

§130.112. Principles of Business, Marketing, and Finance (One-Half to One Credit).

(a) General requirements. This course is recommended for students in Grades 9-11.

(b) Introduction. In Principles of Business, Marketing, and Finance, students gain knowledge and skills in economies and private enterprise systems, the impact of global business, marketing of goods and services, advertising, and product pricing. Students analyze the sales process and financial management principles. This course allows students to reinforce, apply, and transfer academic knowledge and skills to a variety of interesting and relevant activities, problems and settings in business, marketing, and finance.

(c) Knowledge and skills.

(1) The student describes the characteristics of business. The student is expected to:

- (A) explain the role of business in a global society;
- (B) differentiate between goods and services;
- (C) identify the types of business;
- (D) compare the different forms of ownership;
- (E) examine the organizational structure and functions of business;
- (F) interpret the nature of balance sheets and income statements;
- (G) describe factors that affect the environment; and
- (H) explain how organizations adapt to current markets.

(2) The student defines ethics in business. The student is expected to:

- (A) distinguish between ethical and unethical business practices; and
- (B) contrast ethical, moral, and legal choices that relate to the decision-making process in business situations.

(3) The student differentiates between the types of economic systems with emphasis on the private enterprise system and the United States economy. The student is expected to:

- (A) compare and contrast the types of economic systems, including traditional, centrally planned, market, and mixed economies;
- (B) identify business cycles;

- (C) summarize the characteristics of the private enterprise system;
- (D) identify factors affecting a business' profits, revenues, and expenses; and
- (E) investigate potential causes of economic decisions such as supply and demand or consumer dollar votes.

(4) The student relates to the impact of international business on the United States economy. The student is expected to:

- (A) compare domestic and world trade; and
- (B) explain the impact of imports and exports on the United States economy.

(5) The student identifies the role and impact of government, the legal system, and organized labor in business. The student is expected to:

- (A) differentiate among the roles of government in business;
- (B) describe types of activities performed by governments in business;
- (C) ascertain the role of the legal system in business; and
- (D) explain the role of organized labor in society.

(6) The student classifies types of businesses that market goods and services. The student is expected to:

- (A) explain the importance of different marketing strategies for goods versus services;
- (B) define the terms producers, raw-goods producers, manufacturers, builders, trade industries, retailers, wholesalers, and service businesses;
- (C) categorize types of producers in a private enterprise system;
- (D) identify types of retailers;
- (E) explain the role of retailers in a private enterprise system;
- (F) identify examples of wholesalers; and
- (G) describe the role of wholesalers in a private enterprise system.

(7) The student analyzes cost and profit relationships in finance. The student is expected to:

- (A) explain the concept of productivity;
- (B) analyze the impact of specialization and division of labor on productivity;
- (C) explain the concept of organized labor and business;
- (D) examine the impact of the law of diminishing returns; and
- (E) describe the concept of economies of scale.

(8) The student analyzes the sale process, techniques used to enhance customer relationships, and the likelihood of making sales. The student is expected to:

- (A) explain the selling process; and
- (B) discuss motivational theories that impact buying behavior such as Maslow's Hierarchy of Needs.

(9) The student demonstrates how to advertise to communicate promotional messages to targeted audiences. The student is expected to:

- (A) proofread ads for effectiveness; and
- (B) analyze ad performance.

(10) The student understands how to increase sales by employing visual merchandising techniques and using special events to increase sales. The student is expected to:

- (A) explain the use of visual merchandising in retailing;
- (B) distinguish between visual merchandising and display;
- (C) place merchandise for impact;
- (D) plan special events; and
- (E) prepare stores and departments for special events.

(11) The student understands the fundamental principles of money. The student is expected to:

- (A) evaluate forms of financial exchange, including cash, credit, debit, and electronic funds transfer;
- (B) identify types of currency, including paper money, coins, banknotes, government bonds, and treasury notes;

(C) list functions of money such as medium of exchange, unit of measure, and store of value;

(D) describe sources of income such as wages and salaries, interest, rent, dividends, capital gains, and transfer payments;

(E) explain the time value of money;

(F) summarize the purposes and importance of credit; and

(G) explain legal responsibilities associated with financial exchanges.

(12) The student demonstrates an understanding of personal financial management. The student is expected to:

(A) explain the importance of providing accurate information;

(B) calculate gross and net pay;

(C) simulate opening and maintaining various types of bank accounts;

(D) reconcile bank statements;

(E) compare the advantages and disadvantages of different types of banking services;

(F) examine investment growth by developing a personal investment plan; and

(G) prepare an individual income tax return.

(13) The student knows that advertising is the paid form of nonpersonal communication about an identified sponsor's products. The student is expected to:

(A) list types of advertising media;

(B) differentiate between product and institutional advertising; and

(C) identify and evaluate elements of an advertisement.

(14) The student discusses economic concepts impacting prices. The student is expected to:

(A) explain the principles of supply and demand; and

(B) describe the functions of prices in markets such as supply and demand.

(15) The student analyzes career opportunities and formulates a career plan. The student is expected to:

- (A) analyze individual goals and interests;
- (B) determine individual talents, abilities, and skills; and
- (C) develop an individual career plan.

Source: The provisions of this §130.112 adopted to be effective August 23, 2010, 34 TexReg 5923.