**POB 1.01: Apply verbal skills to obtain and convey information.**

1. Employ communication styles appropriate to target audience
	1. Types of communication styles.
		1. **Controllers:** take charge people
		2. **Collaborators:** easygoing people
		3. **Analyzers:** detail-oriented and logical
		4. **Socializers:** outgoing people who thrive on change and meeting people
	2. Target audience
		1. **Research:** research specific groups that you will be addressing.
		2. **Specificity:** identifies different groups with will be communicating
		3. **Needs:** knowing the specific needs of the audience, what they need to hear
		4. **Strategy:** will help you to better communicate
2. Defend ideas objectively
	1. Stages of an idea evaluation process
		1. **Formative evaluation:** Determines who needs the communication program/intervention, how great the need is, and what can be done to best meet the need
		2. **Process evaluation:** Measures effort and the direct outputs of programs/interventions – what and how much was accomplished
		3. **Impact evaluation**: Measures community-level change or longer-term results that have occurred as a result of the communication program/intervention
		4. **Outcome evaluation:** Measures effect and changes that result from the campaign.
	2. Procedures for defending ideas objectively.
		1. **Be prepared:** When you say an opinion or propose an idea, know that there are some people who will not understand it.
		2. **Thank any critics:** When you thank your critics, this behavior will show that you are strong
		3. **Practice**
		4. Control your body language
		5. **Accept any criticism**: - Know that everyone has different opinion and beliefs.
3. Participate in group discussions
	1. Effective group discussion techniques.
		1. **Listen well**
		2. **Take turns well**
		3. **Provide accurate information**
		4. **Lead the way**
	2. Procedures for participating in group discussions.
		1. Ask questions
		2. Build on someone else’s comment
		3. Volunteer a new idea
		4. Point out missing information
		5. Help the group summarize what’s been said
4. Handle telephone calls in a businesslike manner
	1. Listen without interrupting
	2. Gather the facts and make a note of them
	3. Take their details so you can get back to them
	4. Sympathize with them and offer to act as fast as you can
	5. Apologize if you have made a mistake
	6. Stay calm

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

1. Utilize note-taking strategies
	1. Note-taking strategies
		1. **Cornell two-column note-taking:** can be used for taking notes on classroom lectures or textbooks
		2. **Outlining:** lecturer moves from one idea to another
		3. **Mapping:** visual system of condensing material to show relationships and importance, diagram of grouping material in a highly visual way, quick reference for over-viewing
		4. **Charting**: lecture format is distinct (chronological), you may set up your paper by drawing columns and labeling appropriate headings in a table.
	2. Common note-taking abbreviations
2. Organize information
	1. Discuss reasons to organize information after taking notes.
	2. Explain the impact that target audience has on the organization of information.
	3. Common approaches to organizing/ordering information
		1. **Chronological order:** which actions or events are presented as they occur
		2. **Problem/solution:** begins w/ “Here’s what the problem was” & ends w/ “Here’s how we solved it.”
		3. Most important to least important
		4. **Deductive order:** generalization with facts, research results, examples, and illustrations
		5. **Inductive order**: examples, stories, facts, or reasons first & then draws conclusions from them
	4. Select and use appropriate graphic aids
		1. **Tables:** shows relationships between facts & figures by arranging information in rows & columns
		2. **Bar graphs**: showing quantities that are not necessarily linked but demonstrate change over time
		3. **Line graphs:** track changes over short and long periods of time
		4. **Pie charts:** shows how different categories relate to the whole at a particular point in time
		5. **Pictures:** and photographs are visual materials

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

A) Explain the nature of effective written communications

* 1. Types of written communication used in business.
		1. **Business Letters external:** communicating with the outside world
		2. **Memos internal:** used by employers and employees to communicate on internal topics
		3. **Business Reports:** new information, analysis of data or research or recommendations
	2. Characteristics of effective written communication.
1. Select and utilize appropriate formats for professional writing
	1. Define the term format.
	2. Criteria used to determine the appropriate format for professional writing.
2. Edit and revise written work consistent with professional standards
	1. Aspects of the revision process
		1. Rereading for meaning
		2. Adding
		3. Rearranging
		4. Removing
		5. Replacing
	2. Criteria used when revising written work
		1. Logical sequencing
		2. Appropriate word choice
		3. Effective transitions
	3. Criteria used when editing written work
		1. Proper sentence structure
		2. Appropriate punctuation
		3. Correct spelling
3. Write professional e-mails
	1. Characteristics of professional e-mails
		1. **Complete:** Include all the information the reader needs to have
		2. **Concise:** not too wordy, to the point
		3. **Clear:** your purpose and intent is clear to the reader
	2. Information that should be included in a professional e-mail signature.
	3. Different commands used to send outgoing messages
		1. Reply all - used when you have something valuable to add to the conversation for all to read
		2. Carbon copy [CC] - It informs the reader that copies have been distributed to others
		3. Blind carbon copy [BCC] - It indicates that copies have been distributed to others but their identities are being withheld from the reader.
		4. Subject line - provide a clue to your reader about the email

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

1. Explain the nature of positive customer relations
	1. Importance of positive customer relations
		1. Develops customer trust in product or service
		2. Allows company to seek and act on customer feedback to improve product or service
		3. Develops repeat business
		4. Establish long term success
	2. Techniques for building
		1. Understand each customer has unique needs
		2. Listen to and engage your customers
		3. Set and achieve high service standards
		4. Provide quality service
2. **Customer relations**- the way a business and employees of the business communicate and interact with their customers.

**2.01: Use information literacy skills to increase workplace efficiency and effectiveness. Assess information needs**

* 1. Determining information
		1. **Factual information**: an objective reality; knowledge or information based on real occurrences
		2. **Criticism:** practice of judging the merits and faults of something
		3. **Opinions**: a view, judgment, or appraisal formed in the mind about a particular matter; a belief
	2. Types and formats of information sources
		1. **Formality of information:** degree of trust of formal sources vs. purely informal sources
		2. **Disciplines:** to determine if information is relevant to the need
		3. Current vs. historical
			1. **Current information** – most recent information on an event found on social media, broadcasting, newspapers, and the internet
			2. **Historical information** – found in academic/scholarly journals, books, government publications, and reference collections
		4. Primary vs. secondary
			1. **Primary sources** are original materials on which other research studies are based; they present first-hand accounts and information relevant to an event.
			2. **Secondary sources** of information is one that was created by someone who *did not* have first-hand experience or did not participate in the events or conditions being researched
1. Obtain needed information efficiently
	1. Methods/techniques used to obtain or retrieve information.
	2. Procedures for obtaining information.
2. Evaluate quality and source of information
	1. Factors that should be evaluated when assessing information’s quality
		1. **Validity:** a study accurately reflects or assesses the specific concept that the researcher is attempting to measure
		2. **Reliability:** is dependable, trustworthy, unfailing, sure, authentic, genuine, reputable
		3. **Accuracy:** the document must be correct so you can put a point across
		4. **Timeliness:** having information when you need it
		5. **Bias:** a personal and sometimes unreasoned judgment
	2. Procedures for evaluating the quality and source of information: **Authority, Current, & Purpose**
3. Apply information to accomplish a task
	1. Ways to organize information to support the purpose and format needed for a task
		1. **Outlines:** hierarchically and sequentially by identifying main topics, subtopics, and details under the subtopics
		2. **Drafts:** are near or at the end of gathering research, and have completed an exercise in prewriting
		3. **Storyboards:** a sketch of how to organize information and a list of its contents.
		4. **Proposals**: plan, especially a formal or written one, for consideration or discussion by others
		5. **Summaries**: content that provides a reader with the overall theme, doesn’t specific details
	2. Ways to integrate existing information, data, or images into a new product or performance
		1. **Quoting:** a group of words from a text or speech
		2. **Summarizing:** paraphrase the essential ideas
		3. **Copying:** make a similar or identical version
		4. **Manipulating:** to use or change (numbers, information, etc.) in a skillful way
4. Store information for future use
	1. Advantages of storing/recording information
		1. **Documentation:** institutional memory, transaction lookup and analysis
		2. **Audit trail:** keep in the event of a tax audit
		3. **Personal files:** back up records and keep them in a safe place in case of fire or theft
		4. **Heritage preservation:** photos, newspaper articles on company activities, saved as memorabilia
	2. Negative results of storing/recording information
		1. **Obsolescence of format or medium:** update particular software which is purchased for storing
		2. **Security of information:** to reduce risk from theft, hacking, etc.
	3. Challenges of storing/recording information
		1. **Recordkeeping:** documents are duplicated or replaced
		2. **Storage space:** purchased software is not large enough
		3. **Filing systems:** purchased software is not adequate to maintain all programs used
		4. **Employer analysis:** collected and retained, both for legal and corporate purposes.

**2.02: Acquire a foundational knowledge of information management to understand its nature & scope**

A) Discuss the nature of information management

* 1. **Business Information management:** The process of accessing, processing, maintaining, evaluating, and disseminating knowledge, facts, or data for the purpose of assisting business decision making.
	2. Importance of information management to business success
1. Effectiveness of information management activities.
	1. Make sure **information is retrievable, accurate, accessible, up-to-date, complete and usable**.
	2. Set and follow organization information management practices.
	3. **Prioritize information** management needs according to business needs.
	4. **Integrate information** management thought the entire organization.
	5. Assign **responsibility** for information management.

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

1. Set personal goals
	1. **Goals:** An observable and measurable end result having one or more objectives to be achieved within a more or less fixed timeframe.
	2. **Short-term goals:** Objectives that take less than a year to achieve.
	3. **Long-term goals:** Objectives that will take a year or more to reach.
2. Steps for setting goals:
	1. Identify your goal by writing it down.
	2. Set a deadline for the achievement.
	3. List the obstacles to overcome in accomplishing your goal.
	4. List the skills and knowledge required to reach your goal.
	5. Develop a plan of action to reach your goal.
3. Acronym “SMART” goals
	1. **Specific**
	2. **Measureable**
	3. **Attainable**
	4. **Relevant**
	5. **Time Bound**

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

1. Explain the need for innovation skills
	1. Types of innovation
		1. **Product innovation**- creates or improves a product (cellphone)
		2. **Process innovation**- changes how something is done (robotics on an assembly line)
		3. **Position innovation-** when the purpose of a product is changed (game systems that now connects to online, play Blue Ray, etc.)
		4. **Paradigm innovation** - involves a significant change in thinking (computers were created for work but now used for entertainment)
	2. Distinguish between invention and innovation
2. **Decision-making process**
	1. **Pinpoint your objective**
	2. **Determine what you need to know**
	3. **Gather the information you need**
	4. **Select an appropriate decision-making style**
	5. **Establish decision criteria**
	6. **Identify alternatives**
	7. **Weigh the pros and cons**
	8. **Make the decision**
	9. **Evaluate the decision’s success**
3. Demonstrate problem-solving skills
	1. Importance of problem solving at work, in the community, and in personal life.
		1. Build positive relationships
		2. Accomplish personal and professional goals
	2. **Explain process/procedures for problem solving**.
		1. **Define the problem**
		2. **State and check your assumptions**
		3. **Collect information**
		4. **Analyze the information**
		5. **Determine possible solutions**
		6. **Select and implement a solution**
		7. **Evaluate the solution**

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

1. Health and safety regulations in business
	1. Workplace hazard groups
		1. **Mechanical hazards:** Pinch points, moving sharp points and edges, rotating parts, machines
		2. **Chemical hazards:** solids, liquid, vapor, gases, dust particles
		3. **Physical hazards**: Heights, Slippery Surfaces, Electricity, Confined Spaces, Noise, Sharp Objects, Moving Parts, Repetitive Motions, Heavy Loads, Heavy Machinery, Heat, Cold, Weapons
	2. OSHA- Occupational Safe and Health Act of 1970
2. Report noncompliance with business health and safety regulations
	1. **Accident-** An unexpected happening that may result in injury, loss, or damage.
	2. **Compliance-** Fulfilling the requirements of the law.
	3. **Hazard -** Potential events or situations that can cause injury or harm to people, property, or the environment
	4. **OSHA- Occupational Safe and Health Act of 1970 -** A federal government agency that writes and enforces safety and health standards for businesses.
	5. **Risk-** The possibility of loss (failure) or gain (success).
	6. **Safety-** Freedom from danger, risk, or injury.

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

1. The nature and scope of purchasing
	1. Activities involved in purchasing
	2. The **purchasing process** used by businesses to obtain materials, equipment, and supplies used in their operation.
2. Place orders/reorders
	1. Factors to consider when placing orders/reorders
	2. Components of purchase orders.
		1. **Contact Information:** Name and contact info for submitting the purchase order; email, phone & fax
		2. **Purchase Order #:** A buyer will typically generate a unique purchase order number as a point of reference for a specific order.
		3. **Vendor ID:** which may allow the seller to more easily confirm the purchaser & complete the order.
		4. **To:** Complete address information of the seller, which may specific to the purchasing department or individual handling purchasing responsibilities.
		5. **Ship/Bill To:**  Complete address information which may identify where the goods will be shipped to.
		6. **Date:** The date the purchase order was completed and submitted.
		7. **Date Required:** Date the goods/services are needed by.
		8. **Ship Via:** Preferred method for shipment/transportation of goods to be received.
		9. **Terms:** Timeframe within which payment is due. Net 30 (30 days) is common.
		10. **Item & Description**: details, supplier’s item number & any details to ensure accurate ordering.
		11. **Price, Quantity & Totals:** List the price and quantity of each item to determine totals to ensure agreed upon pricing is accurate and set prior to purchasing.
		12. **Notes:** List and special needs or requests to the seller.

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

1. Explain the concept of production
	1. Production terms
		1. **Production:** The economic process or activity of producing goods and services.
		2. **Operations:** The day-to-day activities for continued business functioning.
		3. **Inputs:** The specific economic resources used in producing goods and services.
		4. **Outputs:** The goods and services produced as the result of combining inputs.
	2. Describe the importance of production to an organization
		1. Provides **form utility**
		2. Enables companies to stay in business
		3. Allows businesses to turn out the maximum number of products at the lowest cost
2. Identify production activities
	1. **Planning-** determining how products will be produced and how much of the product to produce.
	2. **Purchasing-** buying the resources needed
	3. **Production process**- the way in which production will be carried out.
	4. **Scheduling**- determining the time table to follow in production
	5. **Dispatching**- issuing orders for production to begin
	6. **Follow-up**- make sure products meet standard and are completed according to plan

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

1. Distinguish between economic goods and services
	1. Define wants
		1. **Economic want** = cost money to have
		2. **Noneconomic want** = cost nothing to have
	2. Define goods and services
		1. **Consumer goods**: Tangible items produced for personal use.
		2. **Industrial goods:** Tangible items that will be consumed by industrial users
		3. **Capital goods:** manufactured or constructed items that are used to produce goods and services
2. Explain the concept of economic resources
	1. Define **economic, natural, capital, and human resources**.
	2. **Factors of production**
3. Describe the concepts of economics and economic activities
	1. Define the following terms: **economics, scarcity, economizing, opportunity cost, trade-offs, consumption, consumer, production, producer, exchange, and distribution**
	2. The three economic questions that all societies must answer
		1. **What will be produced?**
		2. **How will the products be produced?**
		3. **How will the products be allocated?**
	3. Describe four economic activities
		1. **Consumption:** The process or activity of using goods and services
		2. **Production:** The economic process or activity of producing goods and services.
		3. **Exchange:** The process of trading one good/service for another (money, barter)
		4. **Distribution:** moving, storing, locating, and/or transferring ownership of goods and services
4. Determine economic utilities created by business and marketing activities
	1. **Form utility** - by altering or changing the form or shape of a good to make it more useful to the consumer.
	2. **Place utility** - goods or services are available at the place where they are needed or wanted by consumers.
	3. **Time utility** - products are made available at the time they are needed or wanted by consumers or to complete specific business activities.
	4. **Possession utility** - when ownership of a product is transferred from the seller to the user.
5. Explain the principles of supply and demand
	1. Define the following terms: **demand, law of demand, supply, law of supply, law of supply & demand, buyer’s market, seller’s market, elasticity**, elastic = not essential, inelastic = essential to have
	2. List the conditions required for demand to exist
		1. **Desire for a good or service**
		2. **Buying power to pay for a good or service**
		3. **Willingness to give up some buying power**
6. Describe the functions of prices in markets
	1. **Relative prices**: One price compared to another; the ratio between two prices
	2. **Substitution effect:** when changes in relative prices cause buyers to replace the purchase of one product with another
	3. **Rationing:** determines who gets the goods and services produced; determining how scarce resources will be distributed
	4. **Equilibrium price:** quantity of a good that buyers want to buy is equal to the quantity that sellers are willing to sell at a certain price
	5. **Excess supply:** exists when supply is greater than demand
	6. **Excess demand:** exists when demand is greater than supply
	7. **Market price:** Actual price that prevails in a market at any particular moment

**5.02: Understand economic systems to be able to recognize the environments in which businesses function**

1. Types of economic systems
	1. Define the following terms:
		1. **Economic system** – how a country handles its economic decisions & solves its economic problems.
		2. **command economic system** - all or many of the means of production and distribution are owned and controlled by the government
	2. Describe the characteristics, strengths and weaknesses of:
		1. **Traditional economic systems:** people produce only what they must have in order to exist
		2. **Communism**: command economic system in which the government controls and does not allow private ownership of the means of production and distribution
		3. **Socialism:** modified command economic system in which government owns the basic means of production and allows private ownership of businesses as well
		4. **Market economic system**: Private ownership of property/resources. Profit motive
	3. The three economic questions
		1. **What to produce?**
		2. **How to produce?**
		3. **For whom to produce?**
2. Private enterprise
	1. **private enterprise** - individuals and groups, rather than government, own or control the means of production; also known as free market economy, private profit system, market system, capitalistic system, or free enterprise system.
	2. Describe the characteristics, advantages and disadvantages of a private enterprise system
3. Factors affecting a business’s profit
	1. **Profit -** Monetary reward a business owner receives for taking the risk involved in investing in a business; income left once all expenses are paid.
	2. **profit motive -** The desire to make a profit which moves people to invest in business
	3. **income –** The money received by resource owners and by producers for supplying goods and services to customers
	4. **expenses –** Money spent or cost incurred in an organization's efforts to generate revenue, representing the cost of doing business
	5. **cost of goods -** The amount of money a business pays for the products it sells or for the raw materials from which it produces goods to sell; the amount of money a business pays for the products (or for any part of the products) it sells.
	6. **operating expenses-** All of the expenses involved in running a business
	7. **Gross profit -** the difference between sales income and the direct costs of making those products.
	8. **net profit -** Net profit represents gross profit less all expenses associated with the normal running of the business
	9. Profit
		1. **Calculation: Net Profit = (Income – Cost of Goods) - Expenses**
		2. **Importance of profit**: a reward to the owners of the business
4. Business risk
	1. **business risk** - The possibility of loss (failure) or gain (success) inherent in conducting business
	2. **Economic risks –** Risks that result from changes in overall business conditions. Examples: Competition, Inflation, Government regulation, Recession
	3. **Natural risks-** Perils (loss) resulting from environmental causes. Examples: Floods, Earthquakes, Tornadoes, Hurricanes, Fires
	4. **Human risks -** Perils caused by human errors as well as the unpredictability of customers, employees, or the work environment. Examples: Shoplifting, Employee theft
	5. **pure risks –** The possibility of loss to a business without any possibility of gain
	6. **Speculative risks -** Chances of loss that may result in loss, no change, or gain. Examples: buying new machinery, constructing new buildings.
	7. **Guarantees -** A promise made to the consumer that a product’s purchase price will be refunded if the product is not satisfactory
	8. **warranties** - A promise made by the seller to the customer that the seller will repair or replace a product that does not perform as expected
	9. Managing risk:
		1. **Control risks:** a risk that cannot be avoided can be prevented or controlled
		2. **Transfer risks:** reduced by transferring those risks to another person or business
		3. **Retain risks:** Self-insurance against business loss, set aside money should a loss occur.
		4. **Avoid risks**: Sometimes, the best way to handle a risk is to simply avoid it
5. Competition
	1. **Competition** - The rivalry among two or more businesses to attract scarce customer dollars
	2. **Direct Competition** - Rivalry between or among businesses that offer similar types of goods or services.
	3. **Indirect Competition** - Rivalry between or among businesses that offer dissimilar goods or services.
	4. **Oligopoly** - A market structure in which there are relatively few sellers, and industry leaders usually determine prices.
	5. **Regulated Monopolies** - Monopoly that the government allows to exist legally.
	6. **Perfect Competition** - A market structure in which there are many businesses selling a lot of identical products for about the same price to many buyers; also known as pure competition.
	7. **Price Competition** - A type of rivalry between or among businesses that focuses on the use of price to attract scarce customer dollars.
	8. **Non Price Competition** - A type of rivalry between or among businesses that involves factors other than price (e.g., customer services, modern facilities, trained personnel, and variety of products)
	9. **Price discrimination -** is selling a good or service at a number of different prices, and the price differences is not justified by the cost differences.
	10. Government legislation affecting competition
		1. **Competition:**
			1. The Sherman Act outlaws "every contract, combination, or conspiracy in restraint of trade," and any "monopolization, attempted monopolization, or conspiracy or combination to monopolize."
			2. The Clayton Act addresses specific practices such as mergers and interlocking directorates (that is, the same person making business decisions for competing companies). The Clayton Act prohibits mergers and acquisitions where the effect "may be substantially to lessen competition, or to tend to create a monopoly."
			3. The Federal Trade Commission Act bans "unfair methods of competition" and "unfair or deceptive acts or practices."
		2. **Freedom of Choice:** personal choice, voluntary exchange, freedom to compete in markets, and protection of person and property
		3. **Private Property:** to determine how a resource is used, whether that resource is owned by government or by individuals
		4. **Profit:** Taxation policy affects business costs

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

1. Explain the role of business in society
	1. **Social Responsibility** - The duty of business to contribute to the well-being of society
	2. **Producers** - The people who make or provide goods and services.
	3. **Raw-goods Producers** - A type of producer that provides goods in their natural state.
	4. **Manufacturers** - A type of producer that changes the shapes or forms of materials so that they will be useful to customers
	5. **Builders** - A type of producer that constructs roads, bridges, buildings, or houses.
	6. **Trade Industries** - Businesses that buy and sell goods to others; retailers and wholesalers.
	7. **Retailers** - A business that buys consumer goods or services and sells them to the ultimate consumer
	8. **Wholesalers** - Intermediaries who help to move goods between producers and retailers by buying goods from producers and selling them to retailers.
	9. **Service Businesses** - A type of business that performs intangible activities that satisfy the wants of consumers or industrial users.
	10. Categories of social responsibility:
		1. **Economic Responsibilities**- Companies need to make sure that the company itself if profitable.
		2. **Legal Responsibility**- Requirements placed on company by law.
		3. **Ethical Responsibility**- Corporation leadership core mission aligns to their actions.
		4. **Philanthropic Responsibilities**- Going above and beyond ethical responsibility making an effort to benefit society.
2. Describe types of business activities
	1. **Business** - An organized effort to produce and/or distribute goods and services.
	2. **Accounting** - The process of keeping and interpreting financial records. The process of gathering, recording, organizing, and reporting financial data.
	3. **Customer Relations** - All the activities a business engages in to interact with its customers.
	4. **Finance** - The process of obtaining funds and using them to achieve the goals of the business.
	5. **Human Resources Management** - The process of planning, staffing, leading, and organizing the employees of the business.
	6. **Information Management** - The process of accessing, processing, maintaining, evaluating, and disseminating knowledge, facts, or data for assisting business decision making.
	7. **Management** - The process of coordinating resources in order to accomplish an organization's goals
	8. **Marketing** - The process of creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society.
	9. **Operations** - The day-to-day activities for continued business functioning.
	10. **Production** - The economic process or activity of producing goods and services.
	11. Primary business activities
		1. **Financial Analysis**
		2. **Human Resources Management**
		3. **Information Management**
		4. **Marketing**
		5. **Operations Management**
		6. **Strategic Management**
3. Explain the nature of business ethics
	1. Distinguish between ethics and regulations.
	2. Discuss the need for business ethics.
4. Describe factors that affect the business environment
	1. **Internal factors:** managerial incentives, organizational culture, and organizational identity.
	2. **External factors**: Technological, governmental, economic, cultural, demographics
	3. Discuss reasons that the business environment can be affected by external factors.
	4. **Ethical factors:** health and well-being of all employees, the rights of all employees, environment
	5. **Cultural factors:** in lifestyle, fashions, and other components of culture
	6. **Socio-political factors:** changes in regulations, impacts on industry, taxes, political/gov’t stability
	7. **Economic factors:** Interest rates, inflation, unemployment levels, disposable income
5. Discuss the global environment in which businesses operate
	1. **The impact of globalization on businesses**
	2. **Factors driving the existence of a global business environment**
	3. **Forces that maintain differences between countries/regions**
	4. **Reasons that businesses go abroad**
	5. **Ways in which businesses can enter a foreign market.**
6. Explain how organizations adapt to today’s markets
	1. Forces that are driving market changes
		1. **Globalization:** The rapid and unimpeded flow of capital, labor, and ideas across national borders
		2. **Consumer demands:** Manner in which individuals act that determines what they buy and sell
		3. **Spending trends:** what consumer are willing and able to buy
		4. **Industry structure changes:** how trends will affect industry competition, where to compete in
	2. Discuss management processes that aid adaptation to market conditions
		1. **Proactive management**
		2. **Competitive aggression**
		3. **Innovative management**
		4. **Organizational learning**
		5. **Market orientation**
		6. **Slack resources**
7. Explain the organizational design of businesses
	1. Explain principles of organizational design.
	2. Types of organizational structures that businesses use:
		1. **Functional structures:** organization is small, geographically centralized, & provides few goods & services
			1. Advantages: Reduces duplication of activities, Encourages technical expertise
			2. Disadvantages: Creates narrow perspectives, Difficult to coordinate
		2. **Divisional structures:** organization is large, geographically dispersed, wide range of goods/services
			1. Advantages**:** Improves decision making, accountability for performance, Increases coordination
			2. Disadvantages: Hard to allocate corporate staff support, Fosters rivalry among divisions
		3. **Matrix structures**: the organization needs constant coordination of its functional activities
			1. Advantages: Reinforces & broadens technical excellence, Facilitates efficient use of resources
			2. Disadvantages: Increases power conflicts, Increases confusion & stress for 2-boss employees
		4. **Lateral relations:** Use offset coordination problems in functional and divisional structures.
			1. Advantages/Disadvantages: Dotted-line supervision, Liaison roles, Temporary task forces, Permanent teams, Integrating managers

**5.04: Acquire knowledge of the impact of government on business activities to make informed economic decisions (PDF worksheet handout)**

1. Determine the relationship between government and business
	1. Role of government in a market economy.
	2. Ways in which government regulates business.
2. Federal agencies impacting business activities
	1. **Federal Trade Commission**: One of the FTC’s jobs is to stop companies from competing unfairly.
	2. **Food & Drug Administration:** conduct inspections and make sure food producers are meeting safety standards, inspect food from other countries
	3. Department of Economic Security
	4. **Department of Defense:** supervising all agencies and functions of the government concerned directly with national security

**5.05: Analyze cost/profit relationships to guide business decision making.**

1. Explain the concept of productivity
	1. **Productivity**: Amount and value of goods and services produced (outputs) from set amounts of resources (inputs).
	2. How productivity is measured
		1. **Number of products produced/Number of steps involved in producing them**
		2. **Dollar value of total sales/ Number of salespeople who make the sales**
		3. **Dollar value of total sales/costs of making those sales**
	3. Describe factors that enhance (improve) productivity
		1. **Specialization/Division of labor**
		2. **Increased capital investment**
		3. **Mass production**
		4. **Research and development**
		5. **Working within government regulations**
		6. **Training and education**
		7. **Communication**
		8. **Participative decision making**
		9. **Motivation**
		10. **Quality of work life**
	4. Describe factors that hinder (reduce) productivity
		1. **Lack of standardization**
		2. **Lack of tools/equipment**
		3. **Too many different products**
		4. **Poor product/service design**
		5. **Lack of communication**
		6. **Poor planning**
		7. **Lack of worker knowledge and education**
		8. **Personality conflicts**
		9. **Poor or unsafe working conditions**
		10. **Unclear goals**

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

1. Explain the concept of accounting
	1. Identify purposes of accounting: The process of keeping and interpreting financial records.
	2. Identify the basic concepts of accounting
		1. **Accounting formula:** (Assets = Liabilities + Owners’ Equity)
		2. **Net Profit and Net Loss:** Net Profit = Revenue – Expenses = positive result, Net Loss = Revenue- Expenses = negative results because Expenses were greater the Revenue
		3. Income Statement / Balance Sheet:
			1. **Balance Sheet:** captures the business’s financial condition at a particular moment, presents three important categories of financial information: Assets = Liabilities + Owners’ Equity
			2. **Income Statement:** sometimes called the profit-and-loss statement, shows how much money the business has made or lost during a specific period of time, Revenue - Cost of Goods Sold = Gross Profit - Operating Expenses = Net Income
	3. Explain the steps of the accounting process.
		1. **Analyze financial transactions:** the collection of source documents—checks, receipts, invoices, purchase orders
		2. **Journalize transactions:** involves recording each transaction in the appropriate journal
		3. **Post to ledgers**: journal records must be sorted and posted to the correct **ledger**, which is an accounting record for a specific department or area of the business
		4. **Balance the books:** **trial balance** is a listing of the business’s different accounts and their current balances, found in the different ledgers
		5. **Prepare financial statements:** Balance Sheet, Income Statement, Cash Flow Statement
		6. **Close the books:** involves closing any temporary accounts and transferring the temporary account balances to permanent accounts such as owner’s equity

**6.02: Acquire a foundational knowledge of finance to understand its nature and scope**

1. The role of finance in business
	1. Distinguish between accounting and finance
		1. **Accounting** - The process of keeping and interpreting financial records.
		2. **Finance -** The process of obtaining funds and using them to achieve the goals of the business
	2. Primary finance activities
		1. **Making investment decisions:** relate to the total amount of assets to be held and their composition in the form of fixed and current assets.
		2. **Making financing decisions:** concerned with the mix or composition of the sources of raising the **funds** required by the firm. In other words, it is related to the pattern of financing.
2. Capital
	1. **Capital investment decisions:** determine which projects a business will invest in, how the investment(s) will be financed, and whether or not to pay dividends to shareholders.
	2. **Working capital management:** firm’s current balance of assets and liabilities; involves accounts payable and receivable, inventory and cash.

**7.01: Understand marketing’s role and function in business to facilitate economic exchanges with customers.**

1. Identify marketing activities
	1. Finding out about customers
	2. Offering products to meet customer demands
	3. Determining price
	4. Promoting the product to customers
	5. Placing the product where customers are likely to purchase
2. Items that are marketed
	1. **Goods:** tangible products - Durable = DVD player, Nondurable = gasoline
	2. **Services:** intangible – car wash, haircut, dry cleaners
	3. **Events:** Olympics
	4. **Organizations:** Red Cross, Humane Society
	5. **Places:** Myrtle Beach
	6. **Ideas:** “stand” against cancer
	7. **People:** Michael Jordan
3. Explain the elements of the marketing concept
	1. **Customer orientation:** Finding out what customers want & producing those products the way they want them
	2. **Company commitment:** Make/price the product better than the competition’s model
	3. **Company goals:** Maintain your firm’s purpose while you apply the marketing concept.

6 Functions/Activities of Marketing

* **Marketing Information Management:** gathering, accessing, synthesizing, evaluating, and disseminating information to aid in business decisions.
* **Product/Service Management:** obtaining, developing, maintaining, and improving a product or service mix in response to market opportunities
* **Pricing:** how much to charge for goods and service in order to make a profit and are based on costs and on what competitors’ charge for the same product or service
* **Promotion:** communicate about goods, services, images, and/or ideas to achieve a desired outcome
* **Channel management** (Distribution): identifying, selecting, monitoring, and evaluating sales channels.
* **Selling**: determining client needs and wants and responding through planned, personalized communication that influences purchase decisions and enhances future business opportunities

4 P’s / Marketing Mix

* **Price:** how much to charge for goods and service in order to make a profit and are based on costs and on what competitors’ charge for the same product or service
* **Product:** The goods and service combination the business offers to the market, including variety of product mix, features, designs, packaging, sizes, services, warrantees and return policies
* **Promotion:** to inform, persuade, or remind potential customers about a business’s products or services
* **Place/Distribution:** Deciding how to get goods into customers hands

**7.02: Apply knowledge of business ownership to establish and continue business operations**

1. **Sole Proprietor:** A business owned and run by one person
2. Partnership arrangements
	1. **General-** each partner has unlimited liability
	2. **Limited**- partners have limited liability
3. Corporations
	1. **Private**- Does not offer shares for sale to the general public
	2. **Subchapter “S”-** 100 or fewer shareholders, Taxed as a partnership
	3. **Public**- Offers shares for sale to the general public
	4. **Nonprofit**- operates to accomplish a specific mission, not to make profit.

**7.03: Recognize management’s role to understand its contribution to business success.**

1. Levels of management
	1. **Top-Level Managers**- Responsible for the entire organization; conduct strategic planning.
	2. **Mid-Level Managers**- Conduct tactile planning; doing planning, organizing, & controlling activities.
	3. **First-Line Managers-** Spend most of their time doing staffing, directing and controlling activities.
2. Management functions
	1. **Planning-** selecting and developing the best course of action to accomplish an objective.
	2. **Organizing-** Determining tasks, establish structure, allocation of resources, & development of procedures.
	3. **Staffing**- Allocates employees to tasks based on their experience to manage work flow.
	4. **Directing**- Taking command and delegating instructions
	5. **Controlling**- Formal measurement and analysis of actions at established check points