

Business Management and Administration Career Cluster

Performance Indicators

The Business Management and Administration Career Cluster Performance Indicators are used for the following competitive event:

- Business Law and Ethics Team Decision Making

Draft Performance Indicators 2009 - 2010 DECA Competitive Events

Performance Indicators for this competitive event are used to define the parameters of the written exam and other activities that are part of the overall competition. These performance indicators are a draft of the final document planned for release in the summer of 2010 for the 2011 events. This draft is the basis of events for the 2010 DECA ICDC only.

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

For additional information on these Performance Indicators, the National Curriculum Framework, or the National Marketing Education Standards, please visit the *MBAResearch* web site at www.MBAResearch.org. Questions may be e-mailed to betho@MBAResearch.org

TABLE OF CONTENTS

Business Law.....3

Communication Skills.....4

Customer Relations.....6

Economics.....7

Emotional Intelligence.....9

Financial Analysis.....12

Human Resources Management.....14

Information Management.....15

Knowledge Management.....17

Marketing.....18

Operations.....19

Professional Development.....21

Project Management.....23

Quality Management.....24

Risk Management.....25

Strategic Management.....26

Ethics.....27

*Note: Performance Indicators with * in front will only be used for role-plays and case studies. Performance Indicators without * in front will be used for comprehensive exam questions, role-plays and case studies.*

Instructional Area: Business Law

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

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

Performance Indicators:

Discuss the nature of law and sources of law in the United States

Describe the United States' judicial system

Describe legal issues affecting businesses

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

Describe the nature of legally binding contracts

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

Performance Indicators:

Describe the nature of legal procedure

Discuss the nature of debtor-creditor relationships

Explain the nature of agency relationships

Discuss the nature of environmental law

Discuss the role of administrative law

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

Performance Indicators:

Explain types of business ownership

Performance Element: Additional specialized performance indicators.

Performance Indicators:

*Assess legality of contracts

*Distinguish between ethics and law

*Discuss the impact of legal misconceptions on business goals

*Describe the legal process for settling contractual disputes

*Explain liability issues

*Determine company liability

*Discuss legal implications associated with forms of business ownership

Instructional Area: Communication Skills

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

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

Performance Indicators:

- Identify sources that provide relevant, valid written material
- Extract relevant information from written materials
- Apply written directions to achieve tasks
- Analyze company resources to ascertain policies and procedures

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
- Follow oral directions
- Demonstrate active listening skills

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

Performance Indicators:

- Explain the nature of effective verbal communications
- Ask relevant questions
- Interpret others' nonverbal cues
- Provide legitimate responses to inquiries
- Give verbal directions
- Employ communication styles appropriate to target audience
- Defend ideas objectively
- Handle telephone calls in a businesslike manner
- Participate in group discussions
- Make oral presentations

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

Performance Indicators:

- Utilize note-taking strategies
- Organize information
- Select and use appropriate graphic aids

Performance Element: Communicate with staff to clarify workplace objectives.

Performance Indicators:

- Explain the nature of staff communication
- Choose appropriate channel for workplace communication
- Participate in a staff meeting
- *Identify possible resolutions of an ethical dilemma

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

Performance Indicators:

Explain the nature of effective written communications

Select and utilize appropriate formats for professional writing

Edit and revise written work consistent with professional standards

Write professional e-mails

Write business letters

Write informational messages

Write inquiries

Write persuasive messages

Write executive summaries

Prepare simple written reports

Write analytical reports (i.e., reports that examine a problem/issue and recommend an action)

Write research reports

Instructional Area: Customer Relations

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

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

Performance Indicators:

- Explain the nature of positive customer relations
- Demonstrate a customer-service mindset
- Reinforce service orientation through communication
- Respond to customer inquiries
- Adapt communication to the cultural and social differences among clients
- Interpret business policies to customers/clients

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

Performance Indicators:

- Handle difficult customers
- Handle customer/client complaints

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

Performance Indicators:

- Identify company's brand promise
- Determine ways of reinforcing the company's image through employee performance

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
- Explain the role of ethics in customer relationship management
- Describe the use of technology in customer relationship management

Instructional Area: Economics

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

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

Performance Indicators:

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

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

Performance Indicators:

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

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

Performance Indicators:

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

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
- Describe the nature of taxes

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

Performance Indicators:

- Explain the concept of productivity
- Analyze impact of specialization/division of labor on productivity
- Explain the concept of organized labor and business
- Explain the impact of the law of diminishing returns

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

Performance Indicators:

Discuss the measure of consumer spending as an economic indicator
Describe the economic impact of inflation on business
Explain the concept of Gross Domestic Product (GDP)
Discuss the impact of a nation's unemployment rates
Explain the economic impact of interest-rate fluctuations
Determine the impact of business cycles on business activities

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

Performance Indicators:

Explain the nature of global trade
Describe the determinants of exchange rates and their effects on the domestic economy
Discuss the impact of cultural and social environments on global trade
Describe the nature of business customs and practices in the North American market
Explain the nature of business customs and practices in Europe
Explain the nature of business customs and practices in Latin America
Describe the nature of business customs and practices in the Pacific Rim
Discuss the nature of business customs and practices in the Middle East
Explain the nature of business customs and practices in South Asia

Instructional Area: Emotional Intelligence

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

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

Performance Indicators:

- Describe the nature of emotional intelligence
- Explain the concept of self esteem
- Recognize personal biases and stereotypes
- Assess personal strengths and weaknesses

Performance Element: Develop personal traits to foster career advancement.

Performance Indicators:

- Identify desirable personality traits important to business
- Exhibit self-confidence
- Demonstrate interest and enthusiasm
- Demonstrate initiative

Performance Element: Apply ethics to demonstrate trustworthiness.

Performance Indicators:

- Demonstrate responsible behavior
- Take responsibility for decisions and actions
- Demonstrate honesty and integrity
- Demonstrate ethical work habits
- Manage commitments in a timely manner

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

Performance Indicators:

- Exhibit a positive attitude
- Demonstrate self control
- Explain the use of feedback for personal growth
- Adjust to change

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

Performance Indicators:

- Respect the privacy of others
- Show empathy for others
- Exhibit cultural sensitivity

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

Performance Indicators:

Explain the nature of effective communications
Explain ethical considerations in providing information

Performance Element: Use communication skills to influence others.

Performance Indicators:

Persuade others
Demonstrate negotiation skills

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

Performance Indicators:

Use appropriate assertiveness
Use conflict-resolution skills
Explain the nature of stress management

Performance Element: Implement teamwork techniques to accomplish goals.

Performance Indicators:

Participate as a team member
Use consensus-building skills
Motivate team members

Performance Element: Employ leadership skills to achieve workplace objectives.

Performance Indicators:

Explain the concept of leadership
Determine personal vision
Demonstrate adaptability
Develop an achievement orientation
Lead change
Enlist others in working toward a shared vision
Coach others

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

Performance Indicators:

Treat others fairly at work
Foster positive working relationships
Maintain collaborative partnerships with colleagues
Explain the impact of political relationships within an organization
*Explain ethical considerations in providing information

Performance Element: Additional specialized performance indicators.

Performance Indicators:

*Demonstrate ethical work habits

*Demonstrate knowledge/understanding of ethical behavior within a business environment

*Apply decision-making business principles and techniques to a situation with an ethical dilemma

Instructional Area: Financial Analysis

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

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

Performance Indicators:

- Explain forms of financial exchange (cash, credit, debit, electronic funds transfer, etc.)
- Identify types of currency (paper money, coins, banknotes, government bonds, treasury notes, etc.)
- Describe functions of money (medium of exchange, unit of measure, store of value)
- Describe sources of income (wages/salaries, interest, rent, dividends, transfer payments, etc.)
- Explain the time value of money
- Explain the purposes and importance of credit
- Explain legal responsibilities associated with financial exchanges

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.)
- Set financial goals
- Develop personal budget

Performance Element: Manage personal finances to achieve financial goals.

Performance Indicators:

- Explain the nature of tax liabilities
- Interpret a pay stub
 - Prepare bank account documents (e.g., checks, deposit/withdrawal slips, endorsements, etc.)
- Maintain financial records
- Read and reconcile bank statements
- Demonstrate the wise use of credit
- Validate credit history
- Protect against identity theft
- Prepare personal income tax forms (i.e., 1040 EZ form)

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

Performance Indicators:

- Describe types of financial-services providers
- Discuss considerations in selecting a financial-services provider

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

Performance Indicators:

- Explain types of investments

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

Performance Indicators:

Describe the concept of insurance
Explain the nature of risk management

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

Performance Indicators:

Explain the concept of accounting
Explain the need for accounting standards
Discuss the role of ethics in accounting
Explain the use of technology in accounting
Explain legal considerations for accounting

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

Performance Indicators:

Describe the nature of cash flow statements
Explain the nature of balance sheets
Describe the nature of income statements

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

Performance Indicators:

Explain the role of finance in business
Discuss the role of ethics in finance
Explain legal considerations for finance

Performance Element: Manage financial resources to ensure solvency.

Performance Indicators:

Describe the nature of budgets

Instructional Area: Human Resources Management

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

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

Performance Indicators:

Discuss the nature of human resources management

Explain the role of ethics in human resources management

Describe the use of technology in human resources management

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

Performance Indicators:

Orient new employees

Performance Element: Employ skills needed to organize and facilitate work efforts.

Performance Indicators:

*Describe ethics in personnel issues

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

Performance Indicators:

*Ensure equitable opportunities for employees

Instructional Area: Information Management

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

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

Performance Indicators:

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

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

Performance Indicators:

- Discuss the nature of information management
- Explain the role of ethics in information management
- Explain legal issues associated with information management

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

Performance Indicators:

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

Performance Element: Maintain business records to facilitate business operations.

Performance Indicators:

- Describe the nature of business records
- Maintain customer records

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

Performance Indicators:

Describe current business trends

Monitor internal records for business information

Conduct an environmental scan to obtain business information

Interpret statistical findings

Instructional Area: Knowledge Management

Performance Element: Understands the systems, strategies, and techniques used to collect, organize, analyze, and share information known in an organization.

Performance Indicators:

- Explain the nature of knowledge management
- Discuss the role of ethics in knowledge management
- Explain the use of technology in knowledge management
- Explain legal considerations for knowledge management

Performance Element: Use knowledge management strategies to improve the performance and competitive advantage of an organization.

Performance Indicators:

- Identify techniques that can be used to capture and transfer knowledge in an organization

Instructional Area: Marketing

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

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

Performance Indicators:

Explain marketing and its importance in a global economy
Describe marketing functions and related activities

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

Performance Indicators:

Explain customer/client/business buying behavior
Discuss actions employees can take to achieve the company's desired results
Demonstrate connections between company actions and results (e.g., influencing consumer buying behavior, gaining market share, etc.)

Performance Element: Understand company's unique selling proposition to recognize what sets the company apart from its competitors.

Performance Indicators:

Identify company's unique selling proposition
Identify internal and external service standards

Instructional Area: Operations

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

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

Performance Indicators:

- Explain the nature of operations
- Discuss the role of ethics in operations
- Describe the use of technology in operations
- Discuss legal considerations in operations

Performance Element: Maintain work flow to enhance productivity.

Performance Indicators:

- Organize and prioritize work
- Coordinate work with that of team members

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

Performance Indicators:

- Describe health and safety regulations in business
- Report noncompliance with business health and safety regulations

Performance Element: Implement safety procedures to minimize loss.

Performance Indicators:

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

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

Performance Indicators:

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

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

Performance Indicators:

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

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

Performance Indicators:

Explain the nature and scope of purchasing
Describe types of purchase orders
Place orders/reorders
Maintain inventory of supplies
Discuss types of inventory
Manage the bid process in purchasing
Maintain vendor/supplier relationships
Select vendors
Negotiate terms with vendors
Evaluate vendor performance

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

Performance Indicators:

Explain the concept of production
Describe production activities

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

Performance Indicators:

Discuss the nature of business analysis

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

Performance Indicators:

Explain the nature of overhead/operating costs
Explain employee's role in expense control

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

Performance Indicators:

Identify routine activities for maintaining business facilities and equipment

Instructional Area: Professional Development

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

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

Performance Indicators:

Maintain appropriate personal appearance
Demonstrate systematic behavior
Set personal goals

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

Performance Indicators:

Follow rules of conduct
Follow chain of command

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

Performance Indicators:

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

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

Performance Indicators:

Determine the nature of organizational goals
Ascertain employee's role in meeting organizational goals

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

Performance Indicators:

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

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

Performance Indicators:

Utilize job-search strategies

Complete a job application

Interview for a job

Write a follow-up letter after job interviews

Write a letter of application

Prepare a résumé

Use networking techniques to identify employment opportunities

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

Performance Indicators:

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

Explain the need for ongoing education as a worker

Explain possible advancement patterns for jobs

Identify skills needed to enhance career progression

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

Instructional Area: Project Management

Knowledge and Skill Statement: Understands tools, techniques, and systems that are used to plan, implement, monitor, and evaluate business projects

Performance Element: Utilize project management skills to start, run, and end projects.

Performance Indicators:

Explain the nature of project management

Initiate project

Identify resources needed for project

Prepare work breakdown structure (WBS)

Develop project plan

Execute and control projects

Apply project-management tools to monitor project progress

Manage project team

Evaluate project results

Close project

Instructional Area: Quality Management

Knowledge and Skill Statement: Understands the need for standards and the strategies and techniques used to implement, monitor, and evaluate them

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

Performance Indicators:

Explain the nature of quality management

Describe the nature of quality management frameworks (e.g., Six Sigma, ITIL, CMMI)

Discuss the need for continuous improvement of the quality process

Instructional Area: Risk Management

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

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

Performance Indicators:

Explain the role of ethics in risk management

Describe the use of technology in risk management

Discuss legal considerations affecting risk management

Instructional Area: Strategic Management

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

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

Performance Indicators:

Explain the concept of management

Discuss the nature of managerial planning

Explain managerial considerations in organizing

Describe managerial considerations in staffing

Discuss managerial considerations in directing

Describe the nature of managerial control (control process, types of control, what is controlled)

*Explain the nature of managerial ethics

Instructional Area: Ethics

Performance Element: Additional specialized performance indicators.

Performance Indicators:

- *Explain the role of ethics in marketing-information management
- *Describe the role of business ethics in pricing
- *Explain business ethics in product/service management
- *Describe the use of business ethics in promotion
- *Explain business ethics in selling