
ENTREPRENEURSHIP, 52.1800.50

An Industry Standards Validation Committee developed these standards on September 29, 2015, with final approval on February 16, 2016. Standards 4.0, 5.0, 6.0, 7.0, and 8.0 are aligned with Arizona's High School Social Studies Standard, Strand 5: Economics. The Arizona Career and Technical Education Quality Commission, the validating authority for the Arizona Skills Standards Assessment System and the end-of-program assessments, certificates, and transcripts, endorsed these standards on May 12, 2016. The first testing date for the end-of-program assessment for Entrepreneurship using the new standards is Fall 2017.

STANDARD 1.0 EVALUATE THE ROLE OF ENTREPRENEURSHIP IN SOCIETY

- 1.1 Compare and contrast the characteristics of an entrepreneur versus a business owner
- 1.2 Determine the advantages and disadvantages of ownership of a small business
- 1.3 Evaluate the impact of entrepreneurial businesses on the economy
- 1.4 Compare and contrast social entrepreneurships and traditional entrepreneurships

STANDARD 2.0 EVALUATE LEADERSHIP STYLES AND MANAGEMENT FUNCTIONS

- 2.1 Determine personal characteristics of effective entrepreneurs
- 2.2 Compare and contrast leadership styles and characteristics
- 2.3 Describe how cultural, ethnic, and generational differences affect interpersonal interactions and communications within a business structure
- 2.4 Explain the importance of authority, responsibility, and delegation in operating a business
- 2.5 Differentiate among management functions: planning, organizing, directing, and controlling
- 2.6 Describe the roles of support staff, supervisors, and managers in achieving financial goals
- 2.7 Discuss the role of management in achieving quality control

STANDARD 3.0 APPLY CRITICAL THINKING, PROBLEM-SOLVING, AND DECISION-MAKING SKILLS

- 3.1 Demonstrate problem-solving techniques, i.e., six-step problem-solving process
- 3.2 Demonstrate methods of establishing priorities
- 3.3 Prepare a timeline for completing a project, i.e., Gantt Chart
- 3.4 Identify key performance indicators and success metrics [e.g., profitability and NPS (Net Promoter Score)]

STANDARD 4.0 EXAMINE FOUNDATIONAL CONCEPTS OF ECONOMICS

(aligned with Arizona's High School Social Studies Standard, Strand 5: Economics)

- 4.1 Analyze the implications of scarcity (e.g., limited resources and unlimited human wants influence choice; factors of production; marginal analysis by producers, consumers, savers, and investors)
- 4.2 Analyze production possibilities curves to describe opportunity costs and trade-offs
- 4.3 Describe the characteristics of the mixed market economy of the United States
- 4.4 Evaluate the economic implications of current events from a variety of sources (e.g., magazine/newspaper articles, radio/television reports, editorials, and internet sites)
- 4.5 Use charts, tables, graphs, equations, and diagrams to interpret economic information

STANDARD 5.0 EXPLAIN THE PRINCIPLES OF MICROECONOMICS

(aligned with Arizona's High School Social Studies Standard, Strand 5: Economics)

- 5.1 Describe how the interdependence of both households and firms is affected by trade, exchange, money, and banking
- 5.2 Describe how markets function
- 5.3 Differentiate among pure competition, monopoly, and oligopoly
- 5.4 Describe how government policies influence the economy

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STANDARD 6.0 EXPLAIN THE PRINCIPLES OF MACROECONOMICS

(aligned with Arizona’s High School Social Studies Standard, Strand 5: Economics)

- 6.1 Determine how inflation, unemployment, and gross domestic product statistics are used in policy decisions
- 6.2 Explain the effects of inflation and deflation on different groups (e.g., borrowers vs. lenders and fixed income/cost of living adjustments)
- 6.3 Describe the economic and non-economic consequences of unemployment
- 6.4 Analyze fiscal policy and its effects on inflation, unemployment, and economic growth
- 6.5 Describe the functions of the Federal Reserve System and their influences on the economy (e.g., banking regulation and supervision, financial services, and monetary policy)
- 6.6 Explain the effects of monetary policy on unemployment, inflation, and economic growth
- 6.7 Determine how health, education, and training of the people and investment in factories, machinery, and new technology can raise future standards of living

STANDARD 7.0 EXPLAIN THE PRINCIPLES OF GLOBAL ECONOMICS

(aligned with Arizona’s High School Social Studies Standard, Strand 5: Economics)

- 7.1 Analyze the similarities and differences among economic systems
- 7.2 Describe the effects of international trade on the United States and other nations
- 7.3 Explain marketing and its importance in the global economy

STANDARD 8.0 APPLY PRINCIPLES OF PERSONAL FINANCE

(aligned with Arizona’s High School Social Studies Standard, Strand 5: Economics)

- 8.1 Explain how education, career choices, and family obligations affect future income
- 8.2 Analyze how advertising influences consumer choices
- 8.3 Determine short- and long-term financial goals and plans, including income, spending, saving, and investing
- 8.4 Compare the advantages and disadvantages of using various forms of credit and the determinants of credit history
- 8.5 Explain the risk, return, and liquidity of short- and long-term saving and investment vehicles
- 8.6 Identify investment options available to individuals and households (e.g., stocks, bonds, and mutual funds)

STANDARD 9.0 ANALYZE FINANCIAL CONCEPTS USED IN BUSINESS DECISIONS

- 9.1 Explain the nature and scope of financing
- 9.2 Explain the purpose, importance, and process for obtaining business credit
- 9.3 Determine funding needed to start and grow a business
- 9.4 Identify sources of funding for businesses (e.g., bootstrapping, crowdfunding, investors, and lending institutions)
- 9.5 Forecast financial growth based upon organization’s future plans
- 9.6 Interpret financial information for decision making and planning

STANDARD 10.0 APPLY CONCEPTS, INFORMATION SYSTEMS, AND TECHNOLOGIES NEEDED TO MAKE BUSINESS DECISIONS

- 10.1 Explore the nature and scope of information management
- 10.2 Describe strategies of information gathering [e.g., Customer Relationship Management (CRM)]
- 10.3 Explore technologies used to gather and manage business functions
- 10.4 Use information analysis techniques
- 10.5 Explain the importance of management tools (e.g., 10-year plan, SWOT, employee surveys, and customer surveys)
- 10.6 Describe the impact of business communications on the success of an operation

STANDARD 11.0 APPLY ADVERTISING STRATEGIES

- 11.1 Identify the components of a promotional mix
- 11.2 Compare and contrast types of advertising media
- 11.3 Evaluate costs and benefits of participation in community activities (e.g., sponsorships, donations, and volunteering)
- 11.4 Explain the impact of product design on consumer behavior
- 11.5 Explain the impact of product design on visual merchandising

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STANDARD 12.0 EXPLAIN THE ROLE OF HUMAN RESOURCES IN THE OPERATION OF A BUSINESS

- 12.1 Identify the role of HR in the recruitment, investigation, hiring, training, and evaluation of employees
- 12.2 Explain when and how to promote staff
- 12.3 Explain when and how to terminate staff
- 12.4 Develop job descriptions
- 12.5 Plan compensation and benefit options
- 12.6 Identify government regulations (federal, state, and local) that affect small business
- 12.7 Identify sources for technical assistance for an entrepreneur (e.g., SBA, SCORE, small business development centers, and mentors)
- 12.8 Explain policies and laws regarding harassment and nondiscrimination
- 12.9 Explain differences between employees and contract workers

STANDARD 13.0 IDENTIFY STRATEGIES FOR BUSINESS START-UP AND GROWTH

- 13.1 Develop core values (e.g., sustainability, innovation, excellence, creativity, social responsibility, and quality)
- 13.2 Establish corporate culture based on core values
- 13.3 Define the mission and develop a vision statement for the business
- 13.4 Develop a strategic plan including an exit strategy
- 13.5 Identify factors in business expansion
- 13.6 Analyze strategies related to business risk

STANDARD 14.0 DEVELOP A PLAN FOR A BUSINESS MODEL

- 14.1 Explain the purpose of a business model
- 14.2 Explain how customer segments are integrated with a business model
- 14.3 Explain the components of value propositions for a business model
- 14.4 Determine channels needed to reach customer segments
- 14.5 Identify customer relationship management strategies
- 14.6 Determine revenue streams for a business model
- 14.7 Identify key resources required to establish value propositions
- 14.8 Determine key activities required for different business models
- 14.9 Identify types of key partners needed for a sustainable business model
- 14.10 Identify costs inherent in a business model
- 14.11 Identify barriers to a business start-up

STANDARD 15.0 DEVELOP A MARKETING STRATEGY FOR A BUSINESS MODEL

- 15.1 Describe marketing functions
- 15.2 Conduct market research
- 15.3 Explore the nature and scope of product/service management (e.g., product life cycles, product mix, positioning, and branding)
- 15.4 Explain quality assurance and consumer protection
- 15.5 Explore retail product considerations
- 15.6 Develop a coordinated marketing plan
- 15.7 Identify strategies for generating customer loyalty
- 15.8 Identify presale activities to facilitate sales presentations
- 15.9 Employ sales processes and techniques to increase the likelihood of closing sales
- 15.10 Demonstrate product knowledge to communicate product benefits and features to ensure appropriateness of product for the customer

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STANDARD 16.0 DEVELOP A FINANCIAL PLAN FOR A BUSINESS

- 16.1 Project annual and monthly business income for the first 3 years of operation
- 16.2 Estimate annual and monthly operating statement and cash flow for the first 3 years of operation
- 16.3 Calculate the sales volume required for the first 3 years of operation
- 16.4 Prepare a pro-forma balance sheet and cash flow statement
- 16.5 Identify various types of taxes that affect a small business
- 16.6 Monitor and adjust business operations based on financial performance

STANDARD 17.0 DISTINGUISH LEGAL AND ETHICAL PRACTICES OF BUSINESS

- 17.1 Identify ethical business behaviors that create goodwill and trust
- 17.2 Explain the purpose of warranties and guarantees
- 17.3 Explain laws and organizational ethics
- 17.4 Evaluate ways businesses integrate the triple bottom line (e.g., social, environmental, and financial)
- 17.5 Differentiate among legal and tax implications of business entities (e.g., sole proprietorship, LLC, nonprofit, S corporation, C corporation, partnership, and corporation)
- 17.6 Identify ethical business behaviors that create goodwill and trust

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