DEPARTMENT OF BUSINESS MANAGEMENT

Senior Capstone Experience Guidelines 2019-20

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Overview

One of the defining elements of a Washington College education is the senior capstone (officially, the Senior Capstone Experience, SCE). The SCE in Business Management is an intensive individual project that requires extensive research, thoughtful analysis, and clear writing. There is no set length, but most capstones are at least 40 pages long (longer is not necessarily better). Because each student may choose (in consultation with a professor) his or her own capstone topic, the capstone gives you a chance to gain expertise and skills in an area of business or management of your choice, from marketing to finance to information systems.

Beyond research and knowledge, the capstone is an opportunity for you to exercise and display your thinking and communication skills—skills that are highly in demand from employers. A 2010 American Association of College and Universities survey found that 84% of business leaders want college students “to demonstrate a significant project before graduation, to demonstrate their depth of knowledge and a passion for a particular area, as well as their acquisition of broad analytical, problem solving, and communication skills.”

So the capstone is more than a graduation requirement: it’s one of the best ways to help you embark on a career.

Capstone tracks. There are three tracks for the senior capstone in Business Management: (1) the Business Plan Capstone, (2) the Special Topic Capstone, and (3) the Strategy Capstone.

Course registration, grading and alignment with departmental student learning outcomes. The capstone counts as a course, BUS SCE. Students are enrolled in the 4-credit BUS SCE course in the senior year, usually in the final semester, by the Department Chair. The capstone receives a mark of Pass, Fail, or Honors. Grading is aligned with several Business Management student learning outcomes: managerial knowledge, critical thinking, communication skills, and ethical awareness. Global awareness is incorporated in all Strategy capstones and many other capstones depending on the nature of the topic chosen. Collaboration skills are not an element of the SCE.

Double majors. Most double-major Capstones will fall into the Business Management Department’s ‘special topic’ track (see below), which provides considerable flexibility in designing, researching, and writing the Capstone. The Department encourages double majors to write a single integrated Capstone that can be submitted for both majors. When faced with timelines from two departments, students should expect earlier ones to take precedence. Double majors can only earn 4 total SCE credits, even if they write two Capstones.

Application and timeline. The first step in pursuing your Senior Capstone is to complete the SCE application form found at http://bit.ly/2j2k2sr. Please see the last page of this document for due dates.

Business Plan Capstone

Students interested in learning what goes into starting a business can get a head start on launching their own enterprises by writing a Business Plan capstone. Students interested in this track are encouraged take BUS 320 Entrepreneurship as well as BUS 212 Managerial Accounting.

Students interested in the Business Plan capstone will indicate their business idea on the SCE application and attach a neat, well-written, double-spaced proposal that includes the following elements.

   a) the business idea (description of the products/services)
   b) pertinent current trends in the industry/business; growth potential
   c) description of your core competencies that will support the business
   d) description of what makes your idea/business unique

The purpose of business plans are to serve as a roadmap for the entrepreneur to follow in establishing his or her business, to determine if the proposed business will be profitable, to identify strategies to minimize risk, and to provide required information for applying for bank financing of the enterprise. The business plan will consist of the following sections:
BUSINESS PLAN

ABSTRACT

The abstract comes first but gets written last. It is a summary of what you did and what you found: your argument in a nutshell, in 150 to 250 words. The abstract is the only part of your capstone that most people will read if you choose to have the library archive your work, so write it with care.

BUSINESS PLAN

CHAPTER 1: EXECUTIVE SUMMARY

This section should be written next to last and not exceed two pages. It should include everything that would be covered in a brief interview with prospective financial backers:

- Name
- Location
- Description of product or services
- Target market statement
- Legal structure
- Differentiation from competition
- What does the future hold for your business or industry?
- Business goals: include measurable short term (1 year) and long term (3 year)

BUSINESS PLAN

CHAPTER 2: GENERAL COMPANY DESCRIPTION

This section examines the nature of your firm and the environment in which you will compete. It should include:

- Mission Statement
- Company goals: where do you want your company to be in one year, in two years?
- Company objectives: what are the progress markers to reach each goal? How will you know when you have reached each goal? How will you measure each goal?
- Business philosophy: what is important to you in the business?
- Describe your chosen industry.
- Describe your target market.
- What are your company core strengths and competencies?
- What will be the legal form of the business? Why did you select that form over other recognized forms?

BUSINESS PLAN

CHAPTER 3: PRODUCTS AND SERVICES

Describe in depth your products and/or services. What factors will give you competitive advantages or disadvantages? Include pricing, fees, leasing structure, etc.

BUSINESS PLAN

CHAPTER 4: MARKET RESEARCH

Include both primary and secondary research. Primary research consists of gathering your own data (ex. traffic count, focus groups); secondary research is gathered from published information (ex. demographic profiles, trade journals, literature review). Address the following elements.

Economics. Facts about your industry.
- What size is your market?
- What present share will you have?
- What is the current demand in the target market?
- What are the current trends?
• Growth potential
• What barriers to entry will you face (ex. high capital costs, training/skills) and how do you overcome these barriers?

Products/Services. In your earlier description of products/services, you described your products and services as you see them. In this section, describe them from your customers’ point of view. For each product or service:
• Describe the most important features. What is special about the product/service?
• Describe the benefits. What will the product/service do for the customer?
• What after-the-sale services will you provide (ex. delivery, warranty, follow-up)?

Customer. Identify the most important groups and for each group, construct a profile that includes:
• Age
• Gender
• Location
• Income level
• Social class/occupation
• Education
• Other (specific to your industry)

For business customers, factors might include:
• Industry
• Location
• Size of firm
• Quality, technology, price preferences
• Other (specific to your industry)

Competition. What products/companies will compete with you? List your major competitors (provide names and addresses). How will your product/services compare with the competition? Include a short paragraph stating your competitive advantages.

Niche. In one short paragraph, define your niche, your unique corner of the market.

Strategy. Your marketing strategy should be consistent with your niche.

Promotion.
• How will you get the word out to potential customers?
• Advertising: what media, why and how often?
• What image do you want to project? What plan do you have for graphic image support (logo design, letterhead, brochures)?
• Should you have a system to identify repeat customers?

Promotional Budget. How much will you spend on items listed above before startup and on an ongoing basis?

Pricing. Explain your method of setting prices. Compare your prices with those of the competition. Are they higher, lower or the same? Why? What will be your customer service and credit policies?

Proposed Location.
• Is your location important to your customers? If yes, how?
• Is it convenient?
• Is it consistent with your image?
• Is it what your customers want and expect?
• Where is the competition located? Is it better to be near them or distant?

Distribution Channels. How will you sell your products or services?
• Retail
• Direct (web, mail order, catalog)
• Wholesale
• Your own sales force
• Agents
• Independent representatives
• Bid on contracts

Sales Forecast. Monthly projection based on historical data, marketing strategies you described, market research, and industry data. You may want to include a “best guess” scenario and a “worst case” scenario that you are confident you can reach no matter what happens.

Operational Plan. Explain the daily operation of the business, equipment, people, processes, and surrounding environment.

Production. Explain your methods of:
• Production techniques and costs
• Quality control
• Customer service
• Inventory control
• Product development

Location. What qualities will you need in a location? Describe the type of location you will have including physical requirements and access.
• Construction: costs and specifications
• Cost: rent, maintenance, utilities, insurance, initial remodeling
• What will your business hours be?

Legal Environment.
• Licensing and bonding requirements
• Permits
• Health, workplace and environmental regulations
• Special regulations covering your specific industry of profession
• Zoning or building code requirements
• Insurance coverage
• Trademarks, copyrights, patents

Personnel. Facts about your industry.
• Number of employees
• Type of labor (skilled, unskilled, professional)
• Where and how will you find the right employees?
• Pay structure and benefits
• Training methods and requirements
• Who does which tasks?
• Do you have a schedule and written procedures prepared?
• Have you drafted employee job descriptions for each position?
• For certain functions, will you use contract workers in addition to employees?

Inventory. What kind of inventory will you keep? Will you need seasonal buildups? Lead time for ordering?

Suppliers. Include names and addresses, type and amount of inventory furnished, credit and delivery policies, history and reliability

Credit Policies. Do you plan to sell on credit? Explain.

Financial. Prepare a start-up financial profile (monies needed to get the business going before you have sold anything). Include:
• Cash – initial amount and sources
• Capital expenditures
• Debt incurred and projected repayment schedule
• Needed ongoing monies to meet fixed and variable expenses until the business begins to generate a profit
• Length of time you believe it will be until the business generates a profit: best and worst cases (be realistic)
**Pro formas.** Prepare 1 year, 2 year, and 3 year financial projections for the business including:

- Income statement
- Balance sheet
- Cash flow projection
- Debt reduction statement
- Additional anticipated capital expenses based on market/product expansion

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**BUSINESS PLAN**

**CHAPTER 5: MANAGEMENT AND ORGANIZATION**

Who will manage the business day-to-day? What experience does that person bring to the business? If you will have more than ten employees, create an organization chart. Include position descriptions for each employee and function, and if you are seeking loans or investors, include a resume for key employees.

**Professional and Advisory Support.**

- Board of Directors
- Management Advisory Board
- Attorney
- Accountant
- Insurance Agent
- Banker
- Consultant as needed
- Mentors/Key advisors

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**Special Topic Capstone**

The Special Topic capstone is a research-oriented project reflecting the student’s interests and collaboration between the student and faculty advisor. Topics might include an integrated capstone (for double majors), a series of interviews in a particular industry or career path, a research study of a selected business or management topic, or empirical research tied to presentation at an academic conference. *Students desiring to pursue this track are encouraged to directly request a business management faculty member to serve as capstone advisor well before the SCE application due date.*

Students interested in the special topic capstone will indicate their topic on the SCE application and attach a well-written, one-page project description along with an outline of chapters and a reference list consisting of at least three credible, preferably peer-reviewed, sources that provide background and insight into the topic chosen.

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**Strategy Capstone**

The Strategy capstone is the most popular track. In it, each student makes an intensive study of the recent activities and business results of one publicly traded firm, studied in its competitive environment, its industry. The Strategy capstone provides an excellent synthesis of all the major elements comprising the business management major: facility with statistics and financial analysis, ability to read financial statements, understanding of key business areas like marketing, information systems, organizational structure and leadership, the legal environment, and strategic management.

The Strategy capstone presents research, analysis, and recommendations on a firm’s operations and strategy. In other words, in this capstone the student studies what a firm tries to do within its competitive environment, what it actually does, and how successful it is. There are restrictions on what firms may be chosen for the Strategy capstone. Firms must be publicly traded, to ensure there will be sufficient financial information available, and firms studied within the recent past may not be chosen.

Students interested in the strategy capstone will indicate their first three choices for the firm to be studied, selecting companies that are not on list of ineligible firms provided). When choosing firms, it can be helpful to think first in terms of industry sectors that you find most interesting (and perhaps may be pursuing a career in) and then identify
major players. A proposal describing your choice of industry is to be attached to your application. A list of industries can be found at https://goo.gl/aUcwmN.

Professor Vowels, department chair, will confirm which firm you will study; in the event that none of your choices are available, you will be asked to submit two new choices. You may request a particular faculty member to serve as capstone advisor; if you do not, an advisor will be assigned to you.

The first assignment for students pursuing Strategy capstones is to read your firm’s most recent annual report, concentrating on the written essay generally found at the beginning of the report, and skimming the rest of the report to identify financial and other information included. You will submit a written reflection of the information found in the annual report, identifying at least ten significant things you learned. For instance, you may learn who the firm considers to be its major competitors, or what market opportunities are thought to be most promising for the future.

The Strategy capstone is not a defense of the firm. Students researching a firm sometimes make the mistake of thinking they are an advocate for the firm. This is not an appropriate perspective. Your role is to be an independent, objective source of information for senior management and/or investors. If you see problems, it is your duty to point them out. In fact, in the world beyond college, courage in calling out underperforming companies is a valuable and sought-after quality in business analysts. More broadly, moral courage, which includes the willingness to point out difficult truths and rely on your own honest judgment, is one of the College’s and Department’s core values.

The intended audience for the Strategy capstone is the audience for any similar analysis of a firm and its industry: potential investors, either individuals or institutional investors. What do potential investors want to know, and what do they need to know, to make an informed investment decision about the firm? Similarly, if making recommendations for senior management, think in terms of what they need to know in order to improve the performance of the firm. Keep your intended audience in mind as you write your capstone.

The Strategy capstone draws primarily on research and analytic techniques students have learned over the course of the major. It draws on material in the core BUS courses: BUS 112 (reading financial statements), BUS 202 (marketing analysis), BUS 109 (or MAT 109) (managerial statistics), BUS 209 (analyzing financial data), BUS 210 (management information systems), BUS 302 (organizational dynamics and leadership), BUS 303 (legal environment of business) or its equivalents, and BUS 401 (strategic management). In addition, good capstones should draw on knowledge gained from meeting the Global Learning requirement to view all of the above through an international perspective.

The Strategy capstone consists of four chapters, plus an abstract, references, and optional additional material.

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STRATEGY CAPSTONE

ABSTRACT

The abstract comes first but gets written last. It is a summary of what you did and what you found: your argument in a nutshell, in 150 to 250 words. The abstract is the only part of your capstone that most people will read if you choose to have the library archive your work, so write it with care.

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STRATEGY CAPSTONE

CHAPTER 1. INTRODUCTION

Chapter 1 tells the reader what you’re studying and provides useful information on how you did your research. Since it provides an overview, you will write it when you’ve written the rest of the capstone. However, it is important that you do think about how you will assess your firm’s strategic success as you write your capstone. Your recommendations in chapter 4 should be designed to improve your firm’s standing vis-à-vis your measure of firm success.

Topic. What you studied. A Strategy capstone typically studies the past five years of a company’s operations within its industry setting.

Assessment. How you define the firm’s strategic success. To gauge the effectiveness of your company’s generic and corporate strategies, you need a clear measure of assessment to apply against your company's performance. Hard numbers like net profit, earnings per share, and market share tend to be the best bottom-line assessments, especially when put in comparative perspective. If you wish to use an alternative metric or technique, for instance, a balanced
scorecard, please explain.

**Methods.** How you conducted research. What sources did you use? (SEC.gov, S&P, Hoover’s, business periodicals, etc.). Did you employ any unusual methods, like interviews or attending trade shows?

**Industry Benchmark.** The industry benchmark is the quantitative heart of your strategic analysis. It provides key data for measuring and evaluating the performance of the industry, and how your firm compares to its competitors. The point is that numbers without a basis for comparison don’t tell much, whereas a sensible comparison with relevant firms and a good benchmark provide lots of insight into a firm’s strategic success.

The benchmark consists of a weighted average (weighted by sales) of key firms in the industry (weights adjusted for each year of data). In particular, the benchmark will include the three or four competitor firms, as well as your chosen firm. The benchmark should be calculated over a four- or five-year period (four years is the minimum amount of data you need: to compute a three-year Compound Annual Growth Rate [CAGR], for instance, you need four years of data). Later on, when you compile these and other numbers, you probably won’t wish to display more than one, or sometimes two, decimal places. Your detailed financial ratio analysis, which draws on the benchmark, will occur in chapter 3. You should complete your benchmark data gathering by the fall deadline; this will give you more time in the spring to analyze your data.

Here, in this initial section in the first chapter, your job is simply to tell the reader how you constructed the benchmark. That means identifying the firms you chose. For each firm, you should include a short (20 to 50 words) snapshot that provides key business information, and helps make clear why you chose the firm. In addition, you should briefly describe the process of constructing the benchmark, drawing on and perhaps expanding the explanation above.

If you excluded any major competitors from the benchmark (for instance because it is a privately held company or its stock is not traded in the United States), explain why you did so.

**Key Findings.** A summary of your key findings and recommendations. A good plan is to provide a paragraph summary for each chapter, or you may make use of bullet points, if convenient.
Stock Summary
One significant source of finance for publicly traded firms is the issuance of stock. Your research should include answers to the following questions for your firm and its benchmark competitors for the most recent year common to all firms for which data is available:

- What is each company’s stock trading symbol?
- Where is the stock listed?
- How many shares of common stock are outstanding?
- What is the market value of common equity?
- What’s the beta coefficient of the company stock?
- Did the company pay a dividend in the past year? If yes, what are the dividend yield and payout ratio?

Since this section on stock financials includes lots of numbers and not a lot of text, you may find it convenient to present this section as a table rather than as a written narrative.

Sales and Market Share Growth Rates
You’ll use benchmark data to construct sales and market share growth rates. For most firms, the most recent available data will follow this 3-year CAGR formula for sales:

\[(2016 \text{ revenue} ÷ 2013 \text{ revenue})^{1/3} - 1\]

PESTEL (or similar framework)
The PESTEL analytic framework encourages a strategic overview of your industry’s external environment characteristics. It covers six analytic areas:

- Political analysis
- Economic analysis
- Sociocultural analysis
- Technological analysis
- Environmental analysis
- Legal analysis

You don’t have to follow this exact PESTEL format. As long as you cover these broad areas, you may organize this material as you wish. It’s common, for instance, to combine political and legal analysis.

Porter’s Five-Forces Model
Prof. Michael Porter’s famous five-forces model helps identify the forces that determine the basic competitive structure of an industry:

- Rivalry
- Threat of entry and exit barriers
- Supplier power
- Buyer power
- Threat of substitutes

Porter’s 2008 Harvard Business Review article, *The Five Competitive Forces that Shape Strategy*, provides an excellent overview of the five forces and how they impact the structure and therefore, the potential profitability, of an industry.

Strategic Group Map
The Strategic Group Map is a two-by-two graphical representation of industry competition, including your firm and key competitor firms. There is no one right way to do a strategic group map. It is important to choose metrics for the x-axis and y-axis that help convey important competitive information about competition among these key firms.

It is especially important to avoid choosing metrics for both axes that measure, directly or by proxy, size. If you do so for both axes, you’ll end up with a strategic group map or graph that slopes neatly at 45 degrees; this will most likely tell us nothing interesting about the industry or the firm. (Suggestion: For firms in an industry with global competition, one useful metric for the x-axis is often percent of sales outside of the United States.)
Summary
You should end up with a few key points about the company’s external environment. Since you should be repeating, for emphasis, points you’ve made earlier in the chapter, you don’t need to cite them as if they were new information. We recommend that you organize your summary in terms of key opportunities and threats or challenges facing companies in the industry. These will set the stage for the SWOT analysis you’ll present in Chapter 4.

STRATEGY CAPSTONE
CHAPTER 3. ANALYZING THE FIRM

Chapter 3 focuses on the firm itself. This includes the firm’s history, leadership, structure, and operations. (Style note: remember that a firm is singular, not plural. Don’t use “they” or “their” when talking about your company; use “it” and “its.”)

Company Background (history, vision and mission, highlights, snapshot of current operations, and key recent events). The background provides a quick, concise overview of the company’s history, key moments in its life, a snapshot of current operations (here’s a good place for a table that summarizes key numbers like sales, units sold, key markets, etc.), and key recent events, like a concise mention of a leadership change. The vision and mission are included here to capture the firm’s statement about what it does and how it does it; you will refer back to them in your analysis in subsequent sections of this chapter. This is really an introduction to chapter 3, so your main job is to set up the rest of the discussion. It is likely that you’ll come back and rewrite this opening bit after you’ve written the rest of chapter 3.

Ethics, Social Responsibility, and Current Events
A summary or selection of popular-press coverage over the past three to five years, with special attention to key ethical issues. The topics you choose to cover should relate to your key points about the firm (you’ve already covered ethics and current events for the industry in general). In a good capstone, this should not be a random list of articles, but rather, a well-informed narrative. That means that you should read extensively, and pull out a few key issues, rather than listing many minor stories or events.

Now we get into the analytical heart of chapter 3. You’ll recognize that the following sections draw on topics and learning from previous classes in the major:

Organizational Analysis
This section provides information on the company’s organizational structure, leadership, and organizational culture.

Structure. What kind of organizational structure does the firm possess (functional, divisional, matrix, or something else)? How does the firm explain the logic of its organizational structure? Include a formal organizational chart showing the firm’s formal organizational structure.

Overall, is the firm’s structure typical of its industry? Has it recently reorganized or announced a reorganization? Is so, why? What was or is the strategic intention of the change?

What is the firm’s corporate governance structure (Board of Directors)? Provide an overall assessment of the board—its size, stability, and effectiveness. How does it compare to industry norms? Is its board viewed as effective by industry observers?

Have outsourcing, alliances, joint ventures, or informal partnerships with other firms, suppliers, or customers been strategically significant for the firm? If so, concisely describe them.

Leadership. How stable has senior leadership been in the years covered by your research? Who are the key executives? Provide snapshots of CEO, COO, CIO, and any other key senior executives who you determine play a significant role in guiding the company’s strategic operations. If the firm is facing a likely leadership change in the CEO position soon (within three years), what succession planning, if any, is being done?

Culture. Along with structure and leadership, culture helps hold organizations together. What kind of culture does this firm possess? Some firms may have extensive press coverage that sheds light on their culture, but for many firms there will not be very much news coverage of their culture. In such cases, useful sources of information within the firm are likely to be departments of Human Resources and Investor Relations. In addition,
speeches by the CEO or other senior leaders may be good sources of information about the firm’s culture. Websites like Glassdoor.com provide rich if unverified sources of information on company cultures from an employee perspective; as long as these are treated cautiously, they can shed a lot of light on what a company’s culture ‘really’ feels like to workers.

Here are key questions about your company’s culture you should consider: What are the firm’s core values as articulated by its vision or mission statement? How stable has the culture been? Is the organization’s culture similar to industry norms, or distinctive? Have there been recent changes or tensions about culture (especially likely in cases of merger and acquisition)? Keep in mind that what a firm claims as its formal, “espoused” values may not be exactly the same as what employees within the firm perceive as the daily reality. Ideally, your job as an analyst is to try to look beyond the “espoused” surface and see more deeply into the heart of the organization you are studying. Summing up this analysis, do you think its culture is a distinctive strength, or a weakness?

Marketing Analysis
Use the four P’s of marketing (product, place, price, and promotion) to assess the company’s marketing performance. Note: If the firm you are studying is a conglomerate with products in different markets (as will be the case for many firms studied in strategy capstones), with different approaches to marketing for different products and product lines, it is suggested that you pick one product area and focus on it. If you do so, please note this so your reader understands what you’re doing.

A purely narrative discussion is not acceptable: select useful quantitative measures to buttress your analysis of these specific points:

- Has the company segmented the market? If so, how? Why? Multiple segments? Are the segments growing? Contracting? Stable?
- **Product**: What is the product, really? Who buys it? Does the product possess brand equity?
- **Place**: What are the distribution channels? Direct to consumer? Opportunity for new channels by your company? By a competitor? Multiple channels? Who has the channel power? Retailer? Manufacturer?
- **Promotion**: What is the unique selling proposition (USP)? Brand promise? Channels?

Management Information Systems Analysis
This section provides an understanding of information systems key to the firm’s success. Management information systems is defined as the ethical use of information systems to help organizations achieve their goals and objectives.

Which corporate goals and objectives are supported by the firm’s use of information systems? Does the use of information technology reflect the firm’s vision, culture and ethics? How does the firm distribute power among stakeholders through the use of information systems?

What are the key business processes within the firm? For these key business processes, what transactional systems (such as ERP) does the firm employ? Does the firm compete on analytics as well as on operations? How does the firm use analytics as a competitive tool?

Since information systems are internal to the corporation, it may be difficult to obtain this information. One way to peer into the inner workings of the firm is to look at job postings for information systems positions on sites such as Monster.com; many times these postings, will reveal which systems the firm uses, giving you a starting point for your research. High-profile firms may also be used as case studies by information systems firms promoting their technology products and services.

Financial Analysis
The section on financial analysis is one of the most challenging—and important—parts of the strategy capstone. First, you must gather extensive amounts of financial information and derive pertinent ratios that help tell the story of your company. Second, you must think about how best to present that information to help your reader gain insight. Third, you must analyze and reflect on this extensive amount of information to draw key lessons about your firm’s successes and challenges, as compared to its industry benchmark. Your analysis should include graphs and charts as appropriate, showing how the firm’s financial performance compares to the benchmark (your designated proxy for the industry average); a company’s financials by themselves, without the context of competitive comparison, don’t
carry much meaning.

In some instances, your analysis may be complicated by anomalies or data gaps, where a corporate merger or privatization or other one-time event makes gathering data complicated or even impossible. There are no easy rules about how to deal with these complications: expect to consult with your faculty advisor on how to handle problematic cases.

**Financial Ratios:** Using your weighted benchmark, compare company performance to benchmark ratios over a four- or five-year period. Ratio analysis should include these elements, where pertinent:

1. Liquidity Ratios: These ratios measure the firm’s ability to pay off its short-term debt.
   - Current Ratio = Current assets/Current liabilities
   - Quick (Acid-Test) Ratio = (Current assets – Inventory)/Current liabilities

2. Activity Ratios: These ratios measure the firm’s ability to use its assets to generate sales.
   - Total Asset Turnover = Sales/Average total assets
   - Inventory Turnover = Cost of goods sold/Average inventory

3. Debt Ratios: These ratios measure the firm’s ability to raise and pay off long-term debts.
   - Debt Ratio = Total debts/Total assets
   - Equity Multiplier = Total assets/Total equity
   - TIE (Times interest earned) Ratio=EBIT (Earnings before interest and taxes)/Interest

4. Profitability Ratios: These ratios measure the firm’s ability to generate profits.
   - Net Profit Margin = Net income/Sales
   - ROE = Net income/Total equity
   - For firms that produce and/or sell a tangible product, it’s also useful to compare gross profit margin, operating margin, and net profit margin.

**Critical Reflection:** Along with presenting your ratio data in the form of tables and/or charts, you are expected to analyze and reflect on what story or stories the ratios tell, to shed light on the financial and strategic situation of your particular firm. After presenting and discussing your ratios one by one, you should step back to consider three big questions at the close of this section on financial ratios:

- Has the company’s financial performance been good or bad?
- Is its financial position sufficient to fulfill its mission and goals?
- How does its financial position compare with industry benchmarks?

Concisely justify your answers to these questions.

**Porter’s Generic Strategy**
Identify the firm’s chief generic strategy for its lead products (cost leadership, differentiation, or focus). How stable has this strategy been? Compare the company’s generic strategy with industry norms, and assess its effectiveness. Note: you should tie this effectiveness of the firm’s generic strategy to the success measure presented in chapter 1. This helps tie your analysis together. In practice, since you’ll write chapter 1 after you’ve worked up the analysis here, that means that your analysis of the generic strategy here will help you select an appropriate success measure in chapter 1.

**Corporate Strategy**
Corporate strategy is often misunderstood, and a good capstone will distinguish itself by getting corporate strategy right. Corporate strategy is different from business strategy, which centers on how to do one thing really well. Firms that only do one thing (for example, Living Essentials, which makes and markets the 5-Hour Energy brand) don’t face the challenges of diversification, and thus of corporate level strategy. But most publicly traded firms studied in strategy capstones have become complex and diversified enough that they do face the challenge of corporate strategy.

A firm’s corporate strategy refers to how to do many things in an optimal fashion or how companies align strategies across multiple businesses in order to achieve competitive advantages. As successful firms grow, they tend to diversify—entering new markets, taking on new activities, and facing new choices about how to allocate resources. Corporate strategy refers to this juggling act, the challenge of making decisions about what portfolio of assets to hold.
If this is relevant to your firm, identify its corporate strategy or strategies. This may include a discussion of how the firm uses growth or divestiture strategies, global or regional strategies, and diversification or portfolio strategies. How does its approach compare to industry norms? How stable and effective has its corporate strategy been? What kinds of acquisitions has it made, and have they been effective? What is likely to lie ahead?

Summary
You should end up with a few key points about the company’s operations. Since you should be repeating, for emphasis, points you’ve made earlier in the chapter, you don’t need to cite them as if they were new information. We recommend that you organize your summary in terms of the firm’s key strengths and weaknesses. These will set the stage for the SWOT analysis you’ll present in Chapter 4.

STRATEGY CAPSTONE
CHAPTER 4. RECOMMENDATIONS

Chapter 4 begins by summarizing your research in a SWOT analysis, then looks to the future.

SWOT Analysis
SWOT (Strengths, Weaknesses, Opportunities, Threats) is a powerful clarifying tool for strategic analysis. And the good news is that you’ve already done the analysis! At the end of Chapter 2 you presented key opportunities and threats in the company’s external environment. At the end of Chapter 3 you presented the firm’s key strengths and weaknesses. All you have to do now is put them together in a simple two-by-two matrix, like this:

<table>
<thead>
<tr>
<th></th>
<th>Positive</th>
<th>Negative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal</td>
<td>Strengths</td>
<td>Weaknesses</td>
</tr>
<tr>
<td>External</td>
<td>Opportunities</td>
<td>Threats</td>
</tr>
</tbody>
</table>

Each cell should have three to five items. Provide a brief description of each in the matrix and expand on them if needed in supplemental paragraphs. A good SWOT analysis does not contain new information; rather, it highlights key points from the analysis you’ve already conducted and presented. If you find you want to make points in your SWOT that are not explicitly stated in previous chapters (a clue is that you need to cite a new source), then you need to go back to your earlier analysis and revise accordingly. The SWOT you present here in chapter 4 needs to restate the key points from the research and analysis you presented in chapters 2 and 3. You do not need to cite in chapter 4 because you already cited sources when introducing information in chapters 2 and 3. If you discover new information to support your findings, first add it to the appropriate previous chapter (along with the citation) and then refer to it in chapter 4.

Confusion sometimes arises about how to differentiate among the four SWOT categories: strengths and weaknesses are internal and can be controlled, in principle, by the firm (see chapter 3); opportunities and threats are external, something that by definition a firm does not control (see chapter 2). For instance, a strategic alliance with another firm, or a new marketing program, are internal, not external, because they represent choices a firm can pursue on its own initiative. By contrast, currency fluctuations, new industry entrants, or changes in customer buying habits are examples of external events beyond a firm’s control. Of course, such external events can often elicit choices by the firm (for instance hedging for currency risk, acquiring a new competitor, or marketing changes) that could be analyzed as internal strengths and weaknesses. Finally, resist the temptation to label the same external event or factor as both an opportunity and a threat: push your analysis far enough so that you make a choice.

Recommendations
After your SWOT analysis, you will make strategic recommendations, based on all your research and analysis, about your firm. You will present two kinds of recommendation, one internal and one external. (If you and your advisor agree, you may choose to make just one recommendation, either internal or external.)
(1) An internal recommendation to the firm’s senior managers to make a significant organizational, operational, or strategic change. For this kind of recommendation, imagine that the firm has hired you to provide strategic consulting services. Provide a concise, data-driven recommendation or set of recommendations. The nature of your recommended change or changes will vary, of course, depending on your analysis. Likely areas for change include entry into or exit from a market, a different mode of market entry, corporate leadership, organizational structure, development of new infrastructure or adoption of new technologies, budgeting and planning, research, or other activities. Your recommendation should be significant in the sense that it can be expected to make a material difference to your company’s future performance. It should also be fully justified. Imagine that you have to make the case to your company’s board of directors or investment committee as to why pursuing your recommendation is in your company’s best interest. What are the costs? What are the benefits? How do the benefits exceed the costs?

(2) An external recommendation to investors to buy or not buy the firm’s stock. Imagine that Washington College’s Brown Advisory Student-Managed Investment Fund has asked for your recommendation on this firm’s stock. Provide a concise, data-driven answer tied to the key findings of your capstone. Don’t think of this as new thinking or an additional bit of research you need to do: this is a natural opportunity to revisit and summarize your most significant findings and conclusion, to support your recommendation. As you do so, keep in mind that recommendations concerning share purchases or sales should be forward-looking and tied to your expectations concerning future company performance.

Research Ethics

As part of writing the capstone, students must conduct research in accordance with accepted scholarly and ethical standards, including providing good citations and references (citations are the in-text mention of a source; references are the complete bibliographic information at the end of the capstone).

Central to ethical research is avoiding plagiarism. Plagiarism is taking the words or ideas of others and presenting them as your own, and it is a failing offense. You may not cut and paste sentences or passages from other texts and insert them into your own document, unless you alert the reader to this by a signal phrase, a citation, and quotation marks. Nor may you take ideas, even if you reword them, without citing the source. It is acceptable and expected to borrow and cite, but it is not acceptable to steal—that’s the bottom line on plagiarism.

Managing Your Research

Doing research on the Internet, it has been said, is like trying to drink from a fire hose: the sheer volume of information available can be overwhelming. Miller Library’s reference librarians and web resources are a great starting point for figuring out how to manage your research.

Primary research. Any primary research involving people, such as interviews or surveys, must be approved by Washington College’s Institutional Review Board for Research on Human Subjects. You should discuss your research plan with your advisor. You can find more information about IRB guidelines at https://www.washcoll.edu/academics/research-policy/human-subjects-research.php

Honor Code. A capstone must bear the Honor Code pledge, and be signed by the student. Violation of the code is grounds for immediate failure, and will be referred to the Honor Board. Your signature may be typed if this makes it easier to submit your capstone digitally to the library.

Sharing capstone learning. As the final step in the research process, BUS capstones will be electronically published in Miller Library’s holdings, accessible to the college community. A completed capstone should be submitted to the library via email, to sce@washcoll.edu, as a single PDF file. Any supplementary files such as images or Excel spreadsheets should be integrated into the master file before submitting to the library.

Charts, Images, and Supplementary Material

The Strategy capstone and other capstone tracks are enhanced by good, pertinent images, charts, and graphics. Some of these are required; others are optional. For instance, you may wish to include a map of the company’s operations, a photograph of a factory or product, or pictures of senior leaders. If you wish to include other kinds
of supplementary information, for instance a company’s document that provides useful information on a product or service you discuss, this should go in an Appendix at the end of the capstone. APA style includes guidance on charts, images, captions, and appendices.

**Draft Chapters**

At each deadline (see the timeline at the end of this document), a draft chapter is due. These deadlines are important, because they allow the faculty advisor to provide useful feedback, and allow time for revision. Failure to meet deadlines may jeopardize the awarding of Honors.

All submitted capstone work, including drafts, must follow APA guidelines. **It is important to include page numbers, citations, and references in drafts**, to make it easier for the advisor and the student to share feedback. The advisor may ask for work in hard copy, electronic copy, or both. Your advisor may elect to have you to submit your drafts to Turnitin in order to help you identify problematic areas and correct them before submitting your final paper.

**Final Chapters**

The final draft for all capstone types will include these items (some optional), each on a new page.

1. Title page
2. Honor Code page, with student signature (digitized for the electronic copy)
3. Copyright page (Optional)
4. Dedication page (Optional)
5. Acknowledgments (Optional)
6. Abstract
7. Table of Contents (please learn how to use Word’s automatic table generator to manage pagination and tab alignment)
8. List of Tables (only used for five or more tables), with page numbers
9. List of Figures (only used for five or more figures), with page numbers
10. List of Symbols and Abbreviations (only if needed, for some special capstones)
11. Body of capstone (divided into chapters; chapter titles do not need to be on a separate page)
12. References
13. Separation page (titled Appendix or Appendices when applicable; page unnumbered)
14. Appendix or Appendices, including IRB approval or waiver and Benchmark, if needed
Grading the Capstone

Capstones receive a grade of Pass, Fail, or Honors. All capstones (strategy, business plan, and special) are assessed according to a common rubric. The rubric has categories - diverse management functions, ethics and social responsibility, independent research, quantitative/qualitative analysis, critical thinking, and clarity in writing - that reflect most of the department's student learning objectives. Global perspective, presentation skills and collaboration skills are assessed in other ways throughout the curriculum. On each item, the rubric score can range from 1 to 5. The total number of points possible in the rubric is 30. Adding up the scores for the six elements provides the total capstone score, as in this example:

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>SCORE POSSIBLE</th>
<th>SCORE Earned (Example)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Knowledge of diverse management functions</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>B. Awareness of ethics and social responsibility</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>C. Independent Research</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>D. Quantitative/Qualitative analysis</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>E. Critical thinking</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>F. Clarity in Writing</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td><strong>TOTAL SCORE</strong></td>
<td><strong>30</strong></td>
<td><strong>20 (PASS)</strong></td>
</tr>
</tbody>
</table>

Pass and Fail. To earn a grade of “pass,” an SCE must receive an overall score of at least 15, and a score of at least 2 in each criterion, the capstone must be presented at the Business Management SCE Celebration poster session, and the student must take the Major Field Test administered by the Business Management Department. If an SCE earns an overall score of 14 or less, or if it receives a final score of 1 in any of the six criteria, it receives a grade of “fail.”

Honors. The Honors designation represents exceptional merit in a capstone. To earn honors, an SCE must earn an overall score of at least 24 out of 30 on the rubric, and the capstone must be presented at the Business Management SCE Celebration poster session. Honors is contingent upon meeting all deadlines as agreed to between the student and the advisor. Honors designation will be announced at the poster session.

Here is an explanation of each element in the rubric:

A. Knowledge of diverse management functions

Does the capstone show understanding of the Department’s major content areas (economic influences, accounting, marketing, finance, organizational behavior, legal environment of business, management information systems, and strategy)?

5 Excellent. Broad, nuanced understanding and application of major content areas. Excellent integration of these into sound analysis, with comprehensive understanding of different levels of analysis.

4 Good. Good understanding and expression of major content areas. Good integration of these into comprehensive analysis, with good understanding of different levels of analysis.

3 Average. Fair understanding and expression of major content areas. Some integration of these into
comprehensive analysis, with some understanding of different levels of analysis.

2 **Poor.** Partial understanding and expression of major content areas, with some significant content-area gaps or shortcomings. Limited integration of these into comprehensive analysis, with limited understanding of different levels of analysis.

1 **Lacking.** Little to no understanding and expression of major content areas. Very limited integration of these into comprehensive analysis, with very limited understanding of different levels of analysis.

**B. Awareness of ethics and social responsibility**

How aware is the capstone of ethics and social responsibility? For Strategy capstones, does the capstone show a deep understanding of the ethical and socially responsible challenges the firm faces in doing business, both within the broad marketplace (in terms of how customers, partners, competitors, and the external environment are treated) and within the organization itself (in terms of how employees are treated)? Does the capstone show awareness of the firm’s mission, vision, and core values, and the degree to which these are adhered to in the firm’s operations? For the Business Plan capstone, does the capstone show a broad understanding of the ethical and socially responsible challenges a new business and the entrepreneur will face, particularly in terms of competition, marketing, and building a business? For other kinds of capstones, does the capstone show a deep understanding of the ethical and socially responsible implications of the topic being studied?

5 **Excellent.** A deep, nuanced understanding of the specific ethical and socially responsible challenges facing the firm or topic being studied in the capstone. Excellent awareness of both external (market and environment-oriented) and internal (treatment of employees, working conditions) ethical and socially responsible issues. Thoughtful handling of the tension between profit-maximization and other goals. Good use of appropriate scholarly literature on business ethics or CSR as related to the topic.

4 **Good.** A relatively deep and nuanced understanding of the specific ethical and socially responsible challenges facing the firm or topic being studied in the capstone. Good awareness of both external (market and environment-oriented) and internal (treatment of employees, working conditions) ethical and socially responsible issues. Reasonably thoughtful handling of the tension between profit-maximization and other goals. Some use of appropriate scholarly literature on business ethics or CSR as related to the topic.

3 **Average.** Some understanding of the specific ethical and socially responsible challenges facing the firm or topic being studied in the capstone. Some awareness of both external (market and environment-oriented) and internal (treatment of employees, working conditions) ethical and socially responsible issues. At least some handling of the ethical tension between profit-maximization and other goals. Limited use of appropriate scholarly literature on business ethics or CSR as related to the topic.

2 **Poor.** Little understanding of the specific ethical challenges facing the firm or topic being studied in the capstone. Little awareness of both external (market and environment-oriented) and internal (treatment of employees, working conditions) ethical and socially responsible issues. Little or no handling of the ethical tension between profit-maximization and other goals. Little or no use of appropriate scholarly literature on business ethics or CSR as related to the topic.

1 **Lacking.** Virtually no understanding of the specific ethical and socially responsible challenges facing the firm or topic being studied in the capstone. Virtually no awareness of both external (market and environment-oriented) and internal (treatment of employees, working conditions) ethical and socially responsible issues. Little or no handling of the ethical tension between profit-maximization and other goals. No use of appropriate scholarly literature on business ethics or CSR as related to the topic.

**C. Independent Research**

How well researched is the capstone? Does it use a broad range of credible sources? Does it show familiarity with the conventions of academic research? Does it draw heavily on peer-reviewed research? Does it properly cite research?

In terms of research, a superior capstone uses a broad range of pertinent, current academic and professional sources; provides accurate and complete citations; and shows good judgment in its choice of sources and citations.

5 **Excellent.** Very broad range of credible sources. Authoritative handling of the academic and professional literature that gives the reader confidence in the capstone’s argument and analysis. Accurate and helpful
citation of sources that lets readers locate specific cited information. Original research conducted by the student, for instance interviews, surveys, or market research, is evident.

4 **Good.** Good range of credible sources. Good handling of the academic and professional literature that gives the reader considerable confidence in the capstone’s argument and analysis. Accurate and helpful citation of sources that lets readers locate specific cited information.

3 **Average.** Fairly good range of credible sources. Reasonably good handling of the academic and professional literature. Accurate and helpful citation of most sources.

2 **Poor.** Relatively few credible sources. Heavy reliance on a few sources. Citations tend to be too general, and make it difficult for the reader to locate specific cited information.

1 **Lacking.** Few if any credible sources. Few if any helpful citations. Citations do little to help the reader locate specific cited information.

### D. Quantitative/Qualitative analysis

How well does the capstone use quantitative and/or qualitative data? How accurately and perceptively does it analyze the data it collects? How well does it present data in words, tables, and diagrams to help the reader understand the data? Are graphs and other visual presentations helpful, clear, and well designed?

In terms of writing, a superior capstone uses clear, compelling, and accurate data; skillfully analyzes it; and presents the data in accurate, detailed prose and graphics that capture the reader’s attention and facilitate understanding.

5 **Excellent.** Throughout the SCE quantitative and/or qualitative data is plentiful, clear, current, germane, and compellingly presented. Graphs, charts and other visual presentations are colorful and helpful. The SCE may even use electronic appendices to augment its data richness. The SCE is clear and explicit about research methodology and the construction of benchmarks or other data points. Problems—gaps in data, difficulties locating key data—are identified and their impact on the project is assessed. Creative ways of locating hard-to-find data may be evident.

4 **Good.** For the most part, data is plentiful, clear, current, germane, and well presented. Graphs, charts, and other visual presentations are fairly helpful. The SCE is reasonably clear about research methodology and the construction of benchmarks or other data points.

3 **Average.** Most key data is presented. Most of it is clear, timely, and germane. Graphs are adequate, with no obvious errors or gaps in terms of data points, labels, or legends. Prose explanations or analyses help the reader make sense of data.

2 **Poor.** Data is relatively sparse, somewhat unclear, not as current as it could be, or occasionally off-topic. Some key data is missing. Graphs are inadequately labeled. Explanations or analyses of data are wordy and difficult for the reader to learn from.

1 **Lacking.** Data is sparse, unclear, old, and off-topic. Key data is missing. Graphs are inaccurate or inadequately labeled. Attempted explanations or analyses of data do little to help the reader.

### E. Critical thinking

How insightful is the SCE? Does it generate new knowledge or insights on a significant topic? Does it pose interesting and significant questions about its subject firm? Does it move past facile and conventional treatments of the business challenges facing the firm? Does it make connections that help drive a deeper understanding of the strategic situation in which the firm finds itself?

5 **Excellent.** Excellent insight into the topic. The capstone consistently goes beyond gathering information to encouraging thoughtful reflection and analysis; it feels as if it “gets to the heart of the matter.” Creative or interesting ways of categorizing, grouping, and synthesizing information are evident throughout the capstone. The capstone is able to digest and synthesize complex material and information into a few key and seemingly simple questions, conclusions, and recommendations.

4 **Good.** Good insight into the topic. The capstone often goes beyond gathering information to encouraging thoughtful reflection and analysis; it occasionally feels as if it “gets to the heart of the matter.” Creative or
interesting ways of categorizing, grouping, and synthesizing information are present. The capstone is able in one or two instances to digest and synthesize complex material and information into a few key and seemingly simple questions, conclusions, and recommendations.

3 **Average.** Some insight into the topic. The capstone at times goes beyond gathering information to encouraging thoughtful reflection and analysis. Creative or interesting ways of categorizing, grouping, and synthesizing information appear once or twice.

2 **Poor.** Limited insight into the topic. The capstone shows some limited signs of going beyond gathering information to encouraging thoughtful reflection and analysis.

1 **Lacking.** Little to no insight into the topic. Very little to no signs of going beyond gathering information to encouraging thoughtful reflection and analysis.

**F. Clarity in writing**

How well written is the capstone? Does it encourage the reader to keep reading? How well is the material organized? Is it adequately broken into chapters? Do the introduction and conclusion serve their purposes well? Within chapters, how well does the capstone use paragraph structure to help the reader follow the argument? How coherent and cohesive are individual paragraphs? Does the capstone use introductions, conclusions and transitions between logical units to help the reader?

In terms of writing, a superior capstone is written clearly and concisely, in a style that emphasizes action and agency (clarity about “who is doing what”). It is clearly organized, chapter by chapter, section by section, and paragraph by paragraph.

5 **Excellent.** Very high degree of clarity; clear sense of agency. Action-oriented writing style. Professional language and jargon used when appropriate. Appropriate simplicity and concision to keep the reader’s attention. Very clear statement or suggestion of purpose occurring in or near the opening paragraph, when appropriate. Very effective development through support established by specific details, reasons, and/or examples. Effective sense of closure at the end of the composition, in light of the development that the writing has made. Effective transition between paragraphs, coherence within paragraphs, and unity of the whole composition, all where appropriate. Relationship between ideas is clear. No mechanical errors and typos.

4 **Good.** Good degree of clarity; good sense of agency. Much of the writing is in an action-oriented style. For the most part, professional language and jargon used when appropriate. Appropriate simplicity and concision to keep the reader’s attention. Clear statement or suggestion of purpose occurring in or near the opening paragraph, when appropriate. Effective development through support established by specific details, reasons, and/or examples. Effective sense of closure at the end of the composition, in light of the development that the writing has made. Effective transition between paragraphs, coherence within paragraphs, and unity of the whole composition, all where appropriate. Relationship between ideas is relatively clear. A very small number of mechanical errors and typos.

3 **Average.** Reasonable clarity and agency. Some degree of wordiness, nominalizations, but many passages show appropriate simplicity and concision to keep the reader’s attention. Fairly clear statement or suggestion of purpose occurring in or near the opening paragraph, when appropriate. Adequate development through support established by specific details, reasons, and/or examples. Adequate sense of closure at the end of the composition, in light of the development that the writing has made. Adequate transition between paragraphs, coherence within paragraphs, and unity of the whole composition, all where appropriate. Relationship between ideas is often clear. Some mechanical errors or typos.

2 **Poor.** Much windy and wordy writing. Few efforts at simplicity or concision. Many nominalizations. Little attention to agency, or clarity about actions and actors. Attempt at statement or suggestion of purpose, though organizational scheme is only slightly evident. Little development of ideas; that is, little use of detail, reasons, and/or examples. Conclusion is at least suggested. Little evidence of transition, coherence, and unity. A fair number of mechanical errors and typos.

1 **Lacking.** A preponderance of flat, pompous, windy, wordy writing. Confusion about agency. A profusion of being verbs, nominalizations, and shapeless, rhythmless sentences that defeat the reader’s effort to pay attention. Weak attempt at statement or suggestion of purpose; organizational scheme is not evident. No development through use of detail, reasons, and/or examples. No conclusion. Absence of transition, coherence, and unity. Numerous mechanical errors and typos.
**Writing Guidelines**

**DOCUMENT FORMAT: APA**

The capstone in Business Management follows APA format, the most common style for citations and document preparation in the social sciences. The only deviation is the lack of a running head on your cover page (please see Appendix B for a cover page template).

Miller Library’s reference page has links to a number of websites that provide helpful directions and examples for using APA format such as Hacker online and the Purdue OWL (https://owl.english.purdue.edu/owl/resource/560/01/):

As part of APA format, when you cite sources, the two components—the in-text citation and the full reference in the list of references at the end of the capstone—must follow APA formats. To see an example, here’s a side-by-side comparison of proper and improper citations (the in-text component) and references (the entry included in the list of References):

<table>
<thead>
<tr>
<th>IMPROPER CITATION</th>
<th>PROPER CITATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Hoovers)</td>
<td>(Hoovers, 2012)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IMPROPER REFERENCE</th>
<th>PROPER REFERENCE</th>
</tr>
</thead>
</table>

When listing full references on the References page, use the Hanging paragraph indentation format with a .5 inch indent. Your entries will look like this:


**STYLE DO’S AND DON’TS**

- **Watch your tone:** you are a neutral observer and analyst, not a booster of the company. Your loyalty is to your own analytic independence, as well as the financial interests of your intended audience (potential investors, either directly or through senior management). Be skeptical, critical, and sharp-eyed.
- **Prefer the active voice to the passive voice, but don’t consider this an absolute rule.** The passive is often appropriate when the natural focus is on the result, not the doer of the action.
- **To encourage an active style, prefer “who-did-what” sentences to “there-was-a” sentences.**
- **Prefer active verbs to nominalizations (actions expressed as nouns):**

  **Nominalization (weaker)**

  There was an increase of 23% in sales in the fourth quarter compared to the previous year.

  **Verb (stronger)**

  Fourth-quarter sales increased 23% over the previous year.

- **Prefer short and strong words to big, mushy ones.**
- **Use lots of good, concrete examples: engage your reader’s interest.**
- **A company is an “it,” not a “they.”**
- **The first person singular is acceptable. In most capstones, it is most likely to be found in discussion of methodology (“I constructed,” “I calculated,” etc.).**
- **Keep numbers to one decimal place, unless additional precision is needed.**
- **Follow this number format: $29 billion.**
• Know the difference between dashes (–) and hyphens (-).
• Know how to cite and how to use terminal punctuation for quotations.
• Mechanical errors, typos, and sloppy proof-reading are not acceptable. They may be marked, but will not be corrected by faculty advisors.
• You are encouraged to use the college’s excellent Writing Center throughout the process of writing the capstone. Students who do so typically evaluate the Writing Center’s help highly, and produce better capstones.
Capstones written for a double-major must meet deadlines for both majors. Students graduating in December 2017 should contact their capstone advisor for deadlines.

### General Timeline

<table>
<thead>
<tr>
<th>2019</th>
<th>Strategy capstone</th>
<th>Business plan capstone</th>
<th>Special capstone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Late February, early March</td>
<td>Students interested in strategy capstones, should speak with BUS faculty of their choosing.</td>
<td>Students interested in business plan capstones, should speak with Prof. Bauer.</td>
<td>Students interested in special capstones, including double-majors, should speak with appropriate BUS faculty.</td>
</tr>
<tr>
<td>April 19</td>
<td>Industry proposal attached to application</td>
<td>Business Plan proposal attached to application.</td>
<td>Research proposal attached to application.</td>
</tr>
<tr>
<td>April 29</td>
<td>Due: Concise industry description (note complications for complex corporations, if applicable) and annotated list of key competitors.</td>
<td>Students notified whether or not they are making satisfactory progress.</td>
<td>Students notified whether or not they are making satisfactory progress.</td>
</tr>
<tr>
<td>Summer</td>
<td>Depending on the individual project, may have a reading list or task list.</td>
<td></td>
<td>Students will work with capstone advisor before the end of the spring semester to verify deadlines.</td>
</tr>
<tr>
<td>Fri, Sep 6</td>
<td>Deadline for submitting proposals for doing research with interviews, surveys, or other research projects to the Review Board for Research on Human Subjects.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sep 20</td>
<td>Due: Excel benchmark spreadsheet.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nov 8</td>
<td>Due: Draft of ch. 2, with citations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Jan 27</td>
<td>Due: Draft of ch. 3, with citations</td>
<td></td>
<td></td>
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<tr>
<td>Feb 28</td>
<td>Due: Draft of ch. 4, with citations</td>
<td></td>
<td></td>
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<tr>
<td>Mar 6</td>
<td>Due: Draft of ch. 1 and abstract, with citations</td>
<td></td>
<td></td>
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<tr>
<td>Mar 23</td>
<td>All capstones: full draft due, including tables, figures, appendices, submitted as a single file</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apr 3</td>
<td>All capstones: complete polished final draft due</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apr 10</td>
<td>All capstones: poster due, submitted as a PowerPoint file</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mid-April</td>
<td>SCE Presentations (time and location TBA)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX A: Business Management Student Learning Objectives

Our graduates

know the importance of ethics and social responsibility in business and organizations;
interpret texts, analyze data, and conduct research;
speak, present, and write clearly and effectively;
recognize the global context of contemporary business;
work collaboratively with people sharing diverse backgrounds and cultures; and
possess fundamental knowledge and the capacity to integrate this knowledge across relevant areas of business and management in devising solutions for complex challenges.
APPENDIX B: Sample Cover Page

TITLE OF SENIOR CAPSTONE

By

Student Name

Supervised by

Prof. [insert Faculty Adviser’s Full Name]

Submitted to the Washington College Department of Business Management in partial fulfillment of the requirements for the degree of Bachelor of Arts

Date