

Assessment Blueprint

Honors Ready Finance (2-Credit)



General Assessment Information

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Test Type: This Programs of Study assessment is a customized assessment for the MBAResearch and Curriculum Center. Programs of Study assessments measure technical skills at the occupational level and include items which gauge factual and theoretical knowledge. This assessment offers a written component and is intended for use at the secondary level. This assessment is delivered entirely through QuadNet™, NOCTI's online testing system.

Revision Team: This assessment was developed by MBAResearch and Curriculum Center, a not-for-profit 501(c)(3) organization operated by 30+ state education departments. Assessment content is based on standards validated by industry professionals throughout the U.S.



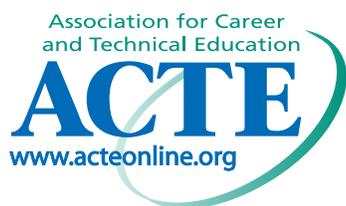
52.0899 – Finance and
Financial Management
Services, Other



Career Cluster
6- Finance



11-3031.00 – Financial
Managers



The Association for Career and Technical Education (ACTE), the leading professional organization for career and technical educators, commends all students who participate in career and technical education programs and choose to validate their educational attainment through rigorous technical assessments. In taking this assessment you demonstrate to your school, your parents and guardians, your future employers and yourself that you understand the concepts and knowledge needed to succeed in the workplace. Good Luck!



MBAResearch believes that “proof of learning” is the first step toward a future career. Students who successfully complete a research-based assessment put themselves a step ahead of their competitors – for college admission and for beginning substantive careers in business. MBAResearch is proud to be the primary source of industry-validated standards and curriculum for business careers, for many high school and community college business administration curricula, and for many assessments offered here.

Written Assessment

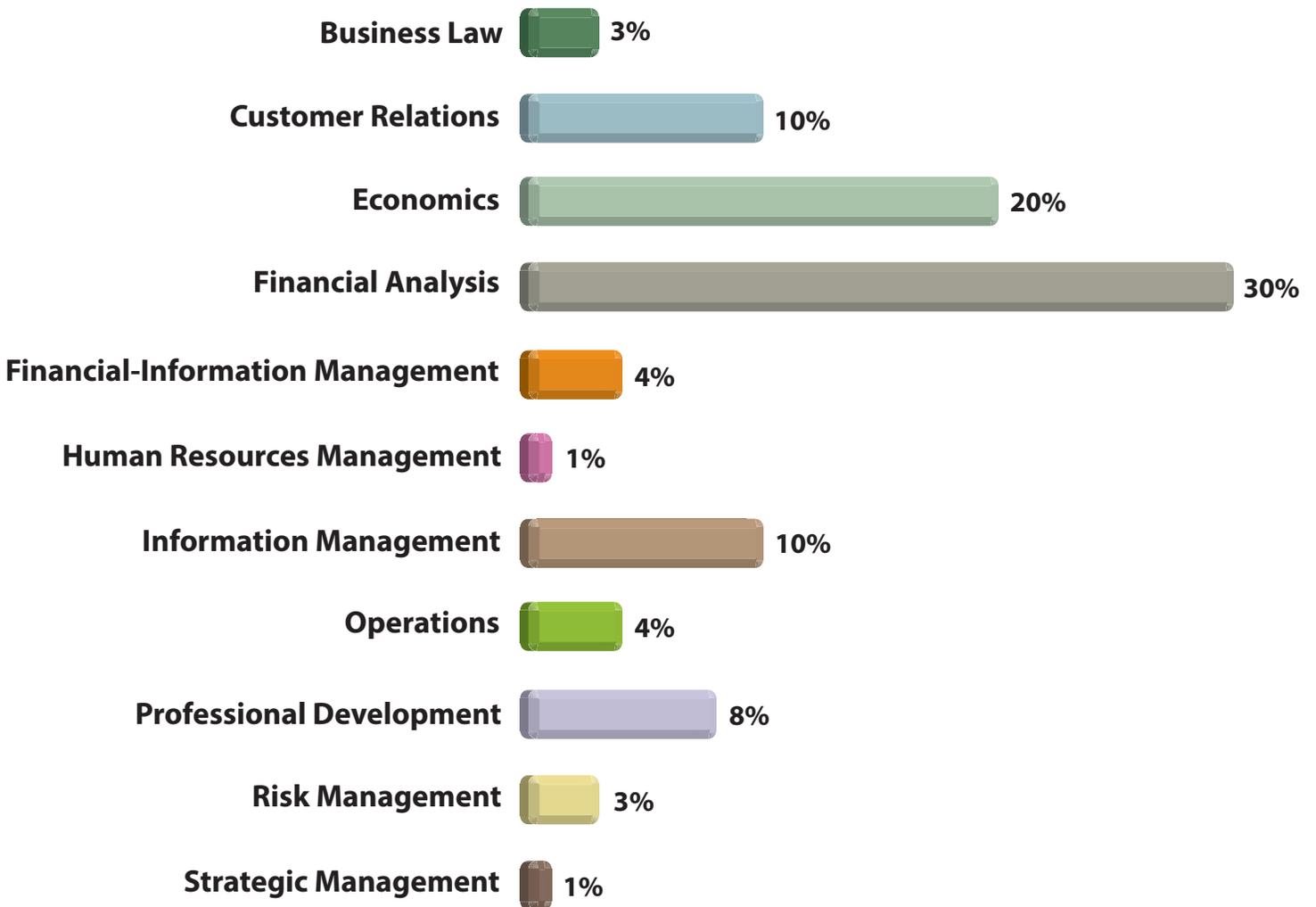
This written assessment consists of questions to measure an individual's factual theoretical knowledge.

Administration Time: 1 hour and 40 minutes

Number of Questions: 100

Number of Sessions: This assessment may be administered in one or two sessions.

Areas Covered



Specific Competencies and Skills Tested in this Assessment

Business Law

- Describe legal issues affecting businesses
- Discuss the nature and scope of compliance in the finance industry
- Discuss legal considerations in the finance industry

Customer Relations

- Demonstrate a customer service mindset
- Respond to customer inquiries
- Interpret business policies to customers/clients
- Handle difficult customers
- Handle customer/client complaints
- Determine ways of reinforcing the company's image through employee performance
- Discuss the nature of customer relationship management
- Explain the role of ethics in customer relationship management
- Explain the responsibilities of finance professionals in providing client services
- Use Customer Relationship Management (CRM)



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Specific Competencies and Skills (continued)

Economics

- Distinguish between economic goods and services
- Explain the concept of economic resources
- Describe the concepts of economics and economic activities
- Explain the principles of supply and demand
- Explain the role of business in society
- Describe types of business activities
- Explain the organizational design of businesses
- Explain the nature of business ethics
- Explain how organizations adapt to today's markets
- Explain the types of economic systems
- Identify factors affecting a business's profit
- Explain the concept of competition
- Describe the nature of taxes
- Explain the concept of productivity
- Analyze impact of specialization/division of labor on productivity
- Explain the impact of the law of diminishing returns
- Describe the economic impact of inflation on business
- Determine the impact of business cycles on business activities
- Explain the nature of global trade
- Describe the determinants of exchange rates and their effects on the domestic economy



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Specific Competencies and Skills (continued)

Financial Analysis

- Explain the need to save and invest
- Describe the role of financial institutions
- Discuss the nature of convergence/consolidation in the finance industry
- Explain the nature and scope of financial globalization
- Describe types of financial-services providers
- Describe sources of securities information
- Interpret securities table
- Explain types of investments
- Describe the concept of insurance
- Describe the need for financial information
- Explain the concept of accounting
- Discuss the role of ethics in accounting
- Explain the use of technology in accounting
- Describe the nature of cash flow statements
- Prepare cash flow statements
- Explain the nature of balance sheets
- Describe the nature of income statements
- Discuss the nature of the accounting cycle
- Discuss the nature of annual reports
- Prepare income statements
- Prepare balance sheets
- Discuss the role of ethics in finance



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Specific Competencies and Skills (continued)

Financial Analysis (continued)

- Describe the scope of costs in managerial accounting (e.g., direct cost, indirect cost, sunk cost, differential cost, etc.)
- Discuss the use of variance analysis in managerial accounting
- Explain the nature of managerial cost accounting (e.g., activities, costs, cost drivers, etc.)
- Describe the financial needs of a business at different stages of its development
- Describe the nature of budgets
- Explain the nature of operating budgets
- Describe the nature of cost/benefit analysis
- Determine relationships among total revenue, marginal revenue, output, and profit
- Develop company's/department's budget
- Forecast sales
- Calculate financial ratios
- Interpret financial statements
- Describe types of financial statement analysis (e.g., ratio analysis, trend analysis, etc.)
- Calculate the time value of money

Financial-Information Management

- Explain the nature and scope of the financial-information management function
- Describe the use of technology in the financial-information management function
- Demonstrate budgeting applications
- Demonstrate financial analysis applications

Human Resources Management

- Discuss the nature of human resources management

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Specific Competencies and Skills (continued)

Information Management

- Demonstrate advanced database applications
- Access information in the database system
- Discuss the nature of data mining
- Describe data mining tools and techniques
- Describe the nature of business records
- Maintain customer records
- Describe current business trends
- Monitor internal records for business information
- Conduct an environmental scan to obtain business information
- Interpret statistical findings

Operations

- Explain the nature of operations
- Explain the concept of production
- Explain the nature of overhead/operating costs
- Conduct breakeven analysis



Specific Competencies and Skills (continued)

Professional Development

- Utilize job-search strategies
- Complete a job application
- Interview for a job
- Write a follow-up letter after job interviews
- Prepare a résumé
- Discuss employment opportunities in the finance industry
- Describe the components of a well-governed company (e.g., board of directors, reporting, transparency, internal and external audit functions)
- Identify the factors that impact governance structures

Risk Management

- Describe the use of technology in risk management
- Discuss legal considerations affecting risk management
- Discuss the nature of risk control (i.e., internal and external)

Strategic Management

- Explain the concept of management



Sample Questions

Which of the following can be taxed twice:

- A. IRA contributions
- B. Capital gains
- C. Transaction fees
- D. Corporate dividends

When consumers purchase gasoline and telephone services, they most often pay a(n) _____ tax.

- A. property
- B. proportional
- C. income
- D. excise

Lily, Natasha, and Sophia are college friends who want to start a business. Lily has creative ability, Natasha's expertise is selling, and Sophia's expertise is management. However, each has limited capital. The ideal business ownership option for these young women is a

- A. corporation.
- B. merger.
- C. partnership.
- D. franchise.

