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**Business Plan**

Purpose 8 provides students with step-by-step advice for developing and packaging the components of a business plan from cover sheet, table of contents, executive summary and description of the business, to organizational and marketing plans. This is the capstone purpose in your business education. The goal of this purpose is to integrate all of the research, analysis, and information from your previous Constructive Actions into a plan for a viable business.

**The Constructive Action (CA)**

As a capstone initiative, students are required to develop a business plan. They design the plan, do research and forecasting, gain support for the plan and engage in a comprehensive examination of business considerations. Specifically, the business plan should include an summary of business opportunity, background research, marketing analysis, human resource plan, financial plan, change management plan and reasons why you would be successful in managing this business. Please review guidelines for CA found at the back of this document.

**Relevance of Courses to CA**

In the Values and Ethics Dimension, students are given a comprehensive survey of the arts with the aim of understanding the social, political and intellectual cultures of which they are a part. An overview is given of related topics such as: economics of art museums, how earnings of artists (as workers) are determined in the marketplace and the advantages/disadvantages of public versus private support for the arts. Emphasis is on developing an understanding of the many social, political, cultural and economic influences that determine how each individual society perceives the value of art, and determining the advantages and disadvantages of public and private support for the arts.

In the Self and Others Dimension, students are made aware of the impact of Internet-based Electronic Commerce (EC) and that becoming ‘EC-literate’ is one of the requirements for success in the new digital economy. Students will be able to explain the nature of e-commerce and e-marketplaces and understand the role of globalization and its impact on e-commerce. This course should enable students to develop a business plan to establish an e-business.

The Systems Dimension introduces the student to what managers must do, and do well, to make a company a winner in the game of business strategy and business policy. Students will develop an understanding of strategic management concepts, research, and theories and a framework of analysis to enable one to identify central issues and problems in complex, comprehensive cases; and to suggest alternative courses of action, present well-supported recommendations for future actions, along with an understanding of the emerging global economy and its potential impact on business activities in any location.

The Skills Dimension will enable students to read and understand a company’s financial statements. Assessments will be made of creating a new venture or evaluating an existing firm. Use is made of spreadsheets and other software products to analyze the impact of financial decisions related to financial statement analysis, cash budgeting, cost of capital determination, capital budgeting, and capital structure choices.
Purpose Objectives:

This purpose will help students develop the following competencies:

- Assess critical role of operations management in overall business strategy
- Compile and present a comprehensive business plan
- Use e-commerce to create new business opportunities
- Use concepts, techniques and analysis involving corporate financial management;
- Recognize risk and return consequences in making investment decisions;
- Employ capital budgeting techniques (NPV, IRR, DPP, PI) in evaluating and selecting projects;
- Differentiate links between strategy and tactics and between strategic and operational decisions;
- Identify ethical dilemmas and use ethical reasoning;

Assessment of Competencies:

At the completion of this purpose the students should be able to the demonstrate ability to:

- Compile and present a business case
- Identify and analyze business opportunities
- Identify sources of funding
- Distinguish between short term and long term plans
- Understand the value of long term planning and the identification of risk.
- Make strategic and operational decisions; and
- Understand why a business plan is necessary when developing a business.

Standard Metrics for CA Assessment:

The following are standard metrics that will be used in the evaluation of your CA document throughout the degree program.

- **Analysis** - To what extent the student provides analytical details of the CA project?
- **Completeness** - To what degree does the completed CA document contain all the required chapters? The required sections of the CA are: Table of Contents, Topic Statement, Work Setting, Situation Analysis, Problem or Needs Analysis, Plan of Action, Critical Logs, Background Research, Analysis by Dimension, Final Assessment, and Abstract.
- **Communication** - To what degree is the CA document written in clear, coherent English, free of spelling and grammatical errors?
- **Critical-Thinking** - To what degree does the student exhibit Critical Thinking skills (the ability to identify a problem, to devise alternative solutions to the problem, to enact a reasonable logical plan of action, and to monitor/critically evaluate the success or failure of the proposed plan)?
- **Logic/Reasoning** - To what extent does the student provide logical interpretation of results and draws valid conclusions supported by evidence?
• **Research** - To what degree does the student exhibit research skills commensurate with the college level? This includes following basic competencies:
  - to successfully obtain information from a number of different types of sources;
  - to distinguish relevant from irrelevant information;
  - to distinguish between credible vs. questionable sources;
  - to organize information into a comprehensive and coherent presentation, including the ability to summarize and critically evaluate source material;
  - to exhibit proper citation methodology wherever appropriate.

• **Comprehensiveness** - To what degree is the student’s work thorough, detailed and comprehensive?

• **Purpose-Centered Education/Integration** - To what degree has the student considered integration of the various Dimension classes into the process of the Constructive Action?

• **Industry Exposure** - Degree to which student has identified a clear career path within the business context and has explored the requirements for success in this career path.

**The Purpose Dimension**

**Constructive Action Deliverables**

Students will be assessed based on their use of objectives in a well-planned and executed Constructive Action to achieve the Purpose. Special attention will be given to the following:

1. Integration of theory and practice in the Constructive Action;
2. Quality of the written document;
3. Timely submission of work to permit monitoring and supervision;
4. Class participation.

**Assessment of Constructive Action Competencies:**

Assessment of competencies at the completion of purpose 7 will encompass:

- Successful completion of the Constructive Action project demonstrating planning and execution;
- Comprehension and retention of the subject matter measured by periodic assessments;
- Written communication through project write-up; and
• Oral communication through project presentation using appropriate communication technology.

Purpose 8 Constructive Action Guidelines

Business Plan

The goal of this Constructive Action is for students to finalize their business plans for the company/organization. Note that the business plan is your roadmap of where you would like your business to be within a certain time period, usually within five years. The plan will clearly communicate the goals of the company/organization, what makes it different from the competition and how you plan to achieve these goals. The plan will also communicate to others your vision for the company and help you to focus.

The students in this Constructive Action will follow the following steps as guidelines:

Elements should include all of the work you have done over the last semesters. Additionally, The Small Business Administration (SBA) has identified the following key elements of a business plan that you should include as well:

• Business Plan Executive Summary – brief summary of why and how your company will be successful.
• Market Analysis – Refer to Purpose 3 CA. Provide your product analysis, market and competitive analysis.
• Company Description – Refer to Purpose 4 CA. Why your company will be successful and who will you serve.
• Organization & Management – Refer to Purpose 5 & 6 CAs. Provide information pertaining the management and qualification of people who will manage the company.
• Marketing & Sales Management – Refer to Purpose 3 CA. Provide data and information on the market and your sales strategy.
• Service or Product Line – Refer to Purpose 3 and 4 CAs. Why will customers buy your product or service?
• Funding Request – Refer to Purpose 7 CA. Provide funding required to start this business and also strategy of how you will secure the startup costs.
• Financial Projections – Refer to Purpose 7 CA. Provide annual financial projection as well as a five-year projection. Provide break-even analysis. Also, provide and explanation of how you will secure funding.
• Appendix – provide any supporting details that you would like to share with someone who is interested in your business.
Assessment of Constructive Action

The purpose of Constructive Action will be assessed based on:

- Success in finding company’s pertinent information;
- Classifying the information as under guidelines in the preceding section;
- Documenting a plan for the development and operation of capital markets based on the collected information; and
- Production of final presentable written report.
PURPOSE 8 DIMENSION COURSES

The Value and Ethics Dimension:

Empowerment Through the Arts

Overview

This course will provide a comprehensive survey of the arts with the aim of understanding the social, political and intellectual cultures of which they are a part. Equal emphasis is given to understanding how the microeconomics of demand and supply and how their interaction in the markets affect the arts industry. An overview is given of related topics such as: economics of art museums, how earnings of artists (as workers) are determined in the marketplace and the advantages/disadvantages of public versus private support for the arts.

Objectives:

At the end of this course, the student should be able to demonstrate the ability to:

- Understand the motivations of art in the business world;
- Develop an understanding of the many social, political, cultural and economic influences that determine how each individual society perceives the value of art, and
- Determine the advantages and disadvantages of public and private support for the arts

Relationship to Constructive Action

The course focuses on Values and Ethics for the first semester class in which students learn to recognize and articulate their values with their actions. They look at the various factors that shape values and examine some of the sources of values that relate to the future profession. Hence, this course bears pertinence to the Purpose 8 CA, Strategic Plan, by incorporating Empowerment through the Arts in the students as they become business professionals.
The Self and Others Dimension:

E-Commerce & the Digital Economy

Overview

As the Internet continues to impact virtually all segments of society, it is becoming more critical for students as well as those entering or already in the workforce, to understand the forces and dynamics behind the Digital Economy. The impact of Internet-based Electronic Commerce (EC) are probably the most significant and certainly the most widely felt. Becoming ‘EC-literate’ is becoming one of the requirements for success in the new digital economy.

Objectives

At the conclusion of this course, students should be able to:

- Explain the nature of e-commerce and e-marketplaces;
- Describe the main elements of Internet consumer retailing;
- Define the components and main characteristics of B2B commerce;
- Understand the role of EC support services such as: mobile computing, e-learning, e-auctions; e-commerce security; electronic payment systems, and e-CRM;
- Examine the role of globalization and its impact on e-commerce, and
- Be able to develop a plan to establish an e-business.

Relevance to Constructive Action

This course familiarizes the students with the e-commerce concepts, principles and practice that are not only useful to the students themselves in their business ventures but to others in the business world. Hence, this course is highly relevant to the present CA, Strategic Plan.
The Systems Dimension:

**Strategic Planning & Business Policy**

**Overview**

Introduce students to the possibilities, the challenges, and the rewards of running a business enterprise. The course introduces the student to what managers must do, and do well, to make a company a winner in the game of business strategy and business policy. It cuts across the whole spectrum of business and management and focuses on the corporation as a whole and its interactions with its environment.

**Objectives**

At the end of this course, the student should be able to demonstrate the ability to:

- Develop an understanding of strategic management concepts, research, and theories;
- Develop a framework of analysis to enable a student to identify central issues and problems in complex, comprehensive cases; to suggest alternative courses of action, and to present well-supported recommendations for future action;
- Develop conceptual skills so that they are able to integrate previously learned aspects of corporations;
- Develop an understanding of the emerging global economy and its potential impact on business activities in any location, and
- Develop an understanding of the role of corporate governance in strategic management.

**Relevance to Constructive Action**

This course familiarizes the students with strategic business policy concepts, principles and practice that are not only useful to the students themselves in their business ventures but to others in the business world. Hence, this course is highly relevant to the present CA, Strategic Plan.
The Skills Dimension:

Financial Analysis & Modeling

Overview

This course provides students with the additional tools they need to assess the implications of creating a new venture or evaluating an existing firm. Uses spreadsheets and other software products to analyze the impact of financial decisions related to financial statement analysis, cash budgeting, cost of capital determination, capital budgeting, and capital structure choices.

Objectives

At the end of this course, the student should be able to demonstrate the ability to:

- to read and to understand the company’s financial statements;
- to understand risk analysis vs. profitability analysis;
- to evaluate income vs. cash flows, and
- to demonstrate, through weekly in-class, hands-on exercises, complete understanding of all concepts taught during the semester.

Relevance to Constructive Action

This course familiarizes the students with financial concepts, principles and practices that are not only useful to the students themselves in their business ventures but to others in the business world. Hence, this course is highly relevant to the present CA, Strategic Plan.
Working Outline for Constructive Action Documentation

Overview

Producing a written record of your Constructive Action is an endeavor to document its processes. This section provides specific guidelines for the documentation of your Constructive Action which should cover:

1. Abstract
2. Exploratory phase
3. Planning phase
4. Background research
5. Implementation phase
6. Assessment phase
7. Formatting the Constructive Action document

1. Abstract

Though this section appears first; it is completed at the END of the Constructive Action and includes a brief overview of the Purpose, reason for selection, accomplishments and lessons learned.

The Abstract (1 page, typed, single-spaced) is composed of three parts:

Part I - Purpose: What is the Constructive Action and how does it relate to the Purpose of this Semester? Background: What was the need for the Constructive Action?
Part II - Objectives and Methodology: What are your objectives, long-term goals, methods and strategies employed?
Part III - Conclusions: Assessment of the outcomes and follow-up

2. Exploratory Phase

The background for much of this part emanates from:

- Your own experience and knowledge;
- Material covered in Dimension seminars;
- Job-related sources;
- Readings and discussions in Purpose class.

After writing this, proceed to analysis of your Work Setting, Situation, and Need:

A. Analysis of the work setting takes the following factors into account:
1. Design of the work area;
2. How design promotes or impedes communications, work flow, and morale?
3. How design promotes or impedes productivity?

B. Analysis of the Situation or Problem Description takes the following factors into account:

Part I:
1. How different macro environments affect your venture: economic, legal, or socio-cultural situation?
2. A description of the industry in which your company operates or venture takes place;
3. An overview of your company, structure, mission, philosophy, goals, products, and services.

Part II:
4. Description of your department or functions;
5. Your formal job description and role in the venture.

Part III:
6. A description of the problem or circumstances (use examples and illustrations) which have motivated this undertaking.

The basic questions to be answered by A and B above are:
- What is the environment in which you work? What is its physical setting? What are its professional and psychological conditions?
- How does your environment and/or your position in it support or limit your purpose or opportunity to act and to develop professionally?
- What values are communicated through non-verbal channels (e.g. use of space, size and placement of objects, desks, etc.)?

Setting and situation provide the relevant ground-rules and opportunities for your plan, and the factors which may constrain your actions (i.e. limiting factors or variables).

C. Need or Opportunity: Solution Statement

This section contains the rationale and analysis of a solution to be undertaken as related to the Purpose.
This also should apply to your own professional development. Resolving the need should benefit yourself and others and contribute to productivity on the job.

The Need, Opportunity or Solution Analysis should include, but need not be limited to:
1. Description of the solution to be undertaken;
2. Rationale of the solution;
3. Description of objectives and strategies to be employed.

3. Planning Phase

A. The Plan of Action consists of a four sections:
   1. Short and long-term goals of the Constructive Action;
   2. Proposed objectives (mini-goals);
   3. Strategies (how to get there);
   4. Evaluation criteria (how will you know you got there).

Goals
- Your goals should be appropriate to the Purpose performance area.
- The Short-Term Goal: what you hope to have achieved by the end of the Semester.
- The Long-Term Goal: the goal to follow from your short-term goal. Set a realistic time frame as part of your long-term goal statement.

Objectives
In this section, you will write the short-term objectives which you hope to accomplish during this semester. These objectives should be specific and measurable and related to:
- Purpose to be achieved,
- Analysis of the needs and setting in which you currently work, and
- Support for your long-term development.

Strategies/Actions
These are concrete, real life actions to be taken to achieve the objective (s):
1. List each action you will take. There should be at least one strategy for each objective. These actions should be as concrete and practical as possible. You may also suggest alternative strategies or multiple strategies for any one objective.
2. Analyze resources and constraints relevant to the accomplishment of each strategy. Decide whether you want to include organizational or external resources. You may want to include your self-assessment of skills and abilities and developments.

3. After you are at your midpoint assessment phase (8th week), ask yourself if you want to change any strategies and implement new ones.

Evaluation Plan

Describe the criteria or benchmarks to be used to monitor progress toward achieving goals and objectives during the semester; that is, how exactly you will know: a) whether or not your strategies have succeeded and b) if these strategies will help you meet your objectives. Also describe the methods to be used for determining whether these criteria have been met.

There should be at least one measure for each objective and strategy. Measures should be both qualitative and quantitative. Evaluation criteria are part of the plan of action and are set out before you begin to implement your plan. They may be altered if the situation demands.

4. Background Research

Students will conduct a Literature Review in which they will summarize and critically evaluate a substantial number of sources, i.e., books and journal articles, which explicitly deal with the theme of the Purpose. They will show evidence of effective research skills, providing relevant bibliographical information as well as proper citation methodology. (For guidance about annotated bibliography, please visit: http://owl.english.purdue.edu/owl/resource/614/01/ or consult APA Style Manual).

In applying class content to the Constructive Action process, you will sift and filter facts, data, theories, and hypotheses. Decide which sources, illustrations or pieces of evidence are useful towards the conceptualization, implementation and assessment of your specific Constructive Action.

Write a paragraph indicating how each of the dimension course contributed to the Constructive Action.

You must provide footnotes/endnotes and bibliographies for each research paper or project submitted.

5. Implementation Phase

In this section of the document you will record the actual step-by-step implementation of your Constructive Action.

Recording Critical Incidents
In recording critical incidents, you will describe specific occurrences or interactions based on the implementation of strategies pertaining to your Constructive Action. This written "log" or summary tells: what happened AND how you dealt with it, felt and reacted?. You can analyze the challenges encountered, and whether or not you succeeded.

A critical incident report briefly contains the following information:
  a. When and where did it happen?
  b. What happened? (What did you see and hear?)
  c. What did you say or do?
  d. Who else was involved? How did it affect the situation and how did you respond?
  e. How did you feel? (Be specific - don't just say "good" or "bad".)
  f. How did it turn out and why?

A chart for recording critical incidents should be maintained.

6. Assessment Phase

The final phase of the Constructive Action process provides the last major section of the written report.
The assessment plan should answer the following:

   A. Assessment of Goals
      1. Did you achieve your short-term goal?
      2. Was your goal realistic? Explain.
      3. Did you reach your objectives and how do you know you did?
      4. Which objectives were redefined, and why?
   
   B. Assessment of Strategies
      1. Which strategies worked and why? Cite references to support your inferences.
      2. Which strategies did not work and why? Cite references to support your argument.
      3. Would you use these strategies again in similar situations?
   
   C. Assessment of Overall Learning
      1. Explain what you learned from this experience. What do you know now that you did not know before?
      2. In what ways did the Dimension classes and their accompanying readings help you to achieve your goals?
3. In what ways were they not helpful?

D. Conclusion
   Summarize the outcome and write a statement of your plans for further action.

7. Formatting the Constructive Action Document

General Format/Organization of the Constructive Action Document
- Typed, double-spaced
- Font size: 12 point
- Font style: Times New Roman
- Pages numbered at the bottom center
- Margins: 1 - 1 1/2 inches all around

Parts of the Document

Title Page
Table of Contents
Abstract
Short and Long-term Goals
Exploration Phase
   1. Setting Analysis
   2. Situational Analysis
   3. Need/Opportunity/Solution Analysis
Plan of Action
   1. Plan of Action Chart
Implementation
Critical Logs
Minimum 5 logs with analysis by Dimension.
Final Assessment
Appendices

Appendices and Other Supporting Documentation

These may include memos, letters, and/or reports relevant to the Constructive Action, as well as feedback from faculty, supervisor, peers, other company constituents, and personal assessment.

NB: At the discretion of the Purpose Instructor, this section may be placed before the plan of action or incorporated into other sections. Background research and evidence of theoretical ground work must appear as part of the documentation.