations (EC:084) (SP)

Determine the impact of business cycles on business activities (EC:018) (SP)

Performance Element: Understand global trade's impact to aid business decision-making.**Performance Indicators:**

Explain the nature of global trade (EC:016) (SP)

Discuss the impact of globalization on business (EC:109) (SP)

Describe the determinants of exchange rates and their effects on the domestic economy (EC:100) (SP)

Explain cultural considerations that impact global business relations (EC:110) (SP)

Discuss the impact of cultural and social environments on global trade (EC:045) (SP)

Describe the impact of electronic communication tools (e.g., Internet, video- and computer-conferencing, webcasts, email) on global business activities (EC:111) (SP)

Explain the impact of major trade alliances on business activities (EC:112) (SP)

Describe the impact of the political environment on world trade (EC:113) (SP)

Explain the impact of geography on world trade (EC:114) (SP)

Describe the impact of a country's history on world trade (EC:115) (SP)

Explain the impact of a country's economic development on world trade (EC:116) (SP)

Discuss the impact of bribery and foreign monetary payments on business (EC:140) (SP)

Identify requirements for international business travel (e.g., passport, visa, proof of citizenship, immunizations, and sponsorship letters) (EC:141) (SP)

Instructional Area: Emotional Intelligence (EI)

Standard: 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 (EI:001) (PQ)
- Explain the concept of self-esteem (EI:016) (PQ)
- Recognize and overcome personal biases and stereotypes (EI:017) (PQ)
- Assess personal strengths and weaknesses (EI:002) (PQ)
- Assess personal behavior and values (EI:126) (PQ)*

Performance Element: Develop personal traits to foster career advancement.

Performance Indicators:

- Identify desirable personality traits important to business (EI:018) (PQ)
- Exhibit self-confidence (EI:023) (PQ)
- Demonstrate interest and enthusiasm (EI:020) (PQ)
- Demonstrate initiative (EI:024) (PQ)

Performance Element: Apply ethics to demonstrate trustworthiness.

Performance Indicators:

- Demonstrate honesty and integrity (EI:022) (PQ)
- Demonstrate responsible behavior (EI:021) (PQ)
- Demonstrate fairness (EI:127) (PQ)*
- Assess risks of personal decisions (EI:091) (PQ)*
- Demonstrate ethical work habits (EI:004) (PQ)
- Take responsibility for decisions and actions (EI:075) (PQ)
- Build trust in relationships (EI:128) (CS)*
- Describe the nature of ethics (EI:123) (CS)*
- Explain reasons for ethical dilemmas (EI:124) (CS)*
- Recognize and respond to ethical dilemmas (EI:125) (CS)*
- Manage commitments in a timely manner (EI:077) (CS)
- Develop tolerance for ambiguity (EI:092) (CS)*

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

Performance Indicators:

- Exhibit a positive attitude (EI:019) (PQ)
- Demonstrate self-control (EI:025) (PQ)
- Explain the use of feedback for personal growth (EI:003) (PQ)
- Adjust to change (EI:026) (PQ)

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

- Respect the privacy of others (EI:029) (PQ)
- Show empathy for others (EI:030) (PQ)
- Maintain the confidentiality of others (EI:103) (CS)
- Exhibit cultural sensitivity (EI:033) (CS)
- Leverage personality types in business situations (EI:104) (SP)

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

- Explain the nature of effective communications (EI:007) (PQ)
- Explain ethical considerations in providing information (EI:038) (SP)
- Foster open, honest communication (EI:129) (SP)*
- Collaborate with others (EI:130) (SP)*
- Solicit feedback (EI:106) (SP)
- Use social media to solicit new ideas and solutions (EI:107) (SP)

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

- “Sell” ideas to others (EI:108) (SP)
- Persuade others (EI:012) (SP)
- Demonstrate negotiation skills (EI:062) (SP)

Performance Element: Manage stressful situations to minimize potential negative impact.**Performance Indicators:**

- Use appropriate assertiveness (EI:008) (PQ)
- Use conflict-resolution skills (EI:015) (CS)
- Explain the nature of office politics (EI:109) (CS)
- Overcome problems and difficulties associated with office politics/turf wars (EI:095) (CS)
- Explain the nature of stress management (EI:028) (SP)

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

- Participate as a team member (EI:045) (CS)
- Use consensus-building skills (EI:011) (SP)
- Motivate team members (EI:059) (SP)

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

- Explain the concept of leadership (EI:009) (CS)
- Explain the nature of ethical leadership (EI:131) (CS)*
- Model ethical behavior (EI:132) (CS)*
- Determine personal vision (EI:063) (CS)
- Inspire others (EI:133) (CS)*
- Demonstrate adaptability (EI:006) (CS)
- Develop an achievement orientation (EI:027) (CS)
- Challenge the status quo (EI:134) (CS)*
- Lead change (EI:005) (CS)
- Enlist others in working toward a shared vision (EI:060) (CS)
- Coach others (EI:041) (CS)
- Use power appropriately (EI:135) (SP)*
- Recognize/Reward others for their efforts and contributions (EI:014) (SP)*

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

- Treat others with dignity and respect (EI:036) (PQ)
- Foster positive working relationships (EI:037) (CS)
- Consider conflicting viewpoints (EI:136) (CS)*
- Assess long-term value and impact of actions on others (EI:137) (SP)*
- Maintain collaborative partnerships with colleagues (EI:061) (SP)
- Explain the impact of political relationships within an organization (EI:034) (SP)
- Explain the nature of organizational culture (EI:064) (SP)
- Interpret and adapt to a business's culture (EI:112) (SP)

Instructional Area: Entrepreneurship (EN)**Standard: Understands the concepts, processes, and skills associated with identifying new ideas, opportunities, and methods and with creating or starting a new project or venture****Performance Element: Understand fundamental factors about entrepreneurship to recognize its role and importance in the economy****Performance Indicators:**

- Describe the nature of entrepreneurship (EN:039) (SP)
- Explain the role requirements of entrepreneurs and owners (EN:040) (SP)
- Describe small-business opportunities in international trade (EN:041) (SP)

Instructional Area: Financial Analysis (FI)

Standard: 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.) (FI:058) (PQ)

Identify types of currency (paper money, coins, banknotes, government bonds, treasury notes, etc.) (FI:059) (PQ)

Describe functions of money (medium of exchange, unit of measure, store of value) (FI:060) (PQ)

Describe sources of income (wages/salaries, interest, rent, dividends, transfer payments, etc.) (FI:061) (PQ)

Explain the time value of money (FI:062) (CS)

Explain the purposes and importance of credit (FI:002) (CS)

Explain legal responsibilities associated with financial exchanges (FI:063) (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.) (FI:064) (CS)

Explain the need to save and invest (FI:270) (CS)

Set financial goals (FI:065) (CS)

Develop personal budget (FI:066) (CS)

Determine personal net worth (FI:562) (CS)*

Performance Element: Manage personal finances to achieve financial goals.

Performance Indicators:

Explain the nature of tax liabilities (FI:067) (PQ)

Interpret a pay stub (FI:068) (PQ)

Prepare bank account documents (e.g., checks, deposit/withdrawal slips, endorsements, etc.) (FI:560) (PQ)

Maintain financial records (FI:069) (PQ)

Read and reconcile bank statements (FI:070) (PQ)

Calculate the cost of credit (FI:782) (CS)*

Demonstrate the wise use of credit (FI:071) (CS)

Validate credit history (FI:072) (CS)

Make responsible financial decisions (FI:783) (CS)*

Protect against identity theft (FI:073) (CS)

Pay bills (FI:565) (CS)*
Apply for a consumer loan (FI:625) (SP)*
Control debt (FI:568) (CS)*
Prepare personal income tax forms (i.e., 1040 EZ form) (FI:074) (CS)
Discuss the nature of retirement planning (FI:569) (CS)*
Explain the nature of estate planning (FI:572) (CS)*

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

Performance Indicators:

Describe types of financial-services providers (FI:075) (CS)
Discuss considerations in selecting a financial-services provider (FI:076) (CS)

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

Performance Indicators:

Explain types of investments (FI:077) (CS)

Performance Element: Use risk management products to protect a business's financial well-being.

Performance Indicators:

Describe the concept of insurance (FI:081) (CS)

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

Performance Indicators:

Describe the need for financial information (FI:579) (CS)
Explain the concept of accounting (FI:085) (CS)
Discuss the role of ethics in accounting (FI:351) (SP)
Explain the use of technology in accounting (FI:352) (SP)
Explain legal considerations for accounting (FI:353) (SP)

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

Performance Indicators:

Describe the nature of cash flow statements (FI:091) (SP)
Explain the nature of balance sheets (FI:093) (SP)
Describe the nature of income statements (FI:094) (SP)

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

Performance Indicators:

Explain the role of finance in business (FI:354) (CS)

Discuss the role of ethics in finance (FI:355) (SP)

Explain legal considerations for finance (FI:356) (SP)

Performance Element: Manage financial resources to ensure solvency.

Performance Indicators:

Describe the nature of budgets (FI:106) (SP)

Instructional Area: Human Resources Management (HR)

Standard: 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 (HR:410) (CS)

Explain the role of ethics in human resources management (HR:411) (SP)

Describe the use of technology in human resources management (HR:412) (SP)

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

Performance Indicators:

Orient new employees (HR:360) (CS)

Instructional Area: Marketing (MK)

Standard: 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 (MK:001) (CS)

Describe marketing functions and related activities (MK:002) (CS)

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

Performance Indicators:

Explain factors that influence customer/client/business buying behavior (MK:014) (SP)

Discuss actions employees can take to achieve the company's desired results (MK:015) (SP)

Demonstrate connections between company actions and results (e.g., influencing consumer buying behavior, gaining market share, etc.) (MK:019) (SP)

Instructional Area: Information Management (NF)

Standard: 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 (NF:077) (CS)
- Obtain needed information efficiently (NF:078) (CS)
- Evaluate quality and source of information (NF:079) (CS)
- Draw conclusions based on information analysis (NF:278) (CS)*
- Apply information to accomplish a task (NF:080) (CS)
- Store information for future use (NF:081) (CS)

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

Performance Indicators:

- Discuss the nature of information management (NF:110) (CS)
- Explain the role of ethics in information management (NF:111) (SP)
- Explain legal issues associated with information management (NF:076) (SP)

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

Performance Indicators:

- Identify ways that technology impacts business (NF:003) (PQ)
- Explain the role of information systems (NF:083) (PQ)
- Discuss principles of computer systems (NF:084) (PQ)
- Use basic operating systems (NF:085) (PQ)
- Describe the scope of the Internet (NF:086) (PQ)
- Demonstrate basic e-mail functions (NF:004) (PQ)
- Demonstrate personal information management/productivity applications (NF:005) (PQ)
- Demonstrate basic web-search skills (NF:006) (PQ)
- Demonstrate basic word processing skills (NF:007) (PQ)
- Demonstrate basic presentation applications (NF:008) (PQ)
- Demonstrate basic database applications (NF:009) (PQ)
- Demonstrate basic spreadsheet applications (NF:010) (PQ)
- Use an integrated business software application package (NF:088) (CS)
- Demonstrate collaborative/groupware applications (NF:011) (CS)
- Create and post basic web page (NF:042) (CS)
- Collaborate on and aggregate complex internal documents to create a common voice (NF:215) (SP)

Performance Element: Maintain business records to facilitate business operations.

Performance Indicators:

Describe the nature of business records (NF:001) (SP)

Maintain customer records (NF:002) (SP)

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

Performance Indicators:

Describe current business trends (NF:013) (SP)

Monitor internal records for business information (NF:014) (SP)

Conduct an environmental scan to obtain business information (NF:015) (SP)

Interpret statistical findings (NF:093) (SP)

Translate research findings into actionable business recommendations (NF:216) (SP)

Performance Element: Create and access databases to acquire information for business decision-making.

Performance Indicators:

Explain the principles of data analysis (NF:139) (SP)

Explain the nature of tools that can be used to access information in the database system (NF:140) (SP)

Access information in the database system (NF:141) (SP)

Performance Element: Apply data mining methods to acquire pertinent information for business decision-making.

Performance Indicators:

Discuss the nature of data mining (NF:148) (CS)

Describe data mining tools and techniques (NF:149) (SP)

Discuss the importance of ethics in data mining (NF:150) (SP)

Demonstrate basic data mining techniques (NF:151) (SP)

Interpret data mining findings (NF:152) (SP)

Instructional Area: Operations (OP)

Standard: 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 (OP:189) (CS)

Discuss the role of ethics in operations (OP:190) (SP)

Describe the use of technology in operations (OP:191) (SP)

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

Performance Indicators:

Describe health and safety regulations in business (OP:004) (PQ)

Report noncompliance with business health and safety regulations (OP:005) (PQ)

Performance Element: Implement safety procedures to minimize loss.

Performance Indicators:

Follow instructions for use of equipment, tools, and machinery (OP:006) (PQ)

Follow safety precautions (OP:007) (PQ)

Maintain a safe work environment (OP:008) (CS)

Explain procedures for handling accidents (OP:009) (CS)

Handle and report emergency situations (OP:010) (CS)

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

Performance Indicators:

Explain routine security precautions (OP:013) (CS)

Follow established security procedures/policies (OP:152) (CS)

Protect company information and intangibles (OP:153) (CS)

Performance Element: Comply with security rules, regulations, and codes (e.g., property, privacy, access, confidentiality) to protect customer and company information, reputation, and image.

Performance Indicators:

Explain information privacy, security, and confidentiality considerations in business (OP:441) (CS)

Maintain data security (OP:064) (CS)

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

Performance Indicators:

Plan project (OP:519) (CS)*

Monitor projects and take corrective actions (OP:520) (CS)*

Evaluate project success (OP:521) (CS)*

Explain the nature of project management (OP:158) (SP)

Identify resources needed for project (OP:003) (SP)

Develop project plan (OP:001) (SP)

Apply project-management tools to monitor and communicate project progress (OP:002) (SP)

Evaluate project results (OP:159) (SP)

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

Performance Indicators:

Explain the nature and scope of purchasing (OP:015) (CS)

Place orders/reorders (OP:016) (CS)

Maintain inventory of supplies (OP:031) (CS)

Discuss the importance of utilizing ethical purchasing methods (OP:246) (SP)

Explain the impact of the purchasing process on productivity (OP:247) (SP)

Manage the bid process in purchasing (OP:160) (SP)

Select vendors (OP:161) (SP)

Evaluate vendor performance (OP:162) (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 (OP:017) (CS)

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

Performance Indicators:

Identify quality-control measures (OP:163) (SP)

Utilize quality control methods at work (OP:164) (SP)

Describe crucial elements of a quality culture (OP:019) (SP)

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

Performance Indicators:

Explain the nature of overhead/operating costs (OP:024) (SP)

Explain employee's role in expense control (OP:025) (SP)

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

Performance Indicators:

Comply with policies and procedures for use of property and equipment (OP:442) (CS)

Performance Element: Understand supply chain management role to recognize its need in business.

Performance Indicators:

Explain the concept of supply chain (OP:443) (CS)

Explain the benefits of supply chain collaboration (OP:444) (SP)

Instructional Area: Professional Development (PD)

Standard: 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 (PD:002) (PQ)

Demonstrate systematic behavior (PD:009) (PQ)

Set personal goals (PD:018) (CS)

Balance personal and professional responsibilities (PD:179) (SP)

Performance Element: Understand and follow company rules and regulations to maintain employment.

Performance Indicators:

Adhere to company protocols and policies (PD:250) (CS)

Follow rules of conduct (PD:251) (CS)

Follow chain of command (PD:252) (CS)

Performance Element: Achieve organizational goals to contribute to company growth.

Performance Indicators:

Determine the nature of organizational goals (PD:254) (SP)

Ascertain employee's role in meeting organizational goals (PD:255) (SP)

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

Performance Indicators:

Explain the need for innovation skills (PD:126) (CS)

Make decisions (PD:017) (CS)

Demonstrate problem-solving skills (PD:077) (CS)

Demonstrate appropriate creativity (PD:012) (SP)

Use time-management skills (PD:019) (SP)

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

Performance Indicators:

Assess personal interests and skills needed for success in business (PD:013) (PQ)

Analyze employer expectations in the business environment (PD:020) (PQ)

Explain the rights of workers (PD:021) (PQ)

Identify sources of career information (PD:022) (CS)

Identify tentative occupational interest (PD:023) (CS)

Explain employment opportunities in business (PD:025) (CS)

Explain career opportunities in entrepreneurship (PD:066) (CS)

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

Utilize job-search strategies (PD:026) (PQ)

Complete a job application (PD:027) (PQ)

Interview for a job (PD:028) (PQ)

Write a follow-up letter after job interviews (PD:029) (CS)

Write a letter of application (PD:030) (CS)

Prepare a résumé (PD:031) (CS)

Use networking techniques to identify employment opportunities (PD:037) (SP)

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

Describe techniques for obtaining work experience (e.g., volunteer activities, internships) (PD:032) (PQ)

Explain the need for ongoing education as a worker (PD:033) (PQ)

Explain possible advancement patterns for jobs (PD:034) (PQ)

Identify skills needed to enhance career progression (PD:035) (SP)

Utilize resources that can contribute to professional development (e.g., trade journals/periodicals, professional/trade associations, classes/seminars, trade shows, and mentors) (PD:036) (SP)

Instructional Area: Strategic Management (SM)**Standard: 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 (SM:001) (CS)

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

Explain the nature of risk management (SM:075) (SP)

Conduct a risk assessment of an event (SM:076) (SP)

The **Finance Career Cluster** performance indicators will be used when preparing for all exams, role-play scenarios, and case studies in the following events:

- Accounting Applications Series Event
- Business Finance Series Event
- Financial Consulting Event
- Financial Services Team Decision Making Event

Instructional Area: Business Law (BL)

Standard: 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 (BL:133) (SP)

Discuss the effect of tax laws and regulations on financial transactions (BL:134) (SP)

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 (BL:148) (SP)

Describe the use of technology in compliance (BL:149) (SP)

Instructional Area: Customer Relations (CR)

Standard: 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 (CR:012) (CS)

Performance Element: Utilize technology to facilitate customer relationship management.

Performance Indicators:

Use Customer Relationship Management (CRM) technology (CR:024) (SP)

Instructional Area: Financial Analysis (FI)

Standard: Understands tools, strategies, and systems used to maintain, monitor, control, and plan the use of financial resources

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

Performance Indicators:

Describe the role of financial institutions (FI:336) (CS)

Explain types of financial markets (e.g., money market, capital market, insurance market, commodities markets, etc.) (FI:337) (SP)

Discuss the nature of convergence/consolidation in the finance industry (FI:573) (SP)

Describe the relationship between economic conditions and financial markets (FI:574) (SP)

Explain the nature and scope of financial globalization (FI:575) (SP)

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

Performance Indicators:

Describe sources of securities information (FI:274) (CS)

Interpret securities table (FI:275) (SP)

Explain the nature of statements of changes in equity (FI:630) (SP)

Performance Element: Manage financial resources to ensure solvency.

Performance Indicators:

Calculate the time value of money (FI:238) (SP)

Performance Element: Understand the fundamentals of managerial accounting to aid in financial decision-making.

Performance Indicators:

Explain the nature of managerial cost accounting (e.g., activities, costs, cost drivers, etc.) (FI:657) (SP)

Describe the scope of costs in managerial accounting (e.g., direct cost, indirect cost, sunk cost, differential cost, etc.) (FI:658) (SP)

Describe marginal analysis techniques and applications (FI:659) (SP)

Explain the role of managerial accounting techniques in business management (FI:660) (SP)

Discuss the use of variance analysis in managerial accounting (FI:661) (SP)

Discuss the nature of cost accounting budgets (FI:662) (SP)

Discuss the nature of cost allocation (FI:663) (SP)

Instructional Area: Information Management (NF)

Standard: 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 manage and perform work responsibilities.

Performance Indicators:

Demonstrate advanced database applications (NF:124) (SP)

Instructional Area: Professional Development (PD)

Standard: Understands concepts, tools, and strategies used to explore, obtain, and develop in a business career

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

Performance Indicators:

Discuss employment opportunities in the finance industry (PD:152) (CS)

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

Performance Indicators:

Discuss opportunities for building professional relationships in finance (PD:153) (SP)

Performance Element: Acquire knowledge of corporate governance to be aware of the restraints imposed upon finance functions.

Performance Indicators:

Discuss the importance of corporate governance in business (PD:213) (CS)

Ascertain employee's role in achieving governance objectives (PD:301) (CS)

Identify the factors that impact governance structures (PD:302) (SP)

Describe the components of a well-governed company (e.g., board of directors, reporting, transparency, internal and external audit functions) (PD:214) (SP)

Describe the impact of governance processes on decision-making and management functions (PD:303) (SP)

Instructional Area: Financial-Information Management (FM)

Standard: 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 (FM:002) (SP)

Explain the role of ethics in financial-information management (FM:003) (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 (FM:011) (SP)

Demonstrate budgeting applications (FM:013) (SP)

Demonstrate financial analysis applications (FM:014) (SP)

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

Performance Indicators:

Describe techniques used to analyze customer financial information (FM:009) (SP)

Discuss non-traditional uses for financial information (e.g., lean, sustainability reporting, activity-based costing [ABC], six sigma) (FM:016) (SP)

Instructional Area: Risk Management (RM)

Standard: 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 (RM:041) (SP)

Describe the use of technology in risk management (RM:042) (SP)

Discuss legal considerations affecting risk management (RM:043) (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) (RM:058) (SP)

Performance Element: Manage risk to protect a business's well-being.

Performance Indicators:

Discuss the nature of enterprise risk management (ERM) (RM:062) (SP)

The Finance Pathway performance indicators will be used when preparing for the role-play scenarios for the following event:

- Accounting Applications Series Event (Accounting Pathway, pp. 29-35)
- Business Finance Series Event (Corporate Finance Pathway, pp. 41-45=7)

Instructional Area: Business Law (BL)

Standard: Understands business's responsibility to know, abide by, and enforce laws and regulations that affect business operations and transactions

Performance Element: Implement compliance measures in accounting to adhere to regulatory requirements.

Performance Indicators:

Explain financial disclosure regulations and policies (BL:153) (SP)

Comply with financial reporting and internal control regulations in accounting (BL:088) (SP)

Discuss state regulation of the accounting industry (BL:090) (SP)

Comply with state regulations (BL:154) (SP)

Instructional Area: Financial Analysis (FI)

Standard: 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 (FI:342) (CS)

Distinguish among types of business transactions (FI:673) (CS)

Distinguish among types of business documentation (FI:674) (CS)

Demonstrate the effects of transactions on the accounting equation (FI:378) (CS)

Prepare a chart of accounts (FI:379) (CS)

Explain the nature of special journals (FI:407) (CS)

Journalize business transactions (FI:381) (CS)

Post journal entries to general ledger accounts (FI:382) (CS)

Prepare a trial balance (FI:383) (CS)

Journalize and post adjusting entries (FI:384) (CS)

Journalize and post closing entries (FI:385) (CS)

Prepare a post-closing trial balance (FI:386) (CS)

Identify and correct accounting errors (FI:675) (SP)

Prepare worksheets (FI:387) (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.) (FI:113) (CS)

Reconcile cash (FI:396) (CS)

Account for petty cash (FI:676) (CS)

Account for cash receipts (e.g., record cash, record income) (FI:677) (CS)

Account for cash payments (e.g., record cash, record expenses) (FI:678) (CS)

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

Explain the nature of accounts payable (FI:409) (CS)

Account for purchases (e.g., purchase requisitions, purchase orders, invoices, vouchers, etc.) (FI:679) (CS)

Process accounts payable (e.g., maintain vendor file, post to ledger, process invoices and checks) (FI:680) (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 (FI:424) (CS)

Account for sales (e.g., invoices, sales slips, etc.) (FI:682) (CS)

Process accounts receivable (e.g., post to ledger, process payment, process uncollectible account, etc.) (FI:683) (SP)

Performance Element: Maintain inventory records to track the location, quantity, and value of goods and services.**Performance Indicators:**

Record inventory transactions (FI:432) (CS)

Process inventory adjustments (e.g., shrinkage, obsolescence, returns, etc.) (FI:435) (CS)

Explain methods used to value inventory (e.g., FIFO, LIFO, average cost, etc.) (FI:586) (CS)

Determine the cost/value of inventory (FI:436) (SP)

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

Explain the nature of payroll expenses (e.g., Social Security tax, Medicare tax, FUTA, SUTA, workers' compensation, etc.) (FI:638) (CS)

Maintain employee earnings records (e.g., timecards, time sheets, etc.) (FI:134) (CS)

Calculate employee earnings (FI:438) (SP)

Calculate employee deductions (FI:439) (SP)

Calculate payroll taxes (FI:442) (SP)

Account for payroll transactions (e.g., earnings, taxes, benefits, other deductions) (FI:686) (SP)

Process payroll payments and remittances (e.g., employees, benefits, taxes) (FI:687) (SP)

Prepare federal, state, and local payroll tax returns and reports (FI:443) (SP)

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

Discuss the nature of long-term assets (e.g., tangible assets, intangible assets, natural resources, etc.) (FI:642) (SP)

Describe the methods used to value long-term assets (e.g., tangible assets, intangible assets, natural resources, etc.) (FI:690) (SP)

Account for long-term assets (e.g., record acquisition, record depreciation/amortization, record disposal) (FI:691) (SP)

Account for long-term liabilities (e.g., bonds payable, notes payable, leases, etc.) (FI:692) (SP)

Account for provisions (e.g., restructurings, warranties, customer refunds, etc.) (FI:693) (SP)

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

Explain record keeping procedures for tax accounting (FI:484) (SP)

Calculate taxes owed by clients (i.e., individual and business) (FI:696) (SP)

Account for taxes (FI:697) (SP)

Prepare tax returns for clients (i.e., individuals and business) (FI:698) (SP)

Identify tax issues for clients (FI:485) (SP)

Performance Element: Understand the fundamentals of managerial accounting to aid in financial decision-making.**Performance Indicators:**

Differentiate among management accounting responsibility centers (i.e., cost, profit, investment, revenue) (FI:717) (SP)

Discuss the use of cost-volume-profit analysis (FI:718) (SP)

Discuss cost accounting systems and overhead allocation (e.g., job order costing, process costing, activity-based costing [ABC], project costing) (FI:719) (SP)

Distinguish between variable costing and absorption costing (FI:720) (SP)

Describe common management accounting performance measures (e.g., balanced scorecard, return on investment [ROI], customer profitability analysis, etc.) (FI:721) (SP)

Discuss the role of standard costing in the preparation and analysis of budgets (FI:722) (SP)

Describe the nature of flexible budgets (FI:723) (SP)

Explain the role of transfer pricing in managerial accounting (FI:724) (SP)

Explain the impact of business operational practices (e.g., total quality management [TQM], lean production, just-in-time [JIT], etc.) on managerial accounting (FI:725) (SP)

Performance Element: Produce financial reports to communicate the results of business activity.**Performance Indicators:**

Discuss the nature of annual reports (FI:388) (SP)

Analyze transactions and accounts (e.g., purchase, sales, sales returns and allowances, uncollectible accounts, depreciation, debt) (FI:449) (SP)

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

Explain the purpose of internal accounting controls (FI:343) (SP)

Assess financial accounting fraud risk (FI:706) (SP)

Determine the components of internal accounting control procedures for a business (FI:479) (SP)

Maintain internal accounting controls (FI:480) (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 and assurance engagements (FI:344) (SP)

Distinguish between internal and external audits (FI:713) (SP)

Describe auditing techniques/procedures (FI:714) (SP)

Conduct audit engagements (FI:482) (SP)

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

Performance Indicators:

Maintain job order cost sheets (FI:450) (SP)

Calculate the cost of goods sold (FI:451) (SP)

Apply cost accounting techniques (e.g., overhead calculation, job and process costing, activity-based costing) (FI:726) (SP)

Performance Element: Prepare budget reports to make business decisions.

Performance Indicators:

Explain types of budgeting systems (e.g., top-down, bottom-up, incremental, etc.) (FI:728) (SP)

Project future revenues and expenses (FI:394) (SP)

Process preliminary budget detail (FI:460) (SP)

Instructional Area: Information Management (NF)

Standard: 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:

Use accounting applications and systems (NF:225) (CS)

Describe the nature of Extensible Business Reporting Language (XBRL) (NF:226) (SP)

Integrate technology into accounting (NF:133) (SP)

Preserve automated accounting records (NF:227) (SP)

Performance Element: Apply statistical data analysis methods to aid in business data interpretation.

Performance Indicators:

Select confidence levels (NF:228) (SP)

Test data for definitive relationships (NF:229) (SP)

Test data for definitive associations (NF:230) (SP)

Test data for meaningful differences (NF:231) (SP)

Use statistical data inferences to draw preliminary conclusions (NF:232) (SP)

Identify types of data analysis modeling techniques (NF:233) (SP)

Apply mathematical data analysis modeling techniques (NF:234) (SP)

Use data analysis software (NF:235) (SP)

Performance Element: Interpret research data into information for business decision-making.

Performance Indicators:

Explain the use of descriptive statistics in business decision making (NF:236) (SP)

Interpret descriptive statistics for business decision making (NF:237) (SP)

Interpret business data correlations (NF:238) (SP)

Draw conclusions on the research question/issue (NF:239) (SP)

Instructional Area: Operations (OP)

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

Performance Element: Develop an understanding of business analysis to improve business functions and activities.

Performance Indicators:

Discuss the connection between business analysis and business process management (OP:328) (SP)

Explain types of requirements (e.g., business, system, functional, nonfunctional) (OP:329) (SP)

Performance Element: Analyze business processes to improve business performance.

Performance Indicators:

Document business processes (OP:457) (SP)

Identify the business process problem/issue (OP:458) (SP)

Define data needs and limitations (e.g., data fields, constraints, assumptions, variations expectations) (OP:459) (SP)

Identify data acquisition strategies (OP:460) (SP)

Analyze business processes (e.g., measure efficiency, benchmark metrics) (OP:461) (SP)

Recommend improvements to business processes (OP:462) (SP)

Instructional Area: Professional Development (PD)

Standard: Understands concepts, tools, and strategies used to explore, obtain, and develop in a business career

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

Performance Indicators:

Identify career opportunities in accounting (PD:337) (SP)

Explain the roles and responsibilities of accounting professionals (PD:338) (SP)

Performance Element: Explore career-advancement activities in the accounting industry to enhance professional development.

Performance Indicators:

Discuss professional designations for accountants (e.g., CPA, CMA, CIA, CFE, etc.) (PD:168) (SP)

Describe the services of professional organizations in accounting (PD:339) (SP)

Performance Element: Acquire knowledge of accounting standards to record, report, and evaluate financial data appropriately.

Performance Indicators:

Explain the nature of accounting standards (PD:158) (CS)

Discuss the roles and responsibilities of accounting-standard-setting bodies (i.e., SEC, FASB, IASB, GASB) (PD:295) (SP)

Compare U.S. Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS) (PD:296) (SP)

Discuss the levels and types of external financial reporting (PD:340) (SP)

Performance Element: Acquire knowledge of auditing standards to attest to the integrity of a business's finances.

Performance Indicators:

Discuss the nature of auditing/attestation standards (PD:341) (SP)

Instructional Area: Business Law (BL)

Standard: Understands business's responsibility to know, abide by, and enforce laws and regulations that affect business operations and transactions

Performance Element: Implement compliance measures in banking to adhere to regulatory requirements.

Performance Indicators:

Discuss e-compliance issues in banking services (BL:091) (SP)

Discuss federal regulation of lending functions (BL:092) (SP)

Discuss federal regulation of operations functions in banking services (BL:093) (SP)

Discuss the responsibilities of regulatory agencies that oversee the banking industry (BL:094) (SP)

Comply with banking regulations (BL:146) (SP)

Instructional Area: Customer Relations (CR)

Standard: 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 (CR:015) (CS)

Recommend bank solutions to meet client needs (CR:031) (CS)

Assist a customer in the opening of an account (CR:032) (CS)

Describe the relationships that institutions providing banking services have with their communities (CR:020) (SP)

Interpret loan terms for a client (CR:033) (SP)

Instructional Area: Financial Analysis (FI)

Standard: Understands tools, strategies, and systems used to maintain, monitor, control, and plan the use of financial resources

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

Performance Indicators:

Explain the purpose of internal accounting controls (FI:343) (SP)

Determine the components of internal accounting control procedures for a business (FI:479) (SP)

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

Performance Indicators:

Explain key ratios/terms in banking (FI:543) (SP)

Compute key banking calculations (e.g., interest, annual percentage rate, exchange rates, etc.) (FI:544) (SP)

Performance Element: Manage a profitable investment portfolio to aid in the achievement of organizational goals.

Performance Indicators:

Describe the nature of bank investment portfolios (FI:608) (SP)

Explain economic and marketplace factors impacting bank portfolio quality (FI:609) (SP)

Instructional Area: Information Management (NF)

Standard: 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:

Discuss the impact of technology on the banking industry (NF:117) (CS)

Utilize coin and currency equipment (e.g., bill strapping machines, coin/currency counters, counterfeit detectors, etc.) (NF:201) (CS)

Fill/empty ATMs (Automatic Teller Machines) (NF:116) (CS)

Use check-processing tools/technology (e.g., endorsers, encoders, joggers, scanners, strippers, etc.) (NF:202) (CS)

Demonstrate proper use of banking security tools/technology (e.g., remote drive-up equipment, safe deposit boxes, vaults, alarm systems, etc.) (NF:203) (SP)

Instructional Area: Operations (OP)

Standard: 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 (OP:217) (CS)

Discuss the secure handling of checks (OP:218) (CS)

Explain procedures for detecting and reporting counterfeit currency (OP:219) (CS)

Describe crimes to which a bank could fall victim (e.g., fraud, robbery, phishing, etc.) (OP:220) (CS)

Discuss the elements and role of a bank security program (OP:221) (SP)

Performance Element: Perform daily banking activities to process monetary instruments.

Performance Indicators:

Process damaged and/or mutilated currency and coin (OP:271) (CS)

Order and deposit currency/coin (OP:272) (CS)

Deposit checks (OP:273) (CS)

Handle differences in cash received/deposited (OP:274) (SP)

Identify requirements for transporting cash (OP:275) (SP)

Process transactions in negotiable monetary instruments (e.g., money orders, travelers checks, cashier checks, bearer bonds) (OP:446) (SP)

Discuss the role of the Federal Reserve system in banking operations (OP:276) (SP)

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

Performance Indicators:

Describe the loan application generating process (OP:277) (SP)

Explain the process of credit analysis (OP:278) (SP)

Describe factors affecting loan pricing and loan structuring (OP:279) (SP)

Underwrite a loan application (OP:280) (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 (OP:283) (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 (OP:186) (SP)

Explain approaches to real estate lending (OP:281) (SP)

Discuss the nature of the secondary mortgage market (OP:363) (SP)

Describe the functions and responsibilities of the loan servicing department (OP:282) (SP)

Performance Element: Apply knowledge of trust activities to fulfill the fiduciary obligations of a banking institution.

Performance Indicators:

Describe trust department policies and procedures (OP:364) (SP)

Discuss the administrative duties associated with trusts (OP:365) (SP)

Explain the estate planning process (OP:366) (SP)

Manage receipts and payments for a trust (OP:368) (SP)

Performance Element: Manage operational risks to protect a business's financial well-being.

Performance Indicators:

Identify the factors that contribute to operational risk (e.g., insufficient training, lack of supervision, inadequate security, poor system design, poor HR policies) (OP:447) (SP)

Discuss the nature of operational risk management (OP:448) (SP)

Instructional Area: Professional Development (PD)

Standard: Understands concepts, tools, and strategies used to explore, obtain, and develop in a business career

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

Performance Indicators:

Explain career opportunities in banking services (PD:285) (SP)

Performance Element: Explore career-advancement activities in banking services to enhance professional development.

Performance Indicators:

Discuss professional designations for banking professionals (PD:286) (SP)

Describe the services of professional organizations in banking services (PD:287) (SP)

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

Performance Indicators:

- Describe the nature of retail/business banking processes (PD:204) (CS)
- Describe types of retail/business banking products and services (PD:154) (CS)
- Describe basic teller performance standards (PD:207) (CS)
- Describe the importance of selling in the banking industry (PD:298) (CS)
- Discuss the nature of loan products (PD:155) (SP)
- Describe trust services available to customers (PD:208) (SP)
- Describe international services available to customers (PD:299) (SP)
- Cross-sell banking products and services (PD:300) (SP)

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

Performance Indicators:

- Discuss ethical issues in the banking industry (PD:192) (SP)
- Explain the evolution of commercial banking (PD:191) (SP)

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

Performance Indicators:

- Describe types of banking institutions (e.g., central banks, retail banks, universal banks, etc.) (PD:288) (SP)
- Describe the nature of the national banking system (PD:195) (SP)
- Discuss the role of credit unions (PD:200) (SP)
- Explain the role of savings and loan associations (PD:201) (SP)

Instructional Area: Risk Management (RM)

Standard: Understands risk-management strategies and techniques used to minimize business loss

Performance Element: Manage risk to protect a business's well-being.

Performance Indicators:

- Discuss the nature of global risk (RM:065) (SP)
- Monitor third-party relationships for potential risk (RM:066) (SP)

Instructional Area: Business Law (BL)

Standard: Understands business's responsibility to know, abide by, and enforce laws and regulations that affect business operations and transactions

Performance Element: Implement compliance measures in corporate finance to adhere to regulatory requirements.

Performance Indicators:

Comply with financial reporting and internal control laws and regulations in corporate finance (BL:155) (SP)

Instructional Area: Emotional Intelligence (EI)

Standard: Understands techniques, strategies, and systems used to foster self-understanding and enhance relationships with others

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

Performance Indicators:

Explain the impact of business customs and practices on global trade (EI:082) (SP)

Describe the nature of business customs and practices in the North American market (EI:083) (SP)

Explain the nature of business customs and practices in Western Europe (EI:084) (SP)

Explain the nature of business customs and practices in Eastern Europe (EI:117) (SP)

Explain the nature of business customs and practices in Latin America (EI:085) (SP)

Describe the nature of business customs and practices in the Pacific Rim (EI:086) (SP)

Discuss the nature of business customs and practices in the Middle East (EI:087) (SP)

Explain the nature of business customs and practices in South Asia (EI:118) (SP)

Describe the nature of business customs and practices in Northern Africa (EI:119) (SP)

Discuss the nature of business customs and practices in Sub-Saharan Africa (EI:120) (SP)

Instructional Area: Financial Analysis (FI)

Standard: 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 (FI:345) (SP)
- Describe the nature of cash flows (FI:359) (SP)
- Discuss the nature of corporate bonds (FI:523) (SP)
- Discuss the cost of corporate bonds (FI:524) (SP)
- Discuss the issuance of stock from a corporation (FI:526) (SP)
- Discuss the cost of common stock (FI:528) (SP)
- Discuss the nature of stock options (FI:729) (SP)
- Discuss the nature of Initial Public Offerings (FI:730) (SP)

Performance Element: Manage payment and collection systems to efficiently use cash.

Performance Indicators:

- Describe components of a payment system (FI:733) (SP)
- Describe components of a collection system (FI:734) (SP)
- Manage bank accounts (e.g., scope of services, fee structures, system integration) (FI:735) (SP)

Performance Element: Use short-term financial management to manage current assets and liabilities.

Performance Indicators:

- Describe the nature of short-term financial management (FI:513) (SP)
- Describe cash management procedures (FI:739) (SP)
- Explain the use of cash budgets (FI:505) (SP)
- Analyze the impact of accounts payable schedules on working capital (FI:633) (SP)
- Analyze the impact of accounts receivable collection on working capital cycle (FI:637) (SP)
- Discuss the impact of employee benefits on business financials (FI:639) (SP)
- Discuss the impact of obsolescence on business expense (FI:641) (SP)
- Prepare cash flow budgets/forecasts (FI:507) (SP)
- Analyze cash budget/forecast variances (FI:508) (SP)
- Evaluate leases (FI:740) (SP)

Performance Element: Apply strategies to improve liquidity

Performance Indicators:

- Develop policies to manage trade credit (FI:741) (SP)

Performance Element: Apply knowledge of capital markets to make suitable financial decisions.

Performance Indicators:

Explain the role of capital markets in business finance (FI:360) (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.) (FI:367) (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.) (FI:236) (SP)

Performance Element: Analyze finances to assist in capital budgeting decision-making.

Performance Indicators:

Explain the nature of capital investment (FI:078) (SP)

Explain methods used to analyze capital investments (e.g., payback period, discounted break-even, net present value, accounting rate of return, internal rate of return, etc.) (FI:745) (SP)

Explain the impact of the cost of capital on capital investments (FI:746) (SP)

Calculate the cost of capital and its components (e.g., debt, equity) (FI:747) (SP)

Calculate cash flows associated with an investment (e.g., initial investment, operating cash inflows, operating cash outflows, terminal flows) (FI:492) (SP)

Use the time value of money to make business decisions (e.g., projects, investments, etc.) (FI:646) (SP)

Calculate capital investment return (e.g., payback, net present value, internal rate of return) (FI:748) (SP)

Performance Element: Analyze proposed business projects to select acceptable project that enhances firm value

Performance Indicators:

Identify project benefits and costs (FI:750) (SP)

Performance Element: Manage capital investments to realize expected benefits.

Performance Indicators:

Monitor project portfolio (FI:753) (SP)

Performance Element: Use long-term financial management to ensure solvency.

Performance Indicators:

Manage loans (FI:756) (SP)

Manage investment portfolio (FI:757) (SP)

Manage pension investment portfolio (FI:758) (SP)

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

Performance Indicators:

Explain forms of dividends (FI:346) (SP)

Explain the nature of dividend reinvestment plans (DRIPs) (FI:530) (SP)

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

Performance Indicators:

Discuss the financial planning process (FI:502) (SP)

Discuss the nature of short-term (operating) financial plans (FI:503) (SP)

Performance Element: Understand the fundamentals of managerial accounting to aid in financial decision-making.

Performance Indicators:

Differentiate among management accounting responsibility centers (i.e., cost, profit, investment, revenue) (FI:717) (SP)

Discuss the use of cost-volume-profit analysis (FI:718) (SP)

Discuss cost accounting systems and overhead allocation (e.g., job order costing, process costing, activity-based costing [ABC], project costing) (FI:719) (SP)

Distinguish between variable costing and absorption costing (FI:720) (SP)

Describe common management accounting performance measures (e.g., balanced scorecard, return on investment [ROI], customer profitability analysis, etc.) (FI:721) (SP)

Discuss the role of standard costing in the preparation and analysis of budgets (FI:722) (SP)

Describe the nature of flexible budgets (FI:723) (SP)

Explain the role of transfer pricing in managerial accounting (FI:724) (SP)

Explain the impact of business operational practices (e.g., total quality management [TQM], lean production, just-in-time [JIT], etc.) on managerial accounting (FI:725) (SP)

Performance Element: Conduct profit planning to forecast business profit.

Performance Indicators:

Perform budgetary cost analysis (e.g., direct cost, indirect cost, sunk cost, differential cost, etc.) (FI:768) (SP)

Perform responsibility center budgeting (i.e., cost, profit, investment, revenue) (FI:769) (SP)

Discuss the nature of pro forma statements (FI:509) (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 (FI:546) (SP)

Discuss external forces affecting a company's value (FI:547) (SP)

Explain how value is created for a company (FI:548) (SP)

Performance Element: Produce financial reports to communicate the results of business activity.

Performance Indicators:

Analyze transactions and accounts (e.g., purchase, sales, sales returns and allowances, uncollectible accounts, depreciation, debt) (FI:449) (SP)

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

Performance Indicators:

Compare mergers and acquisitions (FI:347) (SP)

Explain the nature of hostile takeovers (FI:536) (SP)

Explain divestiture concepts (e.g., spin-offs, split-ups, etc.) (FI:772) (SP)

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

Performance Indicators:

Explain the purpose of internal accounting controls (FI:343) (SP)

Maintain internal accounting controls (FI:480) (SP)

Instructional Area: Information Management (NF)

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

Performance Element: Utilize technology to perform business finance functions.

Performance Indicators:

Describe manual and computerized treasury systems (NF:240) (CS)

Describe the nature of Extensible Business Reporting Language (XBRL) (NF:241) (SP)

Use treasury systems (e.g., cash management, budgeting, forecasting) (NF:242) (SP)

Instructional Area: Professional Development (PD)

Standard: Understands concepts, tools, and strategies used to explore, obtain, and develop in a business career

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 management personnel (PD:215) (SP)

Describe the role and responsibilities of risk management personnel (PD:218) (SP)

Discuss the role and responsibilities of treasury management personnel (PD:219) (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.) (PD:221) (SP)

Performance Element: Acquire knowledge of accounting standards to record, report, and evaluate financial data appropriately.

Performance Indicators:

Discuss the roles and responsibilities of accounting-standard-setting bodies (i.e., SEC, FASB, IASB, GASB) (PD:295) (SP)

Compare U.S. Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS) (PD:296) (SP)

Instructional Area: Risk Management (RM)

Standard: Understands risk-management strategies and techniques used to minimize business loss

Performance Element: Administer contracts to achieve organizational goals and minimize risk.

Performance Indicators:

Identify financial risk factors associated with business contracts (e.g., ratio requirements, restricted transactions, financial report filing requirements) (RM:077) (SP)

Monitor for breach of contract of non-performance related terms and conditions (RM:078) (SP)

Maintain contract compliance documentation (RM:079) (SP)

Evaluate alternative revenue arrangements (e.g., cost-plus pricing, contingent fees) (RM:080) (SP)

Establish monitoring programs for contract-specific revenue arrangements (RM:081) (SP)

Develop monitoring programs for restrictive contract requirements (RM:082) (SP)

Establish processes for timely reporting of required information (RM:083) (SP)

Performance Element: Manage risk to protect a business's well-being.

Performance Indicators:

Discuss the relationship between risk management and business finance (RM:047) (SP)

Describe types of financial risks (e.g., interest rate risk, equity risk, commodity risk, etc.) (RM:086) (SP)

Discuss the nature of risk measurement (RM:048) (SP)

Instructional Area: Business Law (BL)

Standard: Understands business's responsibility to know, abide by, and enforce laws and regulations that affect business operations and transactions

Performance Element: Implement compliance measures in the insurance industry to adhere to regulatory requirements.

Performance Indicators:

Discuss federal and state regulation governing the insurance industry (BL:101) (SP)

Explain federally mandated health insurance requirements and restrictions (e.g., ERISA, COBRA, HIPAA, Affordable Care Act) (BL:137) (SP)

Comply with insurance regulations (BL:152) (SP)

Instructional Area: Information Management (NF)

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

Performance Element: Acquire information to process insurance claims.

Performance Indicators:

Conduct a database search to obtain background information on claimants and witnesses (NF:184) (SP)

Use claims analytics (NF:204) (SP)

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

Performance Indicators:

Use computer smart systems to assist in the underwriting process (NF:134) (SP)

Use the Internet to determine a potential client's risk (NF:135) (SP)

Instructional Area: Operations (OP)

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

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

Performance Indicators:

Notify client in writing when policy is cancelled (OP:287) (SP)

Performance Element: Prepare documentation to support insurance underwriting.**Performance Indicators:**

- Explain the elements of an underwriting file (OP:452) (SP)
- Interview client (OP:453) (SP)
- Determine client's insurance needs (OP:454) (SP)
- Process insurance documentation (OP:455) (SP)

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

- Discuss the nature of insurance claims (OP:188) (CS)
- Process an insurance claim (OP:289) (SP)
- Interview claimant, witnesses, medical experts, and/or other individuals as necessary while processing the claim (OP:290) (SP)
- Inspect property damage (OP:291) (SP)
- Evaluate injury claims and needed medical treatment (OP:371) (SP)
- Assign value to an insurance claim (OP:372) (SP)
- Compile claim report (OP:292) (SP)
- Negotiate with claimant (OP:293) (SP)

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

- Discuss the nature of insurance fraud (OP:187) (SP)
- Investigate suspected insurance fraud (OP:285) (SP)
- Conduct surveillance work (OP:286) (SP)

Performance Element: Set prices for insurance products to generate company profit.**Performance Indicators:**

- Explain the nature of pricing and rate-making in insurance (OP:373) (SP)

Instructional Area: Professional Development (PD)

Standard: Understands concepts, tools, and strategies used to explore, obtain, and develop in a business 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 (PD:157) (CS)

Discuss the role of supervisory/regulatory bodies in the insurance industry (PD:289) (SP)

Explain ethical issues in insurance (PD:290) (SP)

Discuss the nature of errors and omissions (E&O) claims made against insurance professionals (PD:291) (SP)

Discuss trends in the insurance industry (e.g., hacker insurance, identity theft insurance, etc.) (PD:224) (SP)

Discuss the manner in which insurance companies generate income (PD:222) (SP)

Explain the use of state risk pool programs (PD:223) (SP)

Describe alternative risk transfer (ART) techniques (e.g., reinsurance, self-insurance, captives, etc.) (PD:292) (SP)

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

Performance Indicators:

Explain career opportunities in insurance (PD:293) (SP)

Performance Element: Explore career-advancement activities in insurance to enhance professional development.

Performance Indicators:

Discuss licensing and certification in the insurance industry (PD:225) (SP)

Describe the services of professional organizations in insurance (PD:294) (SP)

Performance Element: Acquire knowledge of insurance product and benefits to facilitate workplace activities.

Performance Indicators:

- Describe components of automobile insurance coverage (PD:319) (SP)
- Discuss the nature of health insurance coverage (PD:320) (SP)
- Discuss components of homeowners/renters insurance (PD:321) (SP)
- Explain the nature of liability insurance (PD:322) (SP)
- Discuss the nature of life insurance (PD:323) (SP)
- Describe the nature of disability insurance (PD:324) (SP)
- Discuss components of flood and earthquake insurance (PD:325) (SP)
- Discuss the nature of title insurance (PD:326) (SP)
- Describe components of commercial property insurance (PD:327) (SP)
- Explain the nature of commercial liability insurance (PD:328) (SP)
- Discuss the nature of unemployment insurance (PD:329) (SP)
- Explain the nature of workers compensation insurance (PD:330) (SP)
- Discuss the nature of Medicaid (PD:331) (SP)
- Explain the nature of Medicare (PD:332) (SP)
- Discuss the nature of long-term care insurance (PD:333) (SP)
- Discuss the role of life insurance in investment, retirement, and estate planning (PD:334) (SP)
- Explain the nature of annuities (PD:308) (SP)
- Discuss the nature of domestic and international business insurance (PD:335) (SP)
- Evaluate an existing client's insurance needs (PD:336) (SP)

Instructional Area: Risk Analysis (RA)

Standard: 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 insurance underwriting techniques and processes (RA:004) (SP)
- Discuss the nature of credit-based insurance scores (RA:002) (SP)
- Explain the importance of actuarial science in the insurance industry (RA:001) (SP)
- Underwrite an insurance policy (RA:003) (SP)

Instructional Area: Business Law (BL)

Standard: Understands business's responsibility to know, abide by, and enforce laws and regulations that affect business operations and transactions

Performance Element: Implement compliance measures in the securities and investments industry to adhere to regulatory requirements.

Performance Indicators:

Discuss ethical considerations in the securities and investments industry (BL:104) (SP)

Discuss laws and regulations governing the securities and investments industry (BL:105) (SP)

Comply with securities and investments regulations (BL:151) (SP)

Instructional Area: Communication Skills (CO)

Standard: Understands the concepts, strategies, and systems used to obtain and convey ideas and information

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

Performance Indicators:

Initiate correspondence with customers regarding market activity (CO:207) (SP)

Develop communication plans based on customer preferences (CO:208) (SP)

Update the client on events/changes impacting portfolio (CO:209) (SP)

Instructional Area: Customer Relations (CR)

Standard: 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:

Follow up on the completion of the transaction (CR:034) (CS)

Conduct securities and investments lectures, seminars, and forums to attract potential clients (CR:035) (SP)

Instructional Area: Financial Analysis (FI)

Standard: Understands tools, strategies, and systems used to maintain, monitor, control, and plan the use of financial resources

Performance Element: Apply knowledge of capital markets to make suitable financial decisions.

Performance Indicators:

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.) (FI:367) (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.) (FI:236) (SP)

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

Performance Indicators:

Discuss types of investment objectives (FI:348) (SP)

Discuss the nature of investment risk (FI:349) (SP)

Describe the nature of diversification strategies (FI:350) (SP)

Explain factors to consider when selecting investments (FI:279) (SP)

Explain information that can be obtained from financial statements (FI:276) (SP)

Describe information that can be obtained from annual reports (FI:277) (SP)

Explain the nature of a mutual fund prospectus (FI:361) (SP)

Explain fundamental analysis used in making investment decisions (FI:280) (SP)

Describe the nature of technical analysis (FI:362) (SP)

Explain strategies for selecting investments (FI:283) (SP)

Performance Element: Select investments to generate revenue for clients.

Performance Indicators:

Interpret financial ratios significant to investors (FI:281) (SP)

Calculate real-estate-related values (e.g., capitalization rate, gross rental multiplier, rate of return, etc.) (FI:668) (SP)

Choose investments based on security's technical analysis (FI:669) (SP)

Assess securities' fundamentals (FI:282) (SP)

Choose investments based on security's fundamental analysis (FI:284) (SP)

Conduct qualitative and quantitative analysis of real-estate investments (FI:670) (SP)

Select real-estate investments based on qualitative and quantitative analysis (FI:671) (SP)

Instructional Area: Information Management (NF)

Standard: 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 technology used in the securities and investment industry to increase workplace efficiency and effectiveness.

Performance Indicators:

Discuss the impact of technology on securities and investments (NF:217) (CS)

Demonstrate proper use of securities and investments tools/technology (NF:218) (SP)

Performance Element: Monitor business data to stay abreast of trends and changes that could impact investment/portfolio decision-making.

Performance Indicators:

Obtain investment information from online sources (e.g., search engines, online databases, blogs, forums, listserves, website, social media) (NF:219) (CS)

Obtain investment information from publications (e.g., newspapers; magazines--current trends, regulations, business issues) (NF:220) (CS)

Track business environment changes that impact business financial results (e.g., stock market activity, economic developments, political development, competitive landscape changes, product issues, etc.) (NF:221) (CS)

Performance Element: Interpret research data into information for business decision-making.

Performance Indicators:

Interpret descriptive statistics for investment decision making (NF:222) (SP)

Interpret correlations for investment decision making (NF:223) (SP)

Translate findings into actionable investment recommendations (NF:224) (SP)

Instructional Area: Operations (OP)

Standard: 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 (OP:266) (SP)

Perform buy/sell functions to support trade execution (OP:267) (SP)

Post transaction data to accounting, compliance, and investment systems (OP:268) (SP)

Process and settle securities transactions in accordance with transaction instructions (OP:449) (SP)

Manage customer accounts (OP:450) (SP)

Instructional Area: Professional Development (PD)

Standard: Understands concepts, tools, and strategies used to explore, obtain, and develop in a business 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 (PD:231) (SP)

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

Performance Indicators:

Describe licensing exams required to sell securities and other financial products (PD:232) (SP)

Explain professional designations in the securities and investments industry (e.g., CFS, CFA, BCAA, BCS, CSC, CFP, etc.) (PD:233) (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 (PD:234) (SP)

Describe types of securities and investment firms (PD:235) (SP)

Describe how securities are traded (PD:236) (SP)

Explain the principal factors that affect securities markets (PD:237) (SP)

Explain causes of stock price fluctuations (PD:238) (SP)

Discuss the relationship between bond prices and yields (PD:239) (SP)

Discuss the role of investment banking in the primary marketplace (PD:240) (SP)

Discuss the nature of margin accounts (PD:241) (SP)

Explain the nature of short sales (PD:242) (SP)

Discuss the nature of market timing (PD:243) (SP)

Discuss the nature of international investment strategies (PD:244) (SP)

Performance Element: Acquire knowledge of securities products and benefits to support workplace activities.

Performance Indicators:

- Describe the nature of mutual funds (PD:304) (SP)
- Explain the rights of mutual fund shareholders (PD:305) (SP)
- Discuss the nature of retirement investment plans (PD:306) (SP)
- Explain the nature of education savings plans (PD:307) (SP)
- Explain the nature of variable annuities (PD:342) (SP)
- Explain the nature of stocks (PD:309) (SP)
- Describe the rights of stockholders (PD:310) (SP)
- Explain the nature of dividends (PD:311) (SP)
- Discuss the nature of stock adjustments (PD:312) (SP)
- Explain the nature of bonds (PD:313) (SP)
- Discuss the nature of hedge funds (PD:314) (SP)
- Describe the nature of commodities (PD:315) (SP)
- Explain the nature of derivatives (PD:316) (SP)
- Explain the nature of real estate investments (PD:317) (SP)

Instructional Area: Risk Management (RM)

Standard: 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:

- Discuss record retention requirements applicable to correspondence and documentation (RM:074) (SP)
- Explain the role of operations and compliance in risk management programs (RM:075) (SP)
- Explain risks and risk management strategies specific to broker-dealers (RM:076) (SP)