

MICHIGAN TEST FOR TEACHER CERTIFICATION (MTTC)

TEST OBJECTIVES FIELD 032: BUSINESS EDUCATION

| Subarea | Approximate Percentage of Questions on Test |
|--------------------------------------------------|--------------------------------------------------------|
| Domestic and International Business Management | 23% |
| Economics and Personal Finance | 15% |
| Accounting | 16% |
| Office Administration and Business Communication | 15% |
| Business Technology | 16% |
| Career Planning and Employment | 15% |

DOMESTIC AND INTERNATIONAL BUSINESS MANAGEMENT

Understand types, structure, and functions of business management.

Includes identifying types and characteristics of organizational structures, including joint ventures and multinational ventures; recognizing characteristics of sole proprietorships, partnerships, and corporations; applying procedures for planning, organizing, directing, and controlling a business; and using business management skills to solve given business-related problems.

Understand entrepreneurship and its role in the economy.

Includes recognizing risks, responsibilities, and benefits of entrepreneurship; identifying procedures related to starting a business; applying procedures related to starting, buying, and operating franchises; and analyzing the role of entrepreneurship and small business in the global economy.

Understand basic principles of marketing.

Includes analyzing the role of marketing in business and in society; identifying the benefits and limitations of using social, cultural, and economic factors that affect marketing decisions; applying procedures and methods for collecting, interpreting, and reporting marketing data (e.g., demographics, economic statistics, market surveys); applying marketing data to make marketing decisions; and analyzing the relationship between consumer behavior and marketing report information.

TEST OBJECTIVES

FIELD 032: BUSINESS EDUCATION

Understand human resource management, labor relations, and the role of corporate, group, and interpersonal behavior in business management.

Includes analyzing methods of motivating, directing, supervising, hiring, promoting, terminating, and training staff; comparing types and characteristics of management styles; recognizing the importance of a corporate culture and methods of developing and maintaining a corporate culture; recognizing the impact of cultural diversity in the workplace; applying social theory to the workplace (e.g., group dynamics, work groups, conflict resolution methods); evaluating procedures and techniques used in labor-management negotiations; and recognizing legal issues related to human resource management.

Understand the role of ethical and social responsibility in business.

Includes analyzing business situations that involve ethical considerations, recognizing factors that influence ethical decisions in business (e.g., cost-benefit analyses, public relations, government regulations), recognizing ethical and social considerations in international trade, and evaluating the effect of social issues and concerns on business decisions.

Understand principles of business law.

Includes understanding the role of government in regulating business; applying U.S. tort, criminal, and contract law to given situations; applying consumer and environmental law to business situations; understanding laws related to financing, starting, operating, and disposing of businesses and laws regarding personal property, real property, and intellectual property; interpreting employment and agency laws and regulations; and applying U.S. and other law to international trade.

ECONOMICS AND PERSONAL FINANCE

Understand principles of macroeconomics and their application to business.

Includes analyzing mechanisms by which the U.S. money supply is regulated; identifying characteristics and functions of U.S. and international banking systems; identifying principles of U.S. monetary and fiscal policy; recognizing methods of measuring and influencing economic growth, consumer behavior, and corporate behavior; and analyzing the effects of macroeconomic factors (e.g., unemployment rates, credit rates, monetary exchange rates) on business.

Understand principles of microeconomics and their application to business.

Includes comparing types and characteristics of economic systems; recognizing characteristics and principles of capitalism; identifying characteristics of monopolies; applying principles of supply and demand; analyzing business situations in terms of wants, needs, and resources; and analyzing the roles of utility, opportunity costs, and factors of production in business situations.

TEST OBJECTIVES
FIELD 032: BUSINESS EDUCATION

Understand international trade and the global economy.

Includes recognizing the role and scope of international trade, identifying characteristics of the global economy, applying principles of international trade and finance, evaluating factors that affect international trade and economics (e.g., trade barriers, trade agreements, monetary exchange rates), and analyzing business situations involving international trade.

Understand personal finance.

Includes developing and using personal budgets, identifying types and characteristics of personal investment options, identifying types and characteristics of insurance policies, identifying types and characteristics of personal taxes, applying tax-saving strategies, analyzing issues related to personal credit and consumerism, and evaluating various housing options.

ACCOUNTING

Understand the accounting equation and the accounting cycle.

Includes recognizing the form, nature, and significance of the accounting equation; identifying steps in the accounting cycle, including adjusting and closing entries; identifying sources of data that contribute to these steps; analyzing the relationship between steps; and understanding the use of the accounting cycle in the accrual basis and cash basis of accounting.

Apply procedures for using and interpreting source documents, ledgers, journals, and work sheets in manual and computerized accounting systems.

Includes identifying types, characteristics, and functions of source documents, journals, ledgers, and work sheets; posting entries in journals; preparing journals; and preparing and analyzing financial statements, trial balances, and reconciliations.

Apply accounting skills related to payroll, taxes, investments, and banking.

Includes applying payroll procedures; identifying types and characteristics of taxes, investments, and banking services; analyzing records and documentation related to payroll, taxes, investments, and banking; and documenting and recording related transactions.

Understand accounting procedures related to sales and purchases.

Includes applying accounting procedures related to cash receipts records, cash payment records, and sales and purchase records; and making entries in accounts payable and accounts receivable ledgers.

TEST OBJECTIVES
FIELD 032: BUSINESS EDUCATION

OFFICE ADMINISTRATION AND BUSINESS COMMUNICATION

Apply office administration skills.

Includes applying document-processing skills (e.g., keyboarding, formatting); collecting, recording, organizing, and filing information in the workplace; maintaining employee records; developing and administering office budgets; monitoring and scheduling work flow; scheduling office meetings, business trips, and conferences; processing incoming and outgoing mail; monitoring inventory; administering a petty cash fund; and ordering and allocating supplies.

Apply legal office skills.

Includes recognizing legal terminology, processing legal documents, using legal office procedures (e.g., confidentiality, legal reference materials, legal transcription), and managing legal records (e.g., client files).

Apply medical office skills.

Includes recognizing medical terminology, processing medical documents (e.g., insurance forms, medical transcription, medical forms), using medical office procedures (e.g., patient confidentiality, emergency situations, scheduling), and managing medical records.

Understand principles of business communication.

Includes identifying elements of effective verbal and nonverbal communication, including issues in cross-cultural communication; comparing types and characteristics of communication styles and formats (e.g., interoffice memo, formal report, telephone call); applying logical reasoning; using basic language skills (e.g., grammar, usage, spelling, proofreading); and preparing written and oral presentations that include general and technical information (e.g., preparing outlines and summaries, adapting presentations for different audiences, choosing and using reference materials).

TEST OBJECTIVES
FIELD 032: BUSINESS EDUCATION

BUSINESS TECHNOLOGY

Understand basic principles of computer technology.

Includes recognizing terms related to computers and computer technology; identifying types and characteristics of computer input devices, output devices, information storage devices, and processing units, and procedures for selecting and operating these devices; identifying types and characteristics of computer systems (e.g., network, workstation, stand-alone PC); understanding the function of a computer operating system; and recognizing advantages and disadvantages of given systems in business-related situations.

Apply skills in using computer software.

Includes identifying types and characteristics of computer software, recognizing appropriate and efficient uses of software, applying strategies and techniques for using common software packages (e.g., database management, spreadsheet, word processing, graphics, desktop publishing, integrated software packages), and analyzing issues related to software compatibility and file sharing.

Understand principles used in transmitting and storing information.

Includes identifying types, characteristics, and operating principles of telecommunications equipment; using telecommunications technology in business applications; understanding procedures, technologies, and equipment (e.g., modem, electronic mail, fax) used to transmit information over lines and cables; identifying equipment and procedures for maintaining security of computer systems and other technological systems; and analyzing issues related to privacy, the transmission of information, and the ownership and sharing of data files.

Understand the application of technology and technology systems in business and issues related to the use of technology.

Includes recognizing the diversity of technologies available in the workplace (e.g., video displays, multimedia equipment, copiers, scanners, voice recognition) and analyzing business-related problems and situations to determine appropriate technological solutions.

TEST OBJECTIVES
FIELD 032: BUSINESS EDUCATION

CAREER PLANNING AND EMPLOYMENT

Understand procedures and techniques for selecting and preparing for a career in business.

Includes identifying types and characteristics of business careers, matching personal characteristics and needs to business careers, recognizing sources of career-related information and sources of employment, and planning a business-related educational program.

Understand procedures and techniques for obtaining a career in business.

Includes constructing a résumé, writing letters of application, demonstrating appropriate interviewing skills, and accumulating appropriate employment credentials (e.g., portfolios, passports, skills certificates).

Understand procedures and techniques for maintaining a career in business.

Includes identifying employee rights and responsibilities, demonstrating appropriate work habits (e.g., punctuality, ethical behavior), and understanding diversity issues in the workplace.

Understand policies and issues related to the workplace.

Includes identifying state and federal agencies (e.g., OSHA, EEOC) and laws (e.g., Americans with Disabilities Act, discrimination policies, Affirmative Action); recognizing environmental, health, and safety issues; and analyzing the advantages and disadvantages of various corporate benefits and policies.