

Assessment Blueprint

Honors Ready Finance (3-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

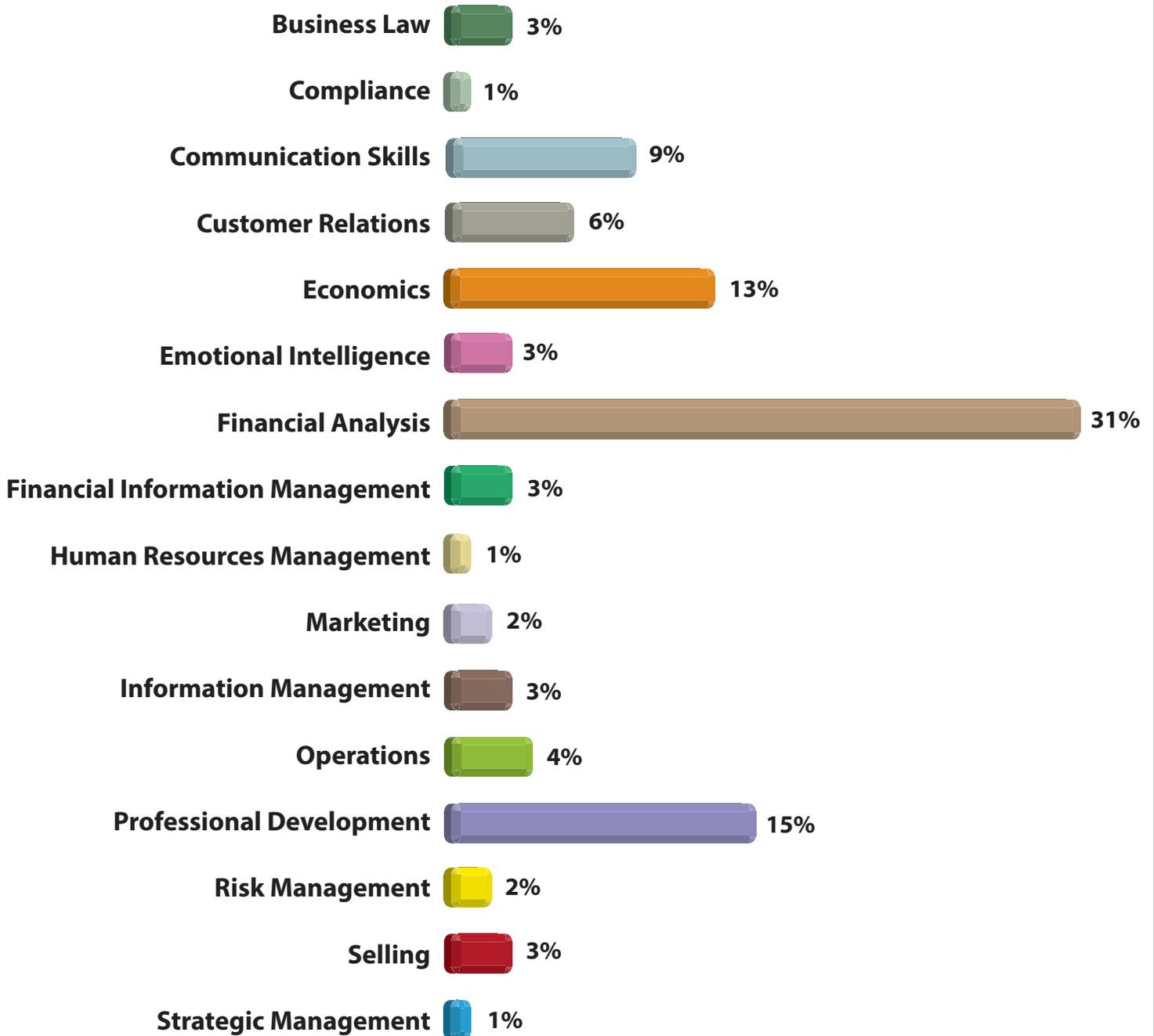
This written assessment consists of questions to measure an individual's factual theoretical knowledge.

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 impact of the Sarbanes-Oxley Act of 2002 on financial accounting
- Discuss legal considerations in the finance industry

Compliance

- Discuss the nature and scope of compliance in the finance industry

Communication Skills

- Defend ideas objectively
- Handle telephone calls in a businesslike manner
- Utilize note-taking strategies
- Explain the nature of effective written communications
- Write professional emails
- Write inquiries
- Write executive summaries
- Prepare complex written reports
- Choose and use appropriate channel for workplace communication

Customer Relations

- Demonstrate a customer-service mindset
- Respond to customer inquiries
- Handle difficult customers
- Determine ways of reinforcing the company's image through employee performance
- Discuss the nature of customer relationship management
- Explain the responsibilities of finance professionals in providing client services



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Specific Competencies and Skills (continued)

Economics

- Distinguish between economic goods and services
- Explain the concept of economic resources
- Explain the principles of supply and demand
- Describe types of business activities
- Explain the organizational design of businesses
- Identify factors affecting a business's profit
- Determine factors affecting business risk
- Explain the concept of competition
- Describe the nature of taxes
- Explain the concept of organized labor and business
- Explain the impact of the law of diminishing returns
- Determine the impact of business cycles on business activities
- Describe the determinants of exchange rates and their effects on the domestic economy



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Specific Competencies and Skills (continued)

Emotional Intelligence

- Demonstrate negotiation skills
- Use consensus-building skills

Financial Analysis

- Describe the role of financial institutions
- Discuss the nature of convergence/consolidation in the finance industry
- Explain the nature and scope of financial globalization
- Explain factors to consider when selecting investments
- Describe sources of securities information
- Explain the nature of risk management
- Describe the need for financial information
- Explain the concept of 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
- Prepare income statements
- Prepare balance sheets
- Explain cash control procedures (e.g., signature cards, deposit slips, internal/external controls, cash clearing, etc.)
- Explain the nature of electronic funds transfer (EFT)
- Explain the nature of the voucher system



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Specific Competencies and Skills (continued)

Financial Analysis (continued)

- Explain the nature of special journals
- Analyze purchase transactions
- Explain the nature of accounts receivable
- Discuss the role of ethics in finance
- Describe the nature of budgets
- Explain the nature of operating budgets
- Determine relationships among total revenue, marginal revenue, output, and profit
- Forecast sales
- Calculate financial ratios
- Interpret financial statements
- Describe types of financial statement analysis (e.g., ratio analysis, trend analysis, etc.)
- Explain the nature of payroll expenses (e.g., Social Security tax, Medicare tax, FUTA, SUTA, workers' compensation, etc.)

Financial Information Management

- Explain the nature and scope of the financial-information management function
- Demonstrate data mining techniques
- Demonstrate financial analysis applications

Human Resources Management

- Discuss the nature of human resources management

Marketing

- 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.)

Information Management

- Monitor internal records for business information
- Conduct an environmental scan to obtain business information
- Interpret statistical findings

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Specific Competencies and Skills (continued)

Operations

- Explain the concept of production
- Explain the nature of overhead/operating costs
- Explain employee's role in expense control
- Conduct breakeven analysis

Professional Development

- Set personal goals
- Explain the need for innovation skills
- Demonstrate problem-solving skills
- Complete a job application
- Interview for a job
- Prepare a résumé
- Discuss employment opportunities in the finance industry
- Discuss the use of cost-volume-profit analysis
- Explain the role of managerial accounting techniques in business management
- Describe the scope of costs in managerial accounting (e.g., direct cost, indirect cost, sunk cost, differential cost, etc.)
- Describe the nature of the insurance industry
- Explain the need for ongoing education as a worker
- Discuss licensure and certification available to finance professionals
- Explain causes of stock price fluctuations
- Compare U.S. Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS)

Specific Competencies and Skills (continued)

Risk Management

- Explain the role of ethics in risk management
- Discuss the nature of risk control (i.e., internal and external)

Selling

- Describe components of automobile insurance coverage
- Discuss components of homeowners insurance
- Explain the nature of bonds

Strategic Management

- Identify and benchmark key performance indicators (e.g., dashboards, scorecards, etc.)



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.

