## Business and Administrative Services Career Field

## Legal Environment of Business

**Subject Code: 142010**

**Outcome & Competency Descriptions**

**Course Description:**

Legal Environment of Business examines all aspects of the law within businesses, including the judicial system, differences between types of laws and origins of laws, administrative and employment laws and laws impacting individuals. Learners will develop knowledge and skills for conducting legal research and complying with applicable regulations and requirements. This course also includes learning outcomes in contract management and business governance.

**Strand 1. Business Operations/21st Century Skills**

Learners apply principles of economics, business management, marketing and employability in an entrepreneur, manager and employee role to the leadership, planning, developing and analyzing of business enterprises related to the career field.

**Outcome: 1.1. Employability Skills**

Develop career awareness and employability skills (e.g., face‐to‐face, online) needed for gaining and maintaining employment in diverse business settings.

**Competencies**

1.1.2. Identify the scope of career opportunities and the requirements for education, training, certification, licensure and experience.

1.1.7. Apply problem‐solving and critical‐thinking skills to work‐related issues when making decisions and formulating solutions.

**Outcome: 1.2. Leadership and Communications**

Process, maintain, evaluate and disseminate information in a business. Develop leadership and team building to promote collaboration.

**Competencies**

1.2.1. Extract relevant, valid information from materials and cite sources of information.

1.2.2. Deliver formal and informal presentations.

1.2.3. Identify and use verbal, nonverbal and active listening skills to communicate effectively.

1.2.4. Use negotiation and conflict-resolution skills to reach solutions.

1.2.5. Communicate information (e.g., directions, ideas, vision, workplace expectations) for an intended audience and purpose.

1.2.6. Use proper grammar and expression in all aspects of communication.

1.2.7. Use problem-solving and consensus-building techniques to draw conclusions and determine next steps.

1.2.8. Identify the strengths, weaknesses and characteristics of leadership styles that influence internal and external workplace relationships.

1.2.9. Identify advantages and disadvantages involving digital and/or electronic communications (e.g., common content for large audience, control of tone, speed, cost, lack of non-verbal cues, potential for forwarding information, longevity).

1.2.10. Use interpersonal skills to provide group leadership, promote collaboration and work in a team.

1.2.11. Write professional correspondence, documents, job applications and resumés.

1.2.12. Use technical writing skills to complete forms and create reports.

1.2.13. Identify stakeholders and solicit their opinions.

1.2.14. Use motivational strategies to accomplish goals.

**Outcome: 1.3. Business Ethics and Law**

Analyze how professional, ethical, and legal behavior contributes to continuous improvement in organizational performance and regulatory compliance.

**Competencies**

1.3.1. Analyze how regulatory compliance affects business operations and organizational performance.

1.3.3. Use ethical character traits consistent with workplace standards (e.g., honesty, personal integrity, compassion, justice).

1.3.4. Identify how federal and state consumer protection laws affect products and services.

1.3.5. Access and implement safety compliance measures (e.g., quality assurance information, safety data sheets [SDSs], product safety data sheets [PSDSs], United States Environmental Protection Agency [EPA], United States Occupational Safety and Health Administration [OSHA]) that contribute to the continuous improvement of the organization.

1.3.6. Identify deceptive practices (e.g., bait and switch, identity theft, unlawful door-to-door sales, deceptive service estimates, fraudulent misrepresentations) and their overall impact on organizational performance.

1.3.7. Identify the labor laws that affect employment and the consequences of noncompliance for both employee and employer (e.g., harassment, labor, employment, employment interview, testing, minor labor laws, Americans with Disabilities Act, Fair Labor Standards Acts, Equal Employment Opportunity Commission [EEOC]).

1.3.8. Verify compliance with computer and intellectual property laws and regulations.

1.3.9. Identify potential conflicts of interest (e.g., personal gain, project bidding) between personal, organizational and professional ethical standards.

**Outcome: 1.4. Knowledge Management and Information Technology**

Demonstrate current and emerging strategies and technologies used to collect, analyze, record and share information in business operations.

**Competencies**

1.4.2. Select and use software applications to locate, record, analyze and present information (e.g., word processing, e-mail, spreadsheet, databases, presentation, Internet search engines).

1.4.3. Verify compliance with security rules, regulations and codes (e.g., property, privacy, access, accuracy issues, client and patient record confidentiality) pertaining to technology specific to industry pathway.

1.4.6. Use an electronic database to access and create business and technical information.

1.4.8. Use electronic media to communicate and follow network etiquette guidelines.

**Outcome: 1.6. Business Literacy**

Develop foundational skills and knowledge in entrepreneurship, financial literacy and business operations.

**Competencies**

1.6.4. Identify types of businesses, ownership and entities (i.e., individual proprietorships, partnerships, corporations, cooperatives, public, private, profit, not-for-profit).

1.6.5. Describe organizational structure, chain of command, the roles and responsibilities of the organizational departments and interdepartmental interactions.

1.6.12. Describe classifications of employee benefits, rights, deductions and compensations.

**Outcome: 1.7. Entrepreneurship/Entrepreneurs**

Analyze the environment in which a business operates and the economic factors and opportunities associated with self-employment.

**Competencies**

1.7.1. Compare and contrast the four types of business ownership (i.e., individual proprietorships, partnerships, corporations, cooperatives).

1.7.13. Protect intellectual property and knowledge (e.g., copyright, patent, trademark, trade secrets, processes).

**Outcome: 1.9. Financial Management**

Use financial tools, strategies and systems to develop, monitor, and control the use of financial resources to ensure personal and business financial well-being.

**Competencies**

1.9.4. Identify credit types and their uses in order to establish credit.

1.9.5. Identify ways to avoid or correct debt problems.

**Outcome: 1.11. Principles of Business Economics**

Examine and employ economic principles, concepts and policies to accomplish organizational goals and objectives.

**Competencies**

1.11.9. Describe how laws and regulations influence domestic and international trade.

**Strand 2. Business Foundations**

Learners acquire foundational knowledge of business activities supported by economic principles, business processes and global business considerations.

**Outcome: 2.2. Economic Principles**

Relate principles of applied economics to business models, operations and strategies.

**Competencies**

2.2.6. Determine the relationship between government and business, identify government agencies that facilitate trade, and describe the impact of government regulations on business activities.

2.2.10. Explain reasons that labor unions form, analyze their impact on business, and describe types of negotiation strategies used in the collective bargaining process.

**Strand 3. Business Relationships**

Learners communicate with internal and external stakeholders by applying relationship management techniques and business communication processes and strategies.

**Outcome: 3.1. Customer Relations**

Develop, maintain and grow positive internal and external customer relationships.

**Competencies**

3.1.5. Describe the importance of maintaining confidentiality and security of customer information.

**Strand 4. Business Governance**

Learners acquire foundational legal knowledge and apply business governance principles to minimize risk, maintain organizational compliance and establish and maintain organizational structure.

**Outcome: 4.1. Risk Management Fundamentals**

Identify policies, processes and strategies to manage risk.

**Competencies**

4.1.2. Describe the impact of government regulations and regulatory agencies on the structure, focus and cost of enterprise risk management.

**Outcome: 4.2. Contract Oversight**

Administer and evaluate contracts.

**Competencies**

4.2.1. Distinguish among types of contracts (e.g., express, written, implied, bilateral, unilateral, quasi, promissory estoppel, counteroffer, executory, executed, implied, valid, voidable, void, letters of intent).

4.2.2. Explain the difference between an offeror and offeree, as it relates to a contract.

4.2.3. Identify the components of a legally enforceable contract (e.g., offer, acceptance, consideration, legality, capacity, consent, writing [if applicable]).

4.2.4. Determine if a contract contains all the necessary components to be legally enforceable.

4.2.10. Describe options available to resolve breach of contract to reduce business loss (e.g., renegotiation of terms, settlement).

4.2.11. Explain factors to consider (Mirror Image Rule, Uniform Commercial Code [UCC], clickwrap and browser wrap agreements) when evaluating offers.

4.2.12. Explain how a contract terminates.

4.2.13. Identify the remedies (e.g., expectation interest, reliance interest, restitution, specific performance) available to the offeror and offoree.

4.2.14. Identify the different types of damages (e.g., direct, consequential, incidental, liquidated) available to the offeror and offoree.

4.2.15. Explain how businesses mitigate and liquidate damages.

**Outcome: 4.3. Compliance**

Identify policies, processes and strategies to manage compliance.

**Competencies**

4.3.1. Describe need for compliance standards and potential penalties for noncompliance.

4.3.2. Explain the impact of compliance requirements on business structure, activities, products, services and pricing.

4.3.3. Explain the elements of a compliance program and how requirements and expectations differ across industry sectors (e.g., financial services, healthcare, consumer products, restaurants and food and beverages, etc.).

4.3.7. Discuss methods for documenting adherence to compliance policies and procedures.

4.3.8. Explain the role and function of compliance assessment activities (e.g., due-diligence reviews, internal audits, work plan reviews).

**Outcome: 4.4. Legal Environment**

Identify legal processes and requirements that impact business operations.

**Competencies**

4.4.1. Distinguish between secured and unsecured creditors.

4.4.2. Explain the debtor-creditor relationship and legal protections provided each party and determine relief options for debtors.

4.4.3. Describe consumer rights and responsibilities, services provided by consumer protection agencies and consumer protection laws.

4.4.4. Explain businesses’ responsibility for product safety and identify product liability issues and the applicable laws and regulations.

4.4.5. Describe advertising laws and regulations in digital and brick-and-mortar business environments.

4.4.6. Describe the purpose of employment laws and workplace regulations (e.g., OSHA, A DA, FMLA, NLRA, Title VII, OFCCP, Minor Labor Laws, FLSA and related state laws).

4.4.7. Describe the rights and responsibilities of the employer and employee in an employment contract or employment relationship.

4.4.8. Explain retirement plans, and pension and profit-sharing laws (e.g., Employee Retirement Income Security Act [ERISA]).

4.4.9. Describe how tax regulations and tax reporting requirements impact businesses.

4.4.11. Identify the characteristics and process differences that distinguish commercial real estate settlement from residential real estate settlement.

4.4.12. Describe legal documents relating to the purchase, sale and lease of residential property, insurance requirements, and residential real estate settlement procedures.

4.4.13. Identify the duties of landlords and tenants.

4.4.14. Describe forms of bankruptcy and explain the impact of bankruptcy proceedings on business.

4.4.15. Identify legal procedures and legal documents associated with estates (e.g., testamentary letters, wills, CODICILS, trusts, power of attorney, estate tax returns).

**Outcome: 4.5. Legal Research**

Apply reasoning to establish legal research positions.

**Competencies**

4.5.1. Conduct legal research.

4.5.2. Explain the procedures necessary for obtaining access to information.

4.5.3. Describe the elements of a release agreement.

4.5.4. Validate information (e.g., factual documents, evidence, exhibits, legal client matters) for use in legal proceedings.

4.5.5. Prepare legal documents, common court documents and supporting documentation (e.g., digests of deposition transcripts, exhibit lists, pleadings, discovery).

4.5.6. Identify interrelationships among cases, statutes, regulations and other legal authorities; and apply a recognized legal authority to specific factual situation(s).

**Outcome: 4.6. Corporate Social Responsibility**

Identify and evaluate corporate social responsibility policies and strategies.

**Competencies**

4.6.1. Compare and contrast ethical challenges across industry sectors, global markets, nonprofit and for-profit organizations and business activities.

4.6.2. Describe the purpose of corporate social responsibility policies and practices, and their impact on business activities.

4.6.3. Identify factors that impact the social responsibility policies implemented by businesses (e.g., national and state and local regulations, market or customer trends, profit considerations).

4.6.5. Differentiate ways in which businesses exhibit corporate social responsibility across industry sectors.

**Outcome: 4.7. Governance Structures**

Relate business governance structures to business operations, activities and strategies.

**Competencies**

4.7.1. Explain the role and function of governance structures and their impact on business objectives.

**Outcome: 4.8. Legal Foundations**

Apply legal principles and regulatory policies to business activities.

**Competencies**

4.8.1. Describe the role of the state and U.S. constitutions in business law, sources of law in the United States and the role of the U.S. judicial system.

4.8.2. Distinguish among types of law (e.g., criminal, civil, administrative), and explain their major functions.

4.8.3. Differentiate between criminal and civil law procedures (e.g., filing activities, civil litigation, criminal prosecution, settlement, appeals).

4.8.4. Explain the functions performed by officials in the court system.

4.8.5. Distinguish among the types of courts, (e.g., trial court, appellate court, supreme court, specialty courts [court of claims, bankruptcy court, administrative tribunal]) and explain their functions within the state and federal court systems.

4.8.6. Explain the difference in the management of documentation of evidence among different courts within the state and federal court systems and in administrative tribunals.

4.8.7. Describe how the legal environment of business is affected by the civil infrastructure (e.g., torts, contracts, legal agreements, administrative regulations) of the United States.

4.8.8. Distinguish among types of torts (i.e., intentional, negligence and strict liability), and explain the impact of tort law on business.

4.8.9. Describe the impact of government regulations and regulatory and administrative agencies on businesses.

4.8.10. Identify factors impacting the options available to settle a legal matter (e.g., contract terms, statutory requirements, legal precedents, evidence).

4.8.11. Identify requirements needed for an enforceable contract, and differentiate among types of contracts (e.g., oral, written, implied, transferable, nontransferable).

4.8.12. Determine the rights of parties in a contract, how the contract can be discharged and what actions can occur with a breach of contract.

4.8.13. Explain the methods of alternative dispute resolution (ADR) businesses can use to avoid or resolve litigation.

4.8.14. Explain the importance of property in the legal environment of business; and describe how ownership rights are acquired, held and transferred.

4.8.15. Identify areas of law relevant to a particular situation, define statutes of limitations for areas of law, and distinguish between substantive and procedural law.

4.8.16. Define statute of limitations and explain how it differs based on situational circumstances (e.g., jurisdiction, application in civil and criminal law, offense, claim, cause of action, severity of the offense).

4.8.17. Explain the difference between substantive law and procedural law.

4.8.18. Describe environmental law agencies and regulations, procedures for reporting violations and the impact of environmental law on business.

4.8.19. Describe administrative law and the types and powers of administrative agencies.

**Strand 5. Marketing**

Learners create, communicate and evaluate business offerings by applying marketing functions.

**Outcome: 5.1. Marketing Fundamentals**

Identify principles of marketing and marketing functions.

**Competencies**

5.1.3. Identify legal and ethical issues that impact marketing.

**Outcome: 5.10. Product and Services Development**

Develop new products and services for commercialization.

**Competencies**

5.10.2. Develop decision-making criteria and define the decision-making process that will be used to screen ideas.

5.10.4. Identify possible legal restrictions and requirements impacting the sale and marketing of new products and services (e.g., non-disclosure agreements, non-compete agreements, statement-of-work, master service agreements).

5.10.9. Identify the initial steps to establish a business (e.g., select business structure, complete legal and regulatory filings, establish financial and tax accounts).

**Strand 6. Business Management**

Learners identify and apply policies, processes and strategies for effective management of information, projects, strategy and talent.

**Outcome: 6.5. Human Resources Planning**

Identify human resources policies, processes and strategies.

**Competencies**

6.5.2. Describe factors that impact human resources management (e.g., availability of qualified people, alternative staffing methods, employment laws and regulations, company policies and procedures, total rewards programs, diversity and inclusion, technology, employment contracts).

**Outcome: 6.6. Talent Acquisition**

Apply policies, processes and strategies to hire qualified candidates.

**Competencies**

6.6.9. Communicate job offers, including applicable contingencies and negotiate employment terms or contracts.

**Outcome: 6.7. Onboarding and Development**

Apply policies, processes and strategies to onboard new hires and provide growth opportunities.

**Competencies**

6.7.2. Conduct human resources onboarding activities (e.g., employment eligibility verification [I-9 form], tax paperwork, contracts, benefit plans, policy orientation).

**Outcome: 6.8. Compensation and Benefits**

Identify, administer and evaluate compensation and benefits plans.

**Competencies**

6.8.3. Explain the concepts of pay equity, pay fairness and equal pay.

**Outcome: 6.10. Human Resource Operations**

Plan, implement and evaluate human resources activities.

**Competencies**

6.10.1. Process human-resource compliance paperwork, and complete required reporting (e.g., workers’ compensation claims, Occupational Safety and Health Administration [OSHA] documents, employment documents, fair medical leave, disability, unemployment)

**Strand 7. Operations Management**

Learners identify and apply policies, processes and strategies for business operations.

**Outcome: 7.1. Safety, Health and Security**

Identify, administer and evaluate safety, health and security policies, processes and strategies.

**Competencies**

7.1.2. Identify types of hazardous materials and describe their impact on human health and environmental resources.