

Accounting Applications Individual Series Event

Performance Indicators

Performance Indicators 2007-2008 DECA Competitive Events

Performance Indicators for this competitive event are used to define the parameters of the written exam, role-plays, case studies and other activities that are part of the overall competition.

This list was compiled by MarkED and represents its 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 MarkED research and on extensive review of available online and print literature—both from industry and education. Over the next year, MarkED 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 MarkED web site at www.Mark-ED.org. Questions may be e-mailed to betho@mark-ed.com.

Instructional Area**BUSINESS LAW****Performance Element**

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

Performance Indicators

Describe legal issues affecting businesses
Describe the nature of legally binding contracts

Performance Element

Adhere to commerce laws and regulations to establish and continue business operations.

Performance Indicators

Explain types of business ownership
Explain the nature of trade regulations
Explain the nature of environmental regulations

Performance Element

Understand human-resource laws and regulations to facilitate business operations.

Performance Indicators

Explain the nature of personnel regulations
Explain the nature of workplace regulations (including OSHA, ADA)

Instructional Area**COMMUNICATION SKILLS****Performance Element**

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

Performance Indicators

Analyze company resources to ascertain policies and procedures

Performance Element

Apply verbal skills to obtain and convey information.

Performance Indicators

Defend ideas objectively
Handle telephone calls in a businesslike manner
Participate in group discussions
Make oral presentations

Performance Element

Write effectively to convey information.

Performance Indicators

Explain the nature of effective written communications
Write business letters
Write informational messages
Write inquiries
Write persuasive messages
Prepare simple written reports
Prepare complex written reports
Write proposals

Performance Element

Communicate with staff to clarify workplace objectives.

Performance Indicators

Explain the nature of staff communication
Participate in a staff meeting
Provide directions for completing job tasks
Conduct a staff meeting

Instructional Area**ECONOMICS****Performance Element**

Acquire an understanding of 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 economic scarcity and economic activities
Determine economic utilities created by business activities
Explain the principles of supply and demand
Describe the concept of price

Performance Element

Recognize the nature of business to understand its contributions to society.

Performance Indicators

Explain the role of business in society
Describe types of business activities

Performance Element

Differentiate among economic systems to understand the environments in which businesses function.

Performance Indicators

Explain the types of economic systems
Determine the relationship between government and business
Describe the nature of taxes
Explain the concept of private enterprise
Identify factors affecting a business's profit
Determine factors affecting business risk
Explain the concept of competition
Describe businesses' market structures

Performance Element

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

Performance Indicators

Explain the concept of productivity
Analyze the effects of government expenditures and tax policies on 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
Describe the concept of economies of scale
Describe the nature of cost/benefit analysis
Determine relationships among total revenue, marginal revenue, output, and profit

Performance Element	Identify economic indicators to measure economic trends and conditions.
Performance Indicators	<p>Explain measures used to analyze economic conditions</p> <p>Describe the concept of price stability as an economic measure</p> <p>Discuss the measure of consumer spending as an economic indicator</p> <p>Discuss the impact of a nation's unemployment rates</p> <p>Describe the economic impact of inflation on business.</p> <p>Explain the economic impact of interest-rate fluctuations.</p> <p>Determine the impact of business cycles on business activities</p>
Performance Element	Determine international trade's impact on business decision-making.
Performance Indicators	<p>Explain the nature of international trade</p> <p>Discuss the impact of cultural and social environments on world trade</p>
Instructional Area	EMOTIONAL INTELLIGENCE
Performance Element	Exhibit techniques to manage emotional reactions to people and situations.
Performance Indicators	<p>Lead change</p> <p>Explain the nature of stress management</p>
Performance Element	Understand others' feelings, needs, and concerns to enhance interpersonal relations.
Performance Indicators	<p>Explain the nature of positive customer/client relations</p> <p>Demonstrate a customer-service mindset</p> <p>Develop cultural sensitivity</p> <p>Explain the impact of political relationships within an organization</p> <p>Explain management's role in customer relations</p>
Performance Element	Manage internal and external business relationships to foster positive interactions.
Performance Indicators	<p>Foster positive working relationships</p> <p>Explain the concept of leadership</p> <p>Participate as a team member</p> <p>Use consensus-building skills</p> <p>Persuade others</p> <p>Explain ethical considerations in providing information</p> <p>Reinforce service orientation through communication</p> <p>Respond to customer inquiries</p> <p>Use conflict-resolution skills</p> <p>Handle difficult customers</p> <p>Interpret business policies to customers/clients</p> <p>Handle customer/client complaints</p> <p>Encourage team building</p> <p>Recognize/Reward others for their efforts and contributions</p> <p>Coach others</p>

Instructional Area**FINANCIAL ANALYSIS****Performance Element**

Acquire an understanding of the fundamental principles of money needed to make financial exchanges.

Performance Indicators

Explain the nature and scope of financing
 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
 Determine profitability of business services

Performance Element

Manage personal finances to achieve financial goals.

Performance Indicators

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

Performance Element

Acquire foundational knowledge of financial-services providers to understand their role in financial-goal achievement.

Performance Indicators

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

Performance Element

Understand the need for investing to ensure financial well being.

Performance Indicators

Explain types of investments
 Establish investment goals and objectives

Performance Element

Understand potential business threats and opportunities to protect a business's financial well being.

Performance Indicators

Describe the concept of insurance

Performance Element **Understand accounting's role and function in business to track money flow and to determine financial status.**

Performance Indicators

- Explain the concept of accounting
- Explain the need for accounting standards (GAAP)
- Prepare invoices
- Maintain petty cash records
- Maintain daily financial transactions
- Record and report sales tax
- Describe the nature of cash flow statements
- Prepare cash flow statements
- Explain the nature of balance sheets
- Describe the nature of profit-and-loss statements

Performance Element **Understand payroll requirements to facilitate the payroll process.**

Performance Indicators

- Explain issues associated with the payroll process

Performance Element **Manage financial resources to ensure solvency.**

Performance Indicators

- Forecast sales
- Calculate financial ratios
- Describe the nature of budgets
- Explain the nature of operating budgets
- Develop company's/department's budget
- Analyze cash-flow patterns
- Conduct break-even analysis
- Interpret financial statements

Performance Element **Additional specialized performance indicators**

Performance Indicators

- Explain the purpose of accounting systems
- Apply the accounting equation to business transactions
- Describe ethical considerations in accounting
- Develop chart of accounts
- Explain the nature of source documents
- Analyze daily transactions
- Explain cash-control procedures
- Evaluate cash-handling techniques
- Prepare a credit memorandum for returned goods
- Verify invoices
- Process accounts payable checks
- Maintain check register
- Prepare an accounts payable schedule
- Control accounts payable
- Explain the nature of costing procedures
- Implement costing procedures
- Value long-term debt

Performance Indicators

Explain the nature of bonds
Explain how business's account for investments in other companies
Process sales returns and allowances
Process customer payments
Prepare customer statements
Age accounts-receivable
Control accounts receivable
Estimate uncollectible accounts expense
Evaluate business's ability to collect receivables
Process write-offs for uncollectible accounts
Maintain employee earnings records
Process payroll time cards
Calculate payroll earnings and deductions
Prepare payroll checks
Verify payroll data
Allocate payroll costs
Generate payroll tax report
Determine cost of goods sold
Verify inventory receipts/disbursements
Calculate depreciation
Analyze the impact of depreciation methods on financial statements
Make capital expenditure decisions
Value and report property/equipment/intangible assets on financial statements
Explain the impact of sales policies on income statement reporting
Explain the effect of inventory systems on cost of goods sold
Prepare profit-and-loss statement
Manage company's cash balance
Explain the impact of changes in foreign exchange rates
Explain the impact of taxes on company expenses
Evaluate a company's liquidity
Perform currency conversions
Explain the structure of the budgeting process
Explain the nature of master budgets
Prepare cash budget
Prepare sales budget
Prepare purchases budget
Prepare selling expenses budget
Evaluate projected income statements
Evaluate projected balance statements
Use master budget to evaluate company's performance
Use ratio analysis to evaluate company performance
Prepare and process voucher forms
Calculate cash/stock dividends
Analyze the effects of cash dividends on financial statements
Evaluate business's liabilities
Account for differences between actual and estimated income/expense
Report inventory on financial statements
Conduct break-even analysis

Instructional Area**HUMAN RESOURCE MANAGEMENT****Performance Element**

Employ skills needed to organize and facilitate work efforts.

Performance Indicators

Describe ethics in personnel issues
Explain the nature of wage and benefit programs

Performance Element

Utilize techniques to staff an organization or a department within an organization.

Performance Indicators

Determine hiring needs
Screen job applications/resumes
Interview job applicants
Select and hire new employees
Conduct exit interviews
Dismiss/fire employees
Maintain personnel records

Performance Element

Lead staff growth and development to increase productivity and employee satisfaction.

Performance Indicators

Orient new employees
Orient new employees (management's role)
Explain the role of training and human resource development
Explain the nature of management/supervisory training
Coach employees
Recognize/reward employees
Handle employee complaints and grievances
Ensure equitable opportunities for employees
Assess employee performance
Explain the nature of remedial action

Instructional Area**INFORMATION MANAGEMENT****Performance Element**

Maintain business records to facilitate business operations.

Performance Indicators

Describe the nature of business records
Maintain customer records

Performance Element

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

Performance Indicators

Demonstrate collaborative/groupware applications

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

Performance Element**Additional specialized performance indicators****Performance Indicators**

Explain the role of accounting information in business
 Describe the impact of technology on the accounting processes
 Maintain a vendor file
 Maintain a customer file
 Maintain inventory records
 Describe internal and external accounting reports

Instructional Area**MARKETING****Performance Element****Acquire an understanding of 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

Instructional Area**OPERATIONS****Performance Element****Evaluate safety issues needed to protect employees.****Performance Indicators**

Follow safety precautions
 Maintain a safe work environment
 Explain procedures for handling accidents
 Handle and report emergency situations

Performance Element**Analyze security issues to protect employees and to minimize loss.****Performance Indicators**

Explain routine security precautions

Performance Element**Analyze purchasing activities implemented to obtain business supplies and equipment.****Performance Indicators**

Explain the nature and scope of purchasing
 Place orders/reorders

Performance Element

Acquire an understanding of 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

Utilize business systems to expedite workflow and enhance a business's image.

Performance Indicators

Describe crucial elements of a quality culture
Describe the role of management in the achievement of quality
Analyze business systems and procedures

Performance Element

Implement organizational skills to improve efficiency and workflow.

Performance Indicators

Use time-management principles
Develop project plan
Manage projects
Schedule employees

Performance Element

Implement expense-control strategies to enhance a business's financial well being.

Performance Indicators

Explain the nature of overhead/operating costs
Explain employee's role in expense control
Control use of supplies
Negotiate service and maintenance contracts
Negotiate lease or purchase of facility
Develop expense-control plans
Use budgets to control operations

Performance Element

Perform activities to facilitate ongoing business operations.

Performance Indicators

Maintain inventory of supplies
Identify resources needed for project
Identify routine activities for maintaining business facilities and equipment

Instructional Area**PROFESSIONAL DEVELOPMENT****Performance Element**

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

Performance Indicators

Determine vision
Set personal goals
Make decisions
Demonstrate negotiation skills
Demonstrate appropriate creativity

Performance Element	Participate in career-planning to enhance job-success potential.
Performance Indicators	Identify sources of career information Identify tentative occupational interest Explain employment opportunities in business
Performance Element	Implement job-seeking skills to obtain employment.
Performance Indicators	Write a follow-up letter after job interviews Write a letter of application Prepare a resume
Performance Element	Utilize career-advancement activities to enhance professional development.
Performance Indicators	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) Use networking techniques for professional growth
Performance Element	Additional specialized performance indicators
Performance Indicators	Explain responsibilities of accounting professionals Explain the nature of managerial cost accounting
Instructional Area	STRATEGIC MANAGEMENT
Performance Element	Recognize management's role to understand its contribution to business success.
Performance Indicators	Explain the concept of management Explain the nature of managerial ethics Explain the nature of organizational culture
Performance Element	Control an organization's/department's activities to encourage growth and development.
Performance Indicators	Describe the nature of managerial control (control process, types of control, what is controlled) Analyze operating results in relation to budget/industry
Performance Element	Utilize planning tools to guide organization's/department's activities.
Performance Indicators	Explain the nature of business plans Explain external planning considerations

**Instructional
Area****PRICING****Performance
Element****Additional specialized performance indicators****Performance
Indicators**

Calculate breakeven
Calculate discounts and allowances

**Instructional
Area****PRODUCT/SERVICE MANAGEMENT****Performance
Element****Additional specialized performance indicators****Performance
Indicators**

Determine whether to make or buy a product
Determine when to drop a product
Measure costs of quality

**Instructional
Area****PROMOTION****Performance
Element****Additional specialized performance indicators****Performance
Indicators**

Determine which product(s) to advertise