

# Arizona Educator Proficiency Assessments (AEPA™)

## FIELD 20: BUSINESS TEST OBJECTIVES

<b>Subarea</b>	<b>Range of Objectives</b>	<b>Approximate Test Proportions</b>
I. Business Management	1–7	30%
II. Accounting	8–11	17%
III. Business Technology and Information Systems	12–16	22%
IV. Economics and Consumer Finance	17–20	18%
V. Entrepreneurship and Employment	21–23	13%

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# Arizona Educator Proficiency Assessments (AEPA™) Subject Knowledge Test

## Test Objectives Field 20: Business

### Subareas:

Business Management  
Accounting  
Business Technology and Information Systems  
Economics and Consumer Finance  
Entrepreneurship and Employment

### BUSINESS MANAGEMENT

#### 0001 Understand functions of business management.

For example: the role of management in business; principles and procedures related to planning, controlling, organizing, staffing, and directing; and applications of principles and procedures to meet specified organizational goals and to solve business-related problems (e.g., related to finance, marketing, sales, inventory, technology, personnel, workplace environment).

#### 0002 Understand organizational, group, and individual behaviors and their relationship to business management.

For example: principles and business applications of management, social, and behavioral theories and concepts in organizations (e.g., corporate culture, change theory, formal and informal organizations), groups (e.g., ergonomics, group dynamics, work groups, motivation and leadership styles), and individuals (e.g., strategies for conflict resolution, factors contributing to worker morale and motivation); and effects of various organizational structures on the behaviors and dynamics within an organization.

#### 0003 Understand human resource management and development.

For example: the role of human resource management within an organization; methods, function, and importance of training and staff development (e.g., continuing education, diversity training); effects of various personnel decisions and actions (e.g., restructuring, job descriptions, job analysis, personnel evaluations, interviews, hiring and firing decisions); and legal issues related to human resource management (e.g., EEOC [Equal Employment Opportunity Commission] regulations, contract issues, unions, labor negotiations).

**TEST OBJECTIVES**  
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**0004 Understand the role and effect of international business on the business environment.**

For example: the influence of geography on trade and business relations; the effect of international business on career paths and opportunities; social, cultural, political, legal, and economic factors that affect the international business environment; the effect of international business on organizational structures and the management of operations, human resources, and marketing; and concepts underlying the balance of trade.

**0005 Understand issues related to ethics and social responsibility in business.**

For example: business situations that involve ethical considerations (e.g., conflict of interest, worker privacy, use of technology, environmental impact); factors affecting ethical decisions in given business situations; the function of public relations in business; and factors affecting public relations decisions in given business situations (e.g., community goodwill, corporate philanthropy, cost-benefit analysis, political considerations, private-public partnerships).

**0006 Understand principles of business law and the legal environment of business.**

For example: types of business ownership; the acquisition, operation, and disposition of businesses; employment laws and regulations (e.g., working conditions, insurance requirements, wage regulations, employee contracts); consumer laws and regulations; legal issues related to technology systems (e.g., intellectual property, copyright and piracy, network licenses); the distinction between procedural and substantive law; characteristics of various types of law (e.g., contract, agency, property) and their effects on the business environment; and roles of the U.S. and international legal systems in business regulation (e.g., courts, regulatory agencies, Uniform Commercial Code, antitrust laws, tariffs).

**0007 Understand business marketing principles.**

For example: social, cultural, and economic factors affecting marketing decisions (e.g., market demographics, local economy); the collection and interpretation of demographic data and its application to marketing situations and decisions (e.g., price, place, promotion, product, people, profit); and other factors that influence the success of a given marketing venture.

**TEST OBJECTIVES  
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**ACCOUNTING**

**0008 Understand basic principles and applications of accounting.**

For example: functions and purposes of accounting procedures in a business environment; the accounting equation; the accounting cycle; accounting principles; the accounting process; functions of accounting documents; accounting software; and quantitative and qualitative characteristics of accounting (e.g., reliability, relevance, accuracy).

**0009 Understand procedures for processing accounting data.**

For example: relationships among the components of the accounting cycle; the analysis of source documents; procedures for journalizing and posting transactions; procedures for adjusting and closing entries; and the preparation of reconciliations, financial statements, and trial balances.

**0010 Understand advanced accounting concepts and procedures.**

For example: the calculation of financial ratios (e.g., profit margin, return on equity, long-term debt ratio); concepts related to partnership and corporation accounting; and concepts and procedures related to inventory, payroll, depreciation, disposal of assets, intangible assets, etc.

**0011 Understand principles, processes, and procedures related to financial statements.**

For example: types and characteristics of financial statements; the use of financial statements in decision making; the interpretation of ratios; and the use of financial statements in preparing and analyzing budgets.

**BUSINESS TECHNOLOGY AND INFORMATION SYSTEMS**

**0012 Understand business communications.**

For example: business terminology; procedures for writing business documents; appropriate styles and media for given types of business communications and for delivering various types of written and oral messages (e.g., good news, bad news, directive, persuasive); strategies for active listening and nonverbal communication; strategies for preparing and delivering oral presentations and reports (e.g., adapting presentations to different audiences, designing appropriate multimedia support materials); strategies for international business communications; and strategies for ensuring that communications are bias free.

**TEST OBJECTIVES**  
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**0013 Understand basic principles related to computer technology and office equipment.**

For example: terminology related to computer technology; types, characteristics, and features of computer hardware and software; features of and relationships among computer input devices, output devices, processing units, network systems, and storage units; procedures for selecting, operating, and maintaining computer hardware and software; and types, features, and functions of office equipment (e.g., copiers, printers).

**0014 Understand principles and procedures related to information processing and information processing systems.**

For example: strategies and techniques for using business software applications (e.g., keyboarding, word processing, database management, simulations, spreadsheet, presentation software); characteristics and uses of multimedia systems and desktop publishing applications; factors involved in linking software applications; features, functions, and potential uses of networks, including the Internet.

**0015 Understand basic principles and procedures related to telecommunications and applications of telecommunications in business.**

For example: components and operating principles of telecommunications systems; terms related to telecommunications (e.g., satellites, wide area network, ground stations, Internet, download, uplink, cell, relay, modem); and the analysis of business situations and problems to determine appropriate telecommunications solutions (e.g., teleconferencing, on-line services, electronic mail, telecommuting).

**0016 Understand principles and procedures related to ethics, security, and data integrity in technology systems.**

For example: procedures related to information security (e.g., passwords, voice imprinting, virus checking, user rights); issues related to electronic privacy and the sharing and gathering of information; issues related to generating, maintaining, and selling data files; procedures for ensuring the accuracy and integrity of electronic data; and issues related to ownership of software and ideas (e.g., intellectual properties, copyrights, software piracy).

**TEST OBJECTIVES**  
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**ECONOMICS AND CONSUMER FINANCE**

**0017 Understand basic principles and applications of macro- and microeconomics.**

For example: mechanisms by which the U.S. money supply is regulated; U.S. and international banking systems; principles of international trade and finance; basic principles of monetary and fiscal policy; methods of measuring economic growth and factors that influence economic growth; methods of measuring domestic output and unemployment, inflation, and deflation rates; basic characteristics of economic systems; characteristics and effects of monopolies and oligopolies; effects of market and consumer demand; economics of the firm (e.g., law of diminishing returns, production costs, competition, efficiency, profit maximization); principles of supply and demand; labor markets; and marginal revenue/cost analysis.

**0018 Understand basic principles of personal investing.**

For example: types and characteristics of investment options (e.g., real estate, stocks, bonds); the nature of risk in investing; the role and function of investment markets; purposes and goals in investing; and selecting investments for a given purpose.

**0019 Understand basic principles of banking and personal finance.**

For example: types and characteristics of banks; banking products and practices; maintaining a checking account; personal finance management (e.g., loans, credit management, budgeting, installment plans, estate planning); risk management (e.g., insurance policies, security procedures); and legal and practical issues related to consumers (e.g., consumer rights, advertising and sales techniques, comparison shopping).

**0020 Understand techniques of quantitative analysis in business situations.**

For example: computation of problems involving basic mathematical operations (i.e., addition, subtraction, multiplication, and division); computation of problems involving fractions, decimals, and percents; procedures and technologies for creating and interpreting charts and graphs; procedures for estimating and forecasting; basic principles of measurement and statistics; creation, manipulation, and interpretation of descriptive and inferential statistics; use of quantitative processes in quality control systems (e.g., determining limits of acceptability using tolerances, using sampling techniques and sampling data); and procedures for reporting and interpreting quantitative aspects of case studies.

**TEST OBJECTIVES  
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**ENTREPRENEURSHIP AND EMPLOYMENT**

**0021 Understand business responsibilities, employment, and business careers.**

For example: types and characteristics of business careers; procedures for researching business careers; characteristics associated with success in business careers; procedures for résumé writing and for writing letters of application; interviewing skills; procedures for developing a career plan; strategies for managing job changes; procedures for documenting employment credentials (e.g., portfolios, passports, skills certificates); employee rights and responsibilities; appropriate work habits; and diversity issues in the workplace.

**0022 Understand state and federal laws and regulations related to issues in the workplace.**

For example: state and federal agencies and laws (e.g., Americans with Disabilities Act, discrimination policies, affirmative action) related to the workplace; environmental, health, and safety issues in the workplace; and employee benefits and policies.

**0023 Understand principles and procedures related to entrepreneurship.**

For example: advantages and disadvantages of business ownership; characteristics of entrepreneurs; the development and use of a business plan; factors, procedures, and issues in starting up a business (e.g., market analysis, risk taking, demographics, financing); and procedures for starting, buying, and operating franchises.