

AP Business & Personal Finance

Grades 11-12



Unit 1

Businesses, Competition, and New Ideas

Essential Question

How do businesses identify opportunities, create value, and compete successfully in changing markets?

Unit Summary

Students will learn what businesses are and how they meet customer needs. They will also explore how markets work, businesses compete, and how entrepreneurs develop new ideas. Students will study how outside factors (PESTEL) affect business success, how ethics and values guide decisions, how businesses are organized, and how products move through supply chains. By the end of the unit, students will understand how businesses make decisions to stay competitive, ethical, and successful.

Guiding Questions

Content

- What is a business, and how does it meet customer needs and wants?
- What gives a business a competitive advantage?
- What risks do new products face, and why take them?
- What do different departments do in a business?

Process

- How do businesses create value and make a profit?
- How do markets work, and how are prices set?
- How do entrepreneurs come up with and test new ideas?
- How do outside factors (PESTEL) affect businesses and jobs?
- How are businesses organized as they grow?
- How do supply chains work?
- How do businesses use cost, quality, and efficiency to compete?

Reflective

- Why do values, ethics, and vision matter in business?
- Why does having a clear vision or mission matter for a business?
- Why does a customer choose one brand or product over another when there are many options?
- Why is competition in a market important for consumers?
- Why would (or wouldn't) entrepreneurs want to take the risk of starting a business?

Power Standards

- 1.1.A: Identify ways businesses address customers' problems, needs, and wants.
- 1.2.A: Explain how sellers and buyers interact in a market, establishing a market price.
- 1.3.A: Describe the PESTEL factors that shape markets.
- 1.4.A: Describe strategies entrepreneurs and businesses use to generate new product ideas.
- 1.5.A: Explain how core values and core competencies shape business and individual decision making.
- 1.6.A: Explain how and why businesses encourage ethical behavior.
- 1.7.A: Describe the major types of business organizations and their relative advantages and disadvantages.

Supporting Standards

- 1.8.A: Describe factors businesses consider when developing a production process.
- 1.1.B: Distinguish between value creation and value capture.
- 1.2.B: Develop or evaluate a business's plan to achieve competitive advantage in a market.
- 1.3.B: Explain how PESTEL factors influence business viability and career opportunities in a market.
- 1.3.C: Apply the PESTEL framework to evaluate the attractiveness and potential risks of a market.
- 1.4.B: Describe the risk involved in bringing a new product to market and the reasons entrepreneurs and existing businesses are willing to incur the risk.

- 1.4.C: Apply an entrepreneurial design-thinking process to the generation and validation of a new business or product idea.
- 1.5.B: Develop or evaluate a vision statement and/or mission statement based on a business's goals and values.
- 1.5.C: Describe the goals of businesses, social enterprises, and nonprofit organizations.
- 1.6.B: Explain how business leaders respond to ethical dilemmas.
- 1.7.B: Define the roles and responsibilities of sole proprietors and partners.
- 1.7.C: Explain how and why large businesses organize responsibilities into a structure that includes leadership and management of specialized departments as well as outsourcing.
- 1.7.D: Describe the roles, responsibilities, and purposes of specialized department in a business.
- 1.8.B: Develop or describe a supply chain plan for a product.
- 1.8.C: Explain how a business's competitive advantage strategy influences supply chain decisions.

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Unit 2

Marketing

Essential Question

How do businesses use marketing to understand customers, influence buying behavior, and create value while balancing profitability, ethics, and consumer trust?

Unit Summary

Students will examine how businesses use marketing to identify customer needs and promote products effectively. Students analyze consumer behavior and learn how personal, social, legal, and technological factors influence purchasing decisions. The unit explores how businesses conduct market research to test ideas, reduce risk, and guide decisions related to product, pricing, distribution, and promotion. Students also consider the benefits and ethical risks of marketing practices, including data privacy and consumer trust.

Guiding Questions

Content

- What is marketing, and what role does it play in helping businesses identify and serve customers?
- What factors influence consumer buying behavior and purchasing patterns?
- What types of data do marketers collect, and what is market research used for in business?
- What are the key elements of the marketing mix (product, price, place, and promotion)?

Process

- How do businesses segment markets to identify target customers?
- How do marketers use customer data and research to make informed decisions?
- How do businesses test marketing ideas and reduce risk before launching products?
- How do marketing strategies influence consumer behavior and brand loyalty?

Reflective

- Why is understanding consumer behavior important for business success?
- Why can effective marketing increase customer loyalty and profitability?
- Why must businesses balance marketing effectiveness with ethical responsibility?
- Why should consumers be aware of how marketing influences their decisions?

Power Standards

- 2.1.A: Explain why and how marketers collect customer data.
- 2.2.A: Explain why and how consumers make buying decisions.
- 2.3.A: Explain why businesses conduct market research.
- 2.4.A: Describe the six stages of product development, and develop an MVP and value proposition.
- 2.5.A: Develop and evaluate a pricing strategy.
- 2.6.A: Describe the types of marketing channels available to businesses.
- 2.7.A: Develop or evaluate a marketing campaign.
- 2.1.B: Use market segmentation to identify target customers and develop a customer profile.

Supporting Standards

- 2.1.C: Describe the purpose of building customer relationships and develop a plan to build customer relationships.
- 2.1.D: Explain how the collection and use of customer data may make customers vulnerable to privacy infringement, identity theft, and fraud and create risks for businesses.
- 2.2.B: Describe the impact of legal and technological factors on consumer purchasing patterns.
- 2.2.C: Evaluate sales tactics that draw upon Cialdini's principles of influence, and develop a sales tactic.
- 2.3.B: Conduct and interpret secondary-source research to assess a market opportunity.
- 2.3.C: Conduct and interpret primary-source research to test a business hypothesis related to target customers and/or customer preferences.

- 2.3.D: Develop and interpret data visualizations that reflect market research findings.
- 2.4.B: Develop and evaluate branding for a business or product.
- 2.4.C: Explain how businesses adapt their marketing strategies to address competitive challenges throughout the product life cycle.
- 2.5.B: Evaluate how market conditions affect a business's pricing power.
- 2.5.C: Describe legal constraints that limit pricing power.
- 2.6.B: Select and evaluate potential marketing channels for a product.
- 2.7.B: Explain how digital marketing tools have changed business interactions with customers.

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Unit 3

Personal Saving and Borrowing

Essential Question

How do individuals and businesses make responsible financial decisions using financial data, and what are the consequences of those decisions?

Unit Summary

Students will explore how individuals and businesses make financial decisions related to saving, borrowing, planning, and managing money. Students will analyze financial data and statements to evaluate performance, plan for the future, and understand how businesses fund and operate. The unit also emphasizes ethical financial behavior and the impact of financial choices on long-term success and trust.

Guiding Questions

Content

- What factors influence an individual's decision to save or borrow money, and what barriers can affect those choices?
- What types of financial data and statements do individuals and businesses use to track performance and plan for the future?
- What costs and funding sources must businesses consider when starting, operating, and growing a business?
- What incentives or pressures can lead individuals or businesses to act unethically in financial management, and what safeguards promote ethical behavior?

Process

- How do individuals evaluate their income, expenses, and goals to create a savings plan or manage debt responsibly?
- How do lenders and investors assess financial information to decide whether to provide credit or capital?

- How do individuals and businesses use income statements, balance sheets, and cash flow statements to evaluate financial health and performance?
- How do laws, ethical standards, and professional codes influence financial decision-making and reporting practices?

Reflective

- Why is it important for individuals and businesses to regularly track, evaluate, and plan using financial data?
- Why do businesses seek external financial capital, and why must consumers carefully consider the long-term impact of borrowing?
- Why do financial pressure and incentives sometimes lead to unethical financial behavior, and why are laws and professional standards necessary?

Power Standards

- 3.1.A: Describe reasons consumers save, and identify barriers to saving.
- 3.2.A: Describe reasons consumers borrow money and the funding sources available to them.
- 3.3.A: Explain why businesses and consumers track and evaluate financial data.
- 3.5.A: Explain why businesses seek external financial capital.
- 3.6.A: Determine and describe components of a business income statement.
- 3.7.A: Determine and describe components of a business balance sheet.
- 3.8.A: Determine and describe components of a business's cash flow statement.
- 3.9.A: Explain why an individual or a business might be incentivized to engage in unethical financial management and reporting practices.

Supporting Standards

- 3.4.A: Determine startup costs associated with launching a new business or product.
- 3.1.B: Explain how PESTEL factors can impact the value of savings and incentives to save.
- 3.1.C: Develop and evaluate a savings plan.
- 3.2.B: Explain how a lender evaluates the creditworthiness of a potential borrower.

- 3.2.C: Recommend a strategy to manage a consumer's existing debt and/or use of credit.
- 3.3.B: Describe the roles of the accounting and finance departments in the preparation, reporting, and use of financial information.
- 3.4.B: Describe expenses associated with operating a business.
- 3.5.B: Determine potential sources of financial capital for a business.
- 3.5.C: Describe potential benefits and risks to lenders and investors who provide financial capital to businesses.
- 3.5.D: Develop and evaluate a pitch to prospective lenders or investors.
- 3.6.B: Evaluate the financial performance of a business using income statement information.
- 3.6.C: Explain why and how businesses and consumers predict and plan for future income and expenses.
- 3.6.D: Develop an income statement or projected income statement for a business.
- 3.7.B: Interpret the information in a business's balance sheet.
- 3.7.C: Describe the purpose of determining personal net worth.
- 3.8.B: Explain how a business's stakeholders use cash flow statement information.
- 3.9.B: Explain how laws and professional codes of conduct encourage ethical behavior by accounting and financial managers.

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Unit 4

Management and Strategy

Essential Question

How do effective managers use strategy, leadership, and data to guide organizations toward achieving their goals?

Unit Summary

Students will explore the role of management in planning, organizing, leading, and controlling business operations. Students examine how businesses develop strategies, set performance goals, and use key performance indicators (KPIs) to evaluate success. Students will apply strategic frameworks, including Porter's Five Forces and SWOT analysis, to assess competitive environments and organizational capabilities. Emphasis is placed on leadership, communication, and decision-making processes that support effective management in complex business environments.

Guiding Questions

Content

- What are the primary functions of management within an organization?
- What strategies do businesses use to achieve and sustain competitive advantage?
- What types of financial and nonfinancial KPIs do businesses use to measure performance?
- What competitive forces influence strategic decision-making in a market?

Process

- How can strategic frameworks be applied to evaluate business competitiveness and market position?
- How are KPIs and benchmarks interpreted to assess organizational performance and progress toward goals?
- How do managers use structured decision-making processes to evaluate business scenarios?

- How can a SWOT analysis be used to assess internal strengths/weaknesses and external opportunities/threats?

Reflective

- Why does effective leadership matter for organizational culture, employee performance, and outcomes?
- Why is strategic thinking critical in uncertain, competitive, and rapidly changing markets?
- Why do management decisions play a key role in creating long-term value for stakeholders?

Power Standards

- 4.1.A: Describe the function of management.
- 4.2.A: Describe key performance indicators (KPI's) used to evaluate business performance.
- 4.3.A: Explain how and why businesses develop and use strategy to achieve goals.
- 4.4.A: Describe Michael Porter's Five Forces strategic framework.
- 4.1.B: Identify and demonstrate effective leadership and business communication skills.
- 4.1.D: Explain how businesses compensate, motivate, and seek to retain high-quality employees.

Supporting Standards

- 4.1.C: Explain why businesses need to hire and develop employees with a variety of core competencies.
- 4.2.B: Develop or interpret financial and nonfinancial KPIs to monitor a business's financial health and progress toward goals.
- 4.2.C: Explain how businesses use benchmarks.
- 4.3.B: Apply a deliberative process to make a business decision.
- 4.4.B: Apply Porter's Five Forces to evaluate the competitiveness of a market.
- 4.4.C: Describe SWOT analysis factors used to evaluate business viability.
- 4.4.D: Apply SWOT analysis to assess a business's internal capabilities and external opportunities and threats.



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Unit 5

Personal Goals, Budgeting, and Investing

Essential Question

How do taxes, insurance, and financial planning help individuals manage risk and achieve long-term goals such as education, housing, and retirement?

Unit Summary

Students will analyze how individuals manage money through taxes, insurance, and financial planning. Students review pay stubs, explore insurable risks, and learn how insurance protects against financial loss. They also develop saving and investment plans to support long-term goals such as education, housing, and retirement.

Guiding Questions

Content

- What types of taxes do individuals pay, and what factors determine how much federal income tax they owe?
- What financial risks do individuals and households face, and what types of insurance are used to protect against them?
- What factors influence how people save, invest, and grow their financial assets over time?
- What financial planning strategies help individuals achieve goals related to education, housing, and retirement?

Process

- How do individuals analyze a pay stub to determine earnings, deductions, and take-home pay?
- How can individuals assess financial risk and choose appropriate insurance coverage based on their needs and risk tolerance?

- How do different factors, such as time horizon and risk, impact saving and investment decisions?
- How can financial planning strategies be used to achieve postsecondary education, housing, and retirement goals?

Reflective

- Why is it important for individuals to understand taxes and how they impact income and financial decisions?
- Why do individuals choose different types and levels of insurance coverage based on risk and personal circumstances?
- Why is long-term financial planning essential for achieving goals like education, housing, and retirement?

Power Standards

- 5.1.A: Identify types of taxes paid by individuals.
- 5.2.A: Identify types of insurable risks individuals face.
- 5.3.A: Explain how financial planning supports an individual's ability to achieve goals related to postsecondary education, housing, and retirement.
- 5.1.C: Determine and describe components of an individual's pay stub.

Supporting Standards

- 5.1.B: Explain why individuals and households pay different amounts of federal income tax in the U.S.
- 5.2.B: Describe types of insurance individuals use to protect themselves from financial loss.
- 5.2.C: Recommend appropriate insurance coverage based on an individual's or household's risk tolerance and needs.
- 5.3.B: Describe factors that impact an individual's or household's return on financial assets.
- 5.3.C: Recommend a saving and investment plan based on the postsecondary education, housing, and retirement goals, time horizon, and risk tolerance of an individual or household.