Introduction to the National Business Administration Standards

Business-Related Clusters

MBA Research focuses its research, curriculum and instructional-materials design, and assessment activities on four distinct business-related clusters:

- **Management and Entrepreneurship:** Careers in the Management and Entrepreneurship Cluster are dedicated to performing administrative and managerial processes vital to the success and ongoing existence of a business organization, regardless of the sector or industry in which the business resides or the product/service it provides.
- **Financial Services:** The Financial Services Cluster includes career opportunities related to making strategic decisions to report, obtain, save, protect, and grow the financial assets of businesses and/or individuals.
- **Hospitality, Events, and Tourism:** The Hospitality, Events, and Tourism Cluster includes many business-based careers that create, communicate, and deliver services; travel experiences; and adventures to customers away from home for less than a year for leisure, business, and other reasons.
- **Marketing and Sales:** The Marketing and Sales Cluster includes career opportunities whose processes create, communicate, and deliver value to customers and manage customer relationships in ways that benefit the organization and its stakeholders.

Sub-Clusters

Each of these four clusters is composed of a number of sub-clusters whose content represents a variety of broad-based occupational opportunities that have similar skillset requirements. To be considered a sub-cluster, the following must exist: a discrete, core body of knowledge; well-defined career ladder; professional certification and training; professional associations; and critical mass in terms of number of jobs.

Sub-clusters for the **Management and Entrepreneurship** Cluster are:

- Business Information Management
- Entrepreneurship & Small Business
- Leadership & Operations
- Project Management
- Regulation

The sub-clusters for the **Financial Services** Cluster are:

- Accounting
- Banking & Credit
- Financial Strategy & Investments
- Insurance
- Real Estate

The sub-clusters for the **Hospitality, Events, and Tourism** Cluster are:

- Accommodations
- Conferences & Events
- Culinary & Food Services
- Travel & Leisure

Sub-clusters for the **Marketing and Sales** Cluster are:

- Marketing & Advertising
- Market Research, Analytics, & Ethics
- Retail & Customer Experience
- Strategic Sales

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Levels of Specificity

The National Business Administration Standards, which encompass the four business-related clusters of Management and Entrepreneurship; Financial Services; Hospitality, Events, and Tourism; and Marketing and Sales, consist of four tiers of specificity: Business Administration Core, Cluster Core, Sub-Clusters, and Specialties.

Business Administration Core

The Business Administration Core represents skills and knowledge needed for success in careers in all four business-related clusters and therefore should be addressed in all Management and Entrepreneurship; Financial Services; Hospitality, Events, and Tourism; and Marketing and Sales programs. The content of the broad-based Business Administration Core is fundamental to an understanding of business in all four of these clusters and can be viewed as co-requisites and as prerequisites for all business administration courses. In other words, content in the Business Administration Core must be mastered for cluster-specific content to have relevance to student learning. There are 13 Business Administration Core instructional areas:

- Business Law (BL)
- Communication Skills (CO)
- Customer Relations (CR)
- Economics (EC)
- Emotional Intelligence (EI)
- Entrepreneurship (EN)
- Financial Analysis (FI)
- Human Resources Management (HR)
- Information Management (NF)
- Marketing (MK)
- Operations (OP)
- Professional Development (PD)
- Strategic Management (SM)

Cluster Core

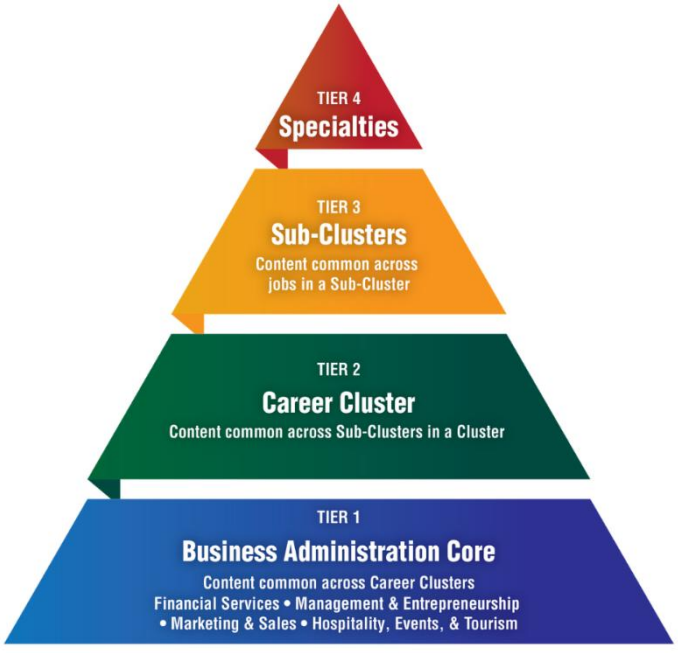
The Cluster Core tier represents the skills and knowledge identified as common across the Sub-Clusters in a particular cluster. The Financial Services Cluster Core, for example, is composed of seven instructional areas: Business Law (BL), Customer Relations (CR), Financial Analysis (FI), Financial-Information Management (FM), Information Management (NF), Professional Development (PD), and Risk Management (RM).

Sub-Clusters

The Sub-Clusters tier addresses the content of a variety of broad-based occupational opportunities within a cluster. In the Management and Entrepreneurship Cluster, for instance, the skills and knowledge that are common across jobs in operations management appear in the Regulation Sub-Cluster.

Specialties

The fourth tier, Specialties, focuses on specific job opportunities that are tied to a Sub-Cluster. The job opportunities identified in the Specialties require knowledge and skills unique to a product or service. In Marketing and Sales, as an example, Specialties for the Strategic Sales Sub-Cluster include pharmaceutical sales, advertising sales, heavy-equipment sales, and medical-equipment sales.



National Business Administration Standards Pyramid

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Curricular Organization

Within each tier of the pyramid, the curricular content has been organized into Standards/Instructional Areas, Performance Elements, Performance Indicators, and Objectives.

Standards/Instructional Areas

The broadly-based Standards, each of which is associated with a different Instructional Area, identify what students should know and be able to do as a result of instruction in any of the business-related clusters. These statements encapsulate the overarching intent/purpose of a work function. The Standard associated with the Economics Instructional Area, for example, is: "Understands the economic principles and concepts fundamental to business operations." Each Instructional Area and associated Standard represents a particular topic—not a course.

Performance Elements

Each Instructional Area is composed of multiple Performance Elements. These statements are broad-based work or cognitive performances that aid in defining the Instructional Areas. A Performance Element from the Economics Instructional Area, for instance, is "Understand the nature of business to show its contributions to society."

Performance Indicators

Performance Elements are defined through Performance Indicators that are specific work-based actions—either knowledge or skills. They specify what an individual worker must know or be able to do to achieve the Performance Elements. These learning outcomes are measurable (i.e., can be assessed). For example, one of the eight Performance Indicators for the Economics Performance Element "Understand the nature of business to show its contributions to society" is: "EC:070 Explain the role of business in society."

Objectives

Each of the Performance Indicators is further defined through a series of Objectives. This organizational component specifies the scope of each Performance Indicator. Their use tells teachers what content to include or exclude from their instruction. For example, the Performance Indicator "Describe the concepts of economics and economic activities" is defined through Objectives as follows:

a. Define the following terms: economics, scarcity, economizing, opportunity cost, trade-offs, consumption, consumer, production, producer, exchange, and distribution.
b. Explain why wants are considered unlimited.
c. Discuss why scarcity exists.
d. Describe the three economic questions that all societies must answer.
e. Explain the importance of decision making in economics.
f. Describe four economic activities.
g. Discuss three factors that affect the value of money payments in a market economy.

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Curriculum Planning Levels

Each performance indicator is assigned to one of six curriculum planning levels that represent a continuum of instruction ranging from simple to complex. The levels, which are based on the job level at which it is first needed within businesses, can serve as building blocks for instruction and curriculum development in that students should know and be able to perform the performance indicators at one level before tackling more complex skills and knowledge at the next level. The six curriculum planning levels are described as follows:

Prerequisite (PQ):

- Content develops employability and job-survival skills and concepts, including work ethics, personal appearance, and general business behavior; appropriate for 9th-11th graders, students with little/no business background, and students with special needs

Career Sustaining (CS):

- Content develops skills and knowledge needed for continued employment in or study of business based on the application of basic academics and business skills; appropriate for "typical" high-school students of average and above-average abilities and interest

Specialist (SP):

- Content provides in-depth, solid understanding and skill development in all business functions; appropriate for advanced high school students and post-secondary students

Supervisor (SU):

- Content provides the same in-depth, solid understanding and skill development in all business functions as in the specialist curriculum, and in addition, incorporates content that addresses the supervision of people; appropriate for young adults at post-secondary level

Manager (MN):

- Content develops strategic decision-making skills in all business functions needed to manage a business or department within an organization; appropriate for young adults at post-secondary level

Owner (ON):

- Content develops strategic decision-making skills in all aspects of business that are needed to own and operate a business; appropriate for young adults at post-secondary level

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Codes in the Standards

Each performance indicator statement is often preceded by as well as followed by multiple codes, as in the following example:

EC:070 Explain the role of business in society (CS) LAP-EC-070

Performance Indicator Number/Code

The code immediately preceding the performance indicator statement is the statement's performance indicator number or code (in this example, EC:070). The performance indicator code is somewhat akin to a person's Social Security number—a unique identifier used as shorthand for the longer full statement. The alpha-numeric performance indicator code consists of:

- A two-letter abbreviation for the instructional area in which the performance indicator appears (e.g., EC, which stands for the Economics instructional area)
- A random three-digit numeral (e.g., :070)

Curriculum Planning Level Code

Every performance indicator statement is followed by a two-letter code in parentheses. This code identifies the curriculum-planning level to which the performance indicator has been assigned. In our example, that code is CS, which means that this performance indicator is at the Career Sustaining level. (See Curriculum Planning Levels on page 4 for more information.)

LAP Number/Code

Many performance indicators are also followed by a code beginning with LAP (short for Learning Activity Package), which indicates that MBA Research has developed a lesson module for that particular performance indicator. The LAP number or code (e.g., LAP-EC-070) references the two-letter abbreviation for the instructional area, along with a three-digit number. With only a few exceptions, the number appearing in the LAP code is the same as the number in the performance indicator code.

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