ECO 254 Small Business Economics and Management
Summer 2018

INSTRUCTOR:
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By Appointment via Zoom Classroom

UMAINE ONLINE TECHNICAL SUPPORT SERVICES:
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Toll Free: 1-877-947-4357
Local: (207) 581-4591
Summer Office Hours:  8AM to 4:30PM, Monday-Friday

***REQUIRED: Visit UMaine IT to download Microsoft Office https://umaine.edu/it/software/office/

COURSE CATALOG DESCRIPTION
Application of economic concepts to real world business and economic decisions using graphs, spreadsheets and analytical techniques. Students will learn introductory small business management concepts, how to estimate the cost of producing goods and services, and how to develop business feasibility studies. Students develop a hands-on project that looks at the production and marketing of a good or service.

TEXT AND OTHER INFORMATION COURSES:
Business Essentials (9th or 10th edition), by Ebert and Griffin
Note students may use a different version of the text, but they are responsible for knowing what they may have missed from this edition. Handouts/Powerpoints will be provided on topics to supplement the text (e.g. Financial Statements). You will also need access to Microsoft Excel. Other similar programs may not have all the functionality and if you cannot complete a component due to that issue you will lose credit.

SOCIAL CONTEXTS AND INSTITUTIONS GENERAL EDUCATION REQUIREMENT:
This courses satisfies the University of Maine Requirement for General Education in the area of Human Values and Social Contexts: Social Contexts and Institutions.
"Courses included in the Social Contexts and Institutions category focus upon the ways in which social contexts shape and limit human institutions (defined broadly to include customs and relationships as well as organizations). The specific focus may be upon ways in which social contacts and institutions interact with human values, the role of institutions in expressing cultural values, or the social and ethical dimensions attendant upon particular academic disciplines."

LEARNING OUTCOMES:
After successful completion of this courses students will be able to:
1. Identify, describe, and analyze the way in which small businesses make decisions for developing products, pricing products, marketing, staffing, integrating into the global economy, and interact with their stakeholders including their local community;
2. Create and analyze important economic and business concepts using quantitative techniques such as; amortization, breakeven analysis, equivalence point calculations, profit margins, net income, and present and future values both algebraically/mathematically and utilizing Microsoft Excel;
3. Describe and disseminate business organization structure, management, leadership, and accounting practices;
4. Use spreadsheets to create a purposeful outcome through the Excel Project that are connected to economic and business analysis.
**SPREADSHEET COMPONENT:**
An important goal of this course is for all students to gain a proficiency in the use of spreadsheets for economic and business analysis, including economics feasibility and sensitivity analysis. The required tutorials provide students the opportunity to integrate the textbook concepts with economic model applications, as well as provide experience in spreadsheet modeling. An in-person assessment will be required (except during summer term).

**GRADING:**
Three multiple choice exams will be given via Blackboard (two mid-term exams and one final), three excel homework assignments, nine guided excel tutorials, four required Small Business Reports, eight required Discussion Board Posts, an Excel Project and an in-person Excel Assessment. Topics, due dates, and timing can be seen on the course schedule. If a student has a documented illness or other family emergency, an extension may be given. Please work with your college’s Associate Dean’s office to receive any such accommodation/extension.

Final grades will be assigned as follows: A (93 to 100 percent); A- (90-92.9); B+ (87-89.9); B (83-86.9); B- (80-82.9); C+ (77-79.9); C (73-76.9); C- (70-72.9); D+ (67-69.9); D (63-66.9); D- (60-62.9); F (59.9 or less).

**Due Dates**
**ALL ASSIGNMENTS ARE DUE AT 5:00PM ON DUE DATE.** You may work ahead so there is no excuse (work, special event, travel, etc.) for late assignments. **All submission are in BLACKBOARD!**

Late assignments are not accepted.

**COURSE GRADE WEIGHTS: (tentative)**

<table>
<thead>
<tr>
<th>Item</th>
<th>Course weight &amp; Points</th>
</tr>
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<tbody>
<tr>
<td>Item</td>
<td>1000 points possible</td>
</tr>
<tr>
<td>Syllabus Quiz (due at end of first week)</td>
<td>1.0% 10pts</td>
</tr>
<tr>
<td>MC Exams (2 Exams, Final)</td>
<td>34.0% 2@100, 1@140</td>
</tr>
<tr>
<td>Excel Project</td>
<td>20.0% 200pts</td>
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<tr>
<td>*18 pts Outline, 2 pts Discussion Post, 10 pts Mid-Project Update, 170 pts Final Project</td>
<td></td>
</tr>
<tr>
<td>Excel Assessment (on specific date/time)</td>
<td>10.0% 100pts</td>
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<tr>
<td>Excel Homework (3)</td>
<td>15.0% 3@50pts each</td>
</tr>
<tr>
<td>Excel Tutorials</td>
<td>9.0% 9@10pts each</td>
</tr>
<tr>
<td>Discussion Board Participation (No partial credit given)</td>
<td>3.0% 30 points for 8 posts</td>
</tr>
<tr>
<td>Small Business Reports</td>
<td>8.0% 4@20pts each</td>
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<tr>
<td>(1 bonus allowed at 10 points)</td>
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</tbody>
</table>
SCHEDULE:
***students may work ahead of section deadlines (i.e. you can start section 2 prior to June 12) except for the Excel Assessment.

<table>
<thead>
<tr>
<th>Week</th>
<th>Due Date (week ends on)</th>
<th>Weekly Lecture Topics</th>
<th>Excel Tutorials in Class</th>
<th>Excel Homework Exams &amp; Project</th>
<th>Small Business Reports Discussions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>20-May</td>
<td>Syllabus, Ch 1</td>
<td>Intro to Excel</td>
<td>Syllabus Quiz</td>
<td>D 1</td>
</tr>
<tr>
<td>2</td>
<td>27-May</td>
<td>Ch 2</td>
<td>Excel Tools</td>
<td></td>
<td>D 2</td>
</tr>
<tr>
<td>3</td>
<td>3-Jun</td>
<td>Ch 3</td>
<td>Intro to Functions</td>
<td>Excel Hwk 1</td>
<td>D 3, SBR 1</td>
</tr>
<tr>
<td>4</td>
<td>10-Jun</td>
<td>Ch 4</td>
<td>Advanced Functions</td>
<td>Exam 1</td>
<td>D 4</td>
</tr>
<tr>
<td>5</td>
<td>17-Jun</td>
<td>Ch 11</td>
<td>Equivalence Point</td>
<td>Project Outline</td>
<td>D 11, SBR 2</td>
</tr>
<tr>
<td>6</td>
<td>24-Jun</td>
<td>Ch 12</td>
<td>Amortization</td>
<td>Excel Hwk 2</td>
<td>D 12</td>
</tr>
<tr>
<td>7</td>
<td>1-Jul</td>
<td>Ch 13</td>
<td>Data and Graphs</td>
<td>Mid-Project Update</td>
<td>D 13, SBR 3</td>
</tr>
<tr>
<td>8</td>
<td>8-Jul</td>
<td>Ch 15</td>
<td>Fin. Statements, Math Practice</td>
<td>Fringe Benefits &amp; PV/FV</td>
<td>Exam 2 (Ch 11-13, 15, Math)</td>
</tr>
<tr>
<td>9</td>
<td>15-Jul</td>
<td>Ch 5</td>
<td>Google Sheets</td>
<td>Excel Hwk 3</td>
<td>D 5</td>
</tr>
<tr>
<td>10</td>
<td>22-Jul</td>
<td>Ch 9</td>
<td>Excel Exam Dates, see Blackboard Announcements</td>
<td>Project Early Submission (Bonus!)</td>
<td>D 9, Bonus SBR</td>
</tr>
<tr>
<td>11</td>
<td>29-Jul</td>
<td>Ch 6, 7</td>
<td></td>
<td>Project Due</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>5-Aug</td>
<td>Ch 8</td>
<td></td>
<td>Exam 3</td>
<td>D 8</td>
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</tbody>
</table>

All assignments are due at 5:00pm on the due date listed in each row. i.e. for week 1 all assignments are due Sunday after day 1 of term. Other Topics on Exams (potential for more to be added):
- Exam 1 Introductory Excel Skills
- Exam 2 Equivalence Point, Financial Statements, Breakeven, Amortization, Excel Skills, CH 1
- Exam 3 Equivalence Point, Financial Statements, Breakeven, Amortization, Excel Skills, CH 1

Ch 1-Introduction of Micro and Macroeconomics
Ch 2-Understanding Business Ethics and Responsibility
Ch 3-Entrepreneurs, New Ventures, and Ownership
Ch 4-Understanding the Global Context of Business
Ch 11-Marketing Process and Consumer Behavior
Ch 12-Developing and Pricing Products
Ch 13-Distributing and Promoting Products
Ch 15-Overview of Financial Statements
Ch 5, 9-Leadership and Management
Ch 6,8,10-Business Organization, Employee Behavior and Human Resources
Ch 7-Operations Management

Special Topics:
- Equivalence Point/Evaluation of Alternatives (variable and fixed costs using equivalence point analysis)
- Amortization
- Breakeven
- Excel Skills

***I reserve the right to make reasonable changes to this syllabus and will do my best to provide at least a 1 week notice for any such change and a detailed justification. If you are unable to meet the change, please set up a meeting with me and I will do my best to work with you.

Exams
There will be three exams. There will be two standard exams during the semester and final. Specific content for the exam is listed on the course schedule. These exams are multiple choice, fill in the blank, check all that apply, ordering, T/F, matching, and other forms of questions. Exams will be completed on Blackboard. Although they have a firm due date, they may be taken early.

Excel Assessment
You will have an excel assessment that occurs toward the end of the semester. You will be required to download a file and follow directions for how to manipulate that file for a desired outcome. This test will be proctored and details will be provide in the weeks leading up to the assignment (except during summer term).

Excel Homework
Excel Homework assignments are located on Blackboard. Their due dates are on the course calendar as well as the course schedule. Each has a word document with details, a Lesson file, and potentially other files that you must download and integrate into the assignment. Answers are provided for the less as it is a means to self-check before starting the graded portion of the assignment.

Excel Tutorials
Most weeks you will have a short video to watch with a guided assignment pertaining to that short video. A concept will be introduced and you will have to complete the corresponding guided activity. Upon completion you will submit the assignment and as long as it is done reasonably well (subjective to the grader, typically meaning all tabs completed and activities carried out) you will receive full credit. Assignment due dates can be obtained in the course schedule. There are answer files available, but IT IS HIGHLY RECOMMENDED YOU DO NOT USE THEM AS A CRUTCH. Instead use them as a way to periodically check that you are carrying out the tasks properly.

Discussion Board Participation
In each section of the course there are 3-4 opportunities for you to post to the “Discussion Board Participation” thread. There are topics in a folder titled “Discussion Board Activities” for each section. This aspect of the course is worth 3.0% of your total grade and YOU MUST complete 8 posts for ANY CREDIT. Posts must be made by the time an Exam passes or they will not be considered (i.e. you can work ahead, but you can’t make a section 1 post right before the course ends).

Small Business Reports
Throughout the semester you must complete four short Small Business Reports. You are required to watch/attend/listen four of the options and do a short write up. The options will include; in person presentations by guest speaker (live class) or recorded past guest speakers (live or online), online videos/courses from the Small Business Administration, interviewing an entrepreneur, watching an entrepreneurial TV show, journal articles on Small Business/Entrepreneurship, book reports, and/or other relevant concepts. An additional report can be submitted beyond the FOUR required to give you a bonus towards your final grade (1.0% on your total course grade). Expectations for these reports are posted to Blackboard. Where they are not, 3 paragraphs summing up key points the speaker made, interesting aspects of their business/interactions with businesses you noticed, and/or any comments you’d like to make that are pertinent to what was discussed are the requirements. If you have an event or activity that you think should qualify for this please contact me and ask. It is likely that if you submit one from an unapproved source and provide the details (where, when, who, topic, etc.) and it is related to Small Business in Maine I will accept it.

***If you’d like to read a biography about an entrepreneur (>200 pages of normal paperback) that can count for all 4 reports. Please contact the instructor for this option. Approval is required prior to the 1st SBR and it will be due by SBR 4’s due date.

Syllabus Quiz
To ensure that all students fully understand the expectations of the course a syllabus quiz is due at the end of the first week of the semester. This quiz goes over many of the important details that are included in the syllabus. THIS IS NOT A SUBSTITUTE FOR READING THE SYLLABUS! It is meant to compliment your comprehension of the expectations for you in this course.

Excel Project
Synopsis: The goal of this project is to organize information, create new outcomes and metrics, and analyze those outcomes in order to help make meaningful decisions. This is the goal of every business organization to disseminate the information they have at their disposal and construct purposeful tools and models to help achieve desired outcomes and plan for the future.

All submissions for this are via Blackboard. If you are working with a partner each person should be identified in the submission. Each student must make their own discussion board post.
This project is aimed to encapsulate the skills you have learned in excel and apply them to the framework of the institution of Small Business. You will be required to model something purposefully in Excel. This model should use the tools you have mastered in the course as well as incorporate components of Small Business from a personal level that you are interested in achieving one day, or presently working towards.

***FOR MOST CURRENT OUTLINE PLEASE SEE EXCEL PROJECT FOLDER IN BB***

ECO 254: Small Business Economics and Management

Take Home Project (*Summer 2017 Details)*

See Syllabus for due date for Outline and Final Project!
You may work alone or in groups of up to 3. Groups with partners ARE HIGHLY ENCOURAGED!!! Do the google sheets Tutorial asap if working with a partner.

Synopsis: The goal of this project is for you to purposefully model something in Excel. This model should use the skills and tools learned in the class as well as incorporate components of Small Business or Economics from a personal level

Outline should be 1 page and include: (% of total grade accounting for)

• Topic and motivation (50%)
  o In detail what the scope of your project is
  o Reason for why you chose this project (make life easier, a part of another project, wild dream, are you passionate about it, etc)
  o Who your team is and why this project benefits all of you
• Your information source(s) (10%)
  o Should have data and information downloaded by outline submission
  o There should be no adjustment in projects due to lack of ability to find data as you will already have it!
• How you plan to integrate complex functions (10%)
• What you plan to utilize for graphs (10%)
• What objectives, topics, and/or key variables do you plan to do analysis for? What are you going to learn? What decision are you going to make? What is the minimum amount of an estimated variable do you need to earn a profit? (10%)

MAKE DISCUSSION BOARD POST

UPLOAD A MID-PROJECT UPDATE!

Full Project Requirements:

• Model should answer sufficiently complex enough of a problem that would be highly inefficient to do in another format (information can change, lots of functions/math required, conditional statements i.e. IF, or other complicating factors)
• You should at least 5 functions of which 2 should be complex (IF, VLOOKUP, FV, COUNTIF, AVERAGEIF, PMT, AND, or other function that isn’t basic math: average, sum, count, min, max, product, quotient, etc. Consult me if not clear what is a “basic” function).
• Your workbook should include multiple tabs and pull information into a summarizing excel worksheet
• Be visually appealing, logical, and easy to follow from a printed version
• Be free of formatting errors when open in Windows Excel with a .xlsx file extension (test on a PC FIRST and resave!)
• The project should include at least 2 graph, and pertinent ratios (% of total cost/budget/expenditures, line graph by month)
• A list of assumptions clearly marked in the top corner of each workbook tab that you reference throughout the workbook tab. NO EMBEDDED/HIDDEN INFORMATION!
• Should analyze your end result for sensitivities (Use Goal-Seek to establish minimum/maximum levels for variables in your model or at target levels, breakeven, X amount of $, decision factors, end result decision, etc)
Ideas/suggestions for projects

(*The topics listed first have proven easier to satisfy all the requirements listed above. Lower listed items may require you to get more creative)

- Model a business idea that you’d be interested in undertaking (farms and restaurants are particularly good and there are lots of examples that can be provided, also a nutritionist office, yoga studio, thrift shop, forest harvesting, family business, ETSY store, or other business would work)
- Use a past assignment (or current) and utilize Excel to create an end product (would be a great way to make your honors thesis or other big project more data driven and visual)
- Analyze your credit/debit/bank account usage over the past year (group things into categories, break up those categories by value thresholders, come up with useful ways to analyze your spending habits, plan for a summer trip, study abroad, or simply to make payments)
- Analyze the tradeoff between becoming employed and going to graduate school for x amount of years (do job employment research, cost of living in desired area, use if statements to make conditions)
- Model a complex alternative for a municipality, business, or family (buying a new home vs. renting, expanding a firm, offering a new service vs. contracting out to a private provider)
- Build a form for a replicable activity you do in which the values vary that you can fill in a handful of cells and get a worthwhile output of that information (could use for diet/nutritional information form, credit card bill, workout plan, etc)
- Personal budget for next academic year (must use cost drivers and make COMPLEX!)
- Model the tradeoff of living near your family vs. other side of country (you’ll have to do data research on cost of living and wages in the two areas, model for travel as a single individual and a family in the future, etc. MUST MAKE COMPLEX!!!)
- Create/improve a database for a student organization or group (must show original database as well for verification of improvements, substantial overhaul required with increased functionality and information output)
- Make an inventory (seed, comic books, personal possessions, other)
- Model your decision for various alternatives (which grad school program, what new car to buy, rent vs. buy a home, ...
- Model something silly that you are interested in. For instance:
  - I like to model out things for a fantasy baseball league I’m in. Projected stats for pre-season rankings, mid-season report on how teams are performing based on metrics beyond W/Ls, among other things (must have useful end outcomes or way to analyze)

List of Error Codes

1. Missing graph -10 per
2. Missing complex function -6 per
3. Overly simple between -4 and -20 point deduction
4. Functions executed incorrectly -4 points
5. Sensitivity/Analysis -4 to -20 depending on whether it was incomplete, insufficient, or slightly incorrect
6. Data and text in the same cell -4 per up to 8 points
7. Typed in data that could have been linked -4 per up to 8 points
8. Missing key driver of costs and revenues linked to other info -4 to -10 depending on how substantial the connection is
9. Lack of formatting (should have 1 or 2 of colors, boldness, boards, and size differences) -4 to -20 per formatting
10. Formatting inconsistency -2 to -10 based on how severe
11. Tabs out of order (summary should have always been the first tab! any index should have been last) -2 to -5
12. Cells too narrow (###) -2 per up to 8 points
13. Text cut off -2 per up to 8 points
14. Missing fringe benefits -8
15. Missing Markup rule where appropriate -4 to -8 point deduction
16. Misuse of terms -2 to -10 point deduction
17. Graph doesn’t represent data well (huge spread, irrelevant) -2 to -10
18. Combining +/- incorrectly -4 to -10
19. Cell text or number formatted poorly -2 to -8
20. Data treated inconsistently -2 to -8
21. Overly complex functions -2 to -8
22. Math done incorrectly -2 to -8
23. Identical graphs (i.e. not 2 unique, but 2 formatted the same on similar data) -2 to -8
24. Failure lock cells where appropriate -2 to -4 points
25. Missing appropriate functions -2 to -8 points
Analysis Ideas (sensitivity analysis)

- What objectives, topics, and/or key variables do you plan to do analysis for? What are you going to learn? What decision are you going to make? What is the minimum amount of an estimated variable do you need to earn a profit? (10%)

Several main forms (not only limited to these):

Useful outcomes from existing data in a visually appealing way

- See the ETSY store example on Blackboard. The individual can now check any individual order and see if it’s a repeat customer. If they wanted to do outreach they might focus on the likelihood a repeat customer or they could focus on doing outreach to all first time customers.

- If you are working on a database, having a form that allows the database to be populated easier or function better would be a useful outcome. I’m not an expert at google forms so I can’t assist you at a high level, but there are MANY tutorials out there. I’d gladly let you teach me how it works!!!

Cost drivers leading to the ability to do a Break-even analysis

- Any business that has customers will have to estimate how many people buy your product or use your service. All of your revenue and all of your variable costs should be tied to how many customers you have. At the end of the day, if you build your workbook utilizing a single cell for a high level of information (i.e. customers) then doing a breakeven for # of customers per week would be appropriate. You might also do B/E analysis for your markup, a variable cost, labor hours, cost of building, etc.

- If you do a restaurant, your food costs and revenue should both be tied to customers and your food revenue should be tied to your food cost and a Markup (will look into this section)

- If you do a farm, acres planted would be a good way to do it. Vary your yields, give me a high, standard, and low yield and show me the various levels of profitability.

- For personal finances come up with an objective. Limit spending in blank, save up for XXX, meet the goal of making a payment for ____. If you set up your cash flow to be tied to a wage and hours per day/week/month, you can then allow excel to solve for your objective

Modeling out alternatives:

- A student asked me if they could do a family business and that is fine. To analyze past trends you might find it difficult do to “Sensitivity analysis” where you look at cost drivers. What about doing an Equivalence Point analysis? If the business has physical space, model out the different parameters of fixed and variable costs for owning vs. renting a space. Per year, over 10 years, etc. See under what circumstances you are better off to pay less up front and have higher variable costs vs the opposite.

- A decision generator where after plugging in information and manipulating it using functions you come up with a best alternative would work. See the car example where the student had a “best” outcome for their future action.

Tracking progress:

- The weight lift tracker is a good example of a simple project where the student got a great deal of feedback and essentially made their own form to fill out and replicate. That project wasn’t complex enough for a high A, but if you execute a project like that without errors that could certainly be a low A/B+.

MOST IMPORTANT PART IS!!!
WHAT DO YOU LEARN FROM YOUR WORKBOOK! How is this better than just guessing and checking? What information can you derive and hang your hat on? How is the workbook dynamic to changes and repeating this activity with new raw data and getting immediate outputs?
University of Maine administrative policy statements

Sexual Discrimination Reporting
The University of Maine is committed to making campus a safe place for students. Because of this commitment, if you tell any of your teachers about sexual discrimination involving members of the campus, **your teacher is required to report** this information to the campus Office of Sexual Assault & Violence Prevention or the Office of Equal Opportunity.

Behaviors that can be “sexual discrimination” include sexual assault, sexual harassment, stalking, relationship abuse (dating violence and domestic violence), sexual misconduct, and gender discrimination. Therefore, all of these behaviors must be reported.

**Why do teachers have to report sexual discrimination?**
The university can better support students in trouble if we know about what is happening. Reporting also helps us to identify patterns that might arise – for example, if more than one victim reports having been assaulted or harassed by the same individual.

**What will happen to a student if a teacher reports?**
An employee from the Office of Sexual Assault & Violence Prevention or the Office of Equal Opportunity will reach out to you and offer support, resources, and information. You will be invited to meet with the employee to discuss the situation and the various options available to you.

If you have requested confidentiality, the University will weigh your request that no action be taken against the institution’s obligation to provide a safe, nondiscriminatory environment for all students. If the University determines that it can maintain confidentiality, you must understand that the institution’s ability to meaningfully investigate the incident and pursue disciplinary action, if warranted, may be limited. There are times when the University may not be able to honor a request for confidentiality because doing so would pose a risk to its ability to provide a safe, nondiscriminatory environment for everyone. If the University determines that it cannot maintain confidentiality, the University will advise you, prior to starting an investigation and, to the extent possible, will share information only with those responsible for handling the institution’s response.

The University is committed to the well-being of all students and will take steps to protect all involved from retaliation or harm.

**If you want to talk in confidence** to someone about an experience of sexual discrimination, please contact these resources:

For confidential resources on campus: **Counseling Center: 207-581-1392** or **Cutler Health Center: at 207-581-4000**.
For confidential resources off campus: **Rape Response Services: 1-800-310-0000** or **Partners for Peace: 1-800-863-9909**.

**Other resources:** The resources listed below can offer support but may have to report the incident to others who can help:

For support services on campus: **Office of Sexual Assault & Violence Prevention: 207-581-1406**, **Office of Community Standards: 207-581-1409**, **University of Maine Police: 207-581-4040 or 911**. Or see the OSAVP website for a complete list of services at [http://www.umaine.edu/osavp/](http://www.umaine.edu/osavp/)