

MGEM AOL REPORT COMPILATION and ANALYSIS (September, 23, 2017)

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MGEM Assessment of LO 1, 2, and 3 based on the Consulting Projects (2017) conducted by Tom Maier and Gleb Nikitenko.

Learning objective 1. Demonstrate the competence to operate effectively within a multicultural team and manage a diverse workforce to maximize organizational performance.

Assessment: Students were grouped into 12 separate consulting teams. Team composition and size varied from (2) participants to (4) participants per team. The composition of the teams was very diverse and multi-cultural. Formal leadership roles were established within the consulting teams and the team leaders handled the primary communication with the consulting client and professor. Team leads and client alignment occurred through a pre-course skill assessment and reflection exercise with each student identifying their skill set and interest level. Client feedback looping and oral presentation were gauged by client feedback and sidebar meetings following the final presentations.

Learning objective 2. Apply the professional and ethical responsibilities and skills of a global manager with an entrepreneurial mindset.

Assessment: Students were presented with the Design Based thinking-Ideation theory. They applied the DBT model to their individual client problem statement and delivered a value proposition for the client for consideration. Student projects were rated on a likert scale rubric between 1-5 and scored individually according to the following criteria: Excellent (4-5 points). Consistently proficient and effective presenter in each category Good (3 points). Met all criteria in each category with most rated as good while some. Needs improvement (2-points). Presentations generally acceptable with some elements not addressed or covered inadequately. Unacceptable (1 point). Major category elements omitted or of such poor quality that presentation effectiveness was severely diminished. The main components measured:

- Problem statement creation
- Systems thinking diagnostics
- Entrepreneurial mindset
- Data visualization techniques

Presentations were scored by 2 professors on a pre-determined ranking scale based on 100 points applied to the aforementioned criteria.

Learning Objective 3. Communicate effectively both verbally and in writing, using different media and settings

Students were scored individually on visualization techniques based on a 1-5 likers scale 1 low to 5 high. Visualization techniques were mapped to the following criteria:

- Communicate effectively both verbally and in writing, using different media and settings.
- Body Language/composure
- Passion/Storyline
- Appropriate data
- Clear graphics

Students were required to complete and execute a Gantt chart to implement proper timing and project execution meeting deadlines in a team setting.

Other Assessment:

Consulting client feedback was received directly form clients during student presentation in oral format.

Pre and post skill assessment surveys were conducted by MGEM students measuring the self-reflected skill development in the following criteria:

- ET-entrepreneurial thinking
- PI-product innovation
- EM-enterprise management
- DV-Data visualization

Skill level self-assessed lift increased by

0 change	10	30%
1 to 2 change	11	33%
3 to 6 change	9	27%
Overall change		60%

Assessment results indicated an overall Graded/Assignment components:

Best Self Leadership Portrait	10%
Ideation/Design Thinking Case reflections (3)	30%
Interview with Professional Consultant	20%
Firm Proposal, Plan & Presentation	30%
Project Management-Gantt charting/feedback looping	10%

What Learning Outcome(s) to be assessed:

- Apply the professional and ethical responsibilities and skills of a global manager with an entrepreneurial mindset (*to select organizational cases in a variety of multicultural environments*).
- Communicate effectively both verbally and in writing, using different media and settings.
- Demonstrate the competence to operate effectively within a multicultural team and manage a diverse workforce to maximize organizational performance.

Assessment Method Category: *Case Analysis Presentations (Individual/ Team)*

Assessment Method:

Provide a detailed description of the assessment plan

Students were tested on the basis of the individual portions of team presentations; the focus was on the assessment of a select social entrepreneurial organization’s challenges (problem identification) and creative solutions and recommendations in the context of the case’s regional ecosystem (all cases came from the MIT case study program on global entrepreneurship and were from all continents—Asia, Europe, the Americas, and Africa). For SLO 1-3, student presentations (15 min. for each team; approximately 3-4 min for each individual) were assessed on the basis of the rubric and the scoring sheet to analyze their individual ability to conduct a proficient Q&A session elaborating on the case issues, analysis and conclusions while maintaining professional demeanor and exhibiting a consistent knowledge of the case materials (general competence).

Target:

80% Exceeds Expectations

Courses where method will be assessed (if applicable):

MGEM 5111- Social Entrepreneurship

Evaluator:

Gleb Nikitenko, Tom Maier

Completion Date:

June 22, 2017

Additional Detail (if applicable):

Related Documents:

Provide a list of supporting documents to be included with this assessment plan (e.g., sample test, grading rubric).

Supporting documents: the assessment/scoring rubric

Assessment Rubrics:

Rubrics	Accomplished	Proficient	Beginning
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1. Students exhibit professionalism as evidenced by preparedness, demeanor, and knowledge of issues during a robust quality discussion in the Q&A portion of the consulting project presentation.	Exhibits always consistent professionalism as evidenced by preparedness, demeanor, and knowledge of issues during a robust quality discussion in the Q&A portion of the consulting project presentations	Displays mostly consistent professionalism as evidenced by preparedness, demeanor, and knowledge of issues during a robust quality discussion in the Q&A portion of the consulting project presentations	Displays inconsistent professionalism as evidenced by preparedness, demeanor, and knowledge of issues during a robust quality discussion in the Q&A portion of the consulting project presentations; dodges questions and/or mostly withdrawn from the discussion.
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Assessment results:

Rubrics	Accomplished	Proficient	Beginning (or less)
Cumulative score on the basis of the presentations' averages of individual scores on demeanor and Q&A (see the scoring rubric). Average total:	<u>N= 21 (54%)</u>	<u>N=17 (43.5%)</u>	<u>N= 1 (2.5%)</u>
Average score: 2.81			

Discussion:

Students have not reached the goal of 80% target of exceeding expectations (in fact, the percentage of those “accomplished” is actually lower than the one last year—54% vs. 62%), but have far exceeded the 80% threshold of meeting or exceeding expectations (97.5%) compared with the same of the last year. Students displayed generally proficient level of professional demeanor and knowledge of the case materials while responding during a Q&A session of the case analysis presentation assessed individually.

Faculty have found that after the revision the SLO reflects the required student competencies and, though a more detailed and relevant rubric can still be developed, the current one actually functions well for the assessment purposes. Both ethical and professional characteristics can still be further defined for SLO assessment and curricular purposes. This SLO will be assessed again in the FY 17-18.

LO #5: Select and analyze financial information to make effective managerial decisions.

Assessment Method Category: *Individual Final Exams*

Assessment Method:

Provide a detailed description of the assessment plan

Students were tested with individual final exams containing both quantitative and qualitative questions. 8 questions were chosen to represent a fair assessment of major concepts.

Target:

80% Exceeds Expectations

Courses where method will be assessed (if applicable):

MGEM 5112 - Venture Capital, Corporate Entrepreneurship, and Micro Financing

Evaluator:

David I Epstein

Completion Date:

Estimate the date this assessment will be complete and the results will be available for review.

September 9, 2017

Additional Detail (if applicable):

Of the 39 students taking the class, only 35 are used for evaluation. Of the ones not used, 1 failed for cheating, and 3 will take a make up test in the future.

Related Documents:

Provide a list of supporting documents to be included with this assessment plan (e.g., sample test, grading rubric).

Supporting documents: assessment rubric, assessment questions

Assessment Rubric and results:

Rubrics	Good	Average	Poor
1. Students understand the basic time value of money equation and the balance sheet equation Results: Q1 & Q5	Students know the equations 34 of 35 97.1%		Students do not know the equations 1 of 35 2.9%
2. Students understand income statement earnings and can use them for breakeven analysis Results: Q2 & Q3	Students know what operating income is and understand most consequences of survival break-even revenue 9 of 35 25.7%	Students know what operating income is and understand the concept of breakeven 22 of 35 92.9%	Students do not know the meanings of these terms and/or cannot use them 4 of 35 11.4%
3. Students understand the concept of sustainable growth rates and can use them for analysis and management of a company Results: Q4	Students correctly identify and calculate SGR using the PRAT [^] method and can mostly interpret the results 22 of 35 62.9%	Students have the equation correct but make minor mistakes in interpretation or calculation 4 of 35 11.4%	Students do not understand nor can they calculate the SGR 9 of 35 25.7%
4. Students understand several company valuation methods Results: Q6 & Q7	Students can correctly calculate market caps and the VC method of valuation 27 of 35 77.1%	Minor mistake(s) in calculating valuations 1 of 35 2.9%	Major mistake(s) in calculating valuations 7 of 35 20.0%
5. Students understand pre and post money valuation and can calculate ownership Results: Q8	Students correctly identify the terms in the term sheet and can interpret them. 25 of 35 71.4%	Students can correctly identify pre and post money valuation but make a mistake in ownership values 3 of 35 8.6%	Students cannot find nor use the information in a term sheet 7 of 35 20.0%

Questions used in Assessment:

1. Joyce and Miguel find it difficult to balance. Help them balance Total Assets in the balance sheet equation. It equals: (choose 1)
 - a. owners' equity + net income"
 - b. owners' equity + current liabilities"
 - c. total liabilities + depreciation"
 - d. total liabilities + owners' equity"
 - e. total liabilities + net income"
2. Operating Profit is the same as: (choose 1)
 - a. Net Income
 - b. EBDAT
 - c. EBITDA
 - d. EBIT
 - e. NOPAT
3. Survival Break Even Revenue based on EBDAT: (check all that apply)
 - a. Indicates a point at which the company can continue operations without needing more cash (at least for the time being)
 - b. Is calculated by taking the Cash Fixed Costs divided by the Contribution Margin
 - c. Is looked at by investors as an important milestone
 - d. Does not take depreciation into account, so it cannot truly survive forever
4. (9) The method we have discussed about sustainable growth rate is referred to as PRAĀ. Using this method and the data below, answer the following 3 questions:

SoLSF selected financial data (in thousands):

Net income	\$1,500	Equity (beginning of period)	\$3,333
Net Sales	\$9,250	Equity (end of period)	\$4,000
Assets (beg. of period)	\$3,685	Dividend Rate	25%
Assets (end of period)	\$4,220		

- a. What is the sustainable growth rate?
 - b. If next year's actual Net Sales is \$12,025, are they creating a surplus of funds or a deficit?
 - c. (2) Which two ratios used in (a) are policy decisions by the management/board of directors?
5. The basic equation for the time value of money is: (define all variables)
FV = _____
 6. How do you determine the market cap (aka market capitalization) of a publicly traded company?

7. SoLSF needs \$8M. The premier VC firm USFVC estimates that it will be bought in 5 years for \$120M. USFVC requires a 40% IRR. If USFVC invests all \$8M, how much of the company must the USFVC own at the time of the buyout?
8. (Given the term sheet below) What is the post money valuation? What % of SoLSF does USFVC own?

MGEM curriculum discussions, findings, recommendations, and loop-closing activities:

1. Select MGEM faculty and the program directors met in separate meetings on August 11, 2017 (San Francisco), September 1 and 2, 2017 (Barcelona), and (another meeting is scheduled for January 7, 2018 in Taipei) to discuss the assessment results and the program's ongoing changes.
2. The faculty and the directors found that over 80% of MGEM students meet or exceed expectations (accomplished) in the program based on the revised rubric.
3. The program goals and program outcomes were further discussed and redesigned as a result of the faculty meetings: LOs #1-4;
 - Demonstrate the competence to operate effectively within a multicultural team and manage a diverse workforce to maximize organizational performance.
 - Apply the professional and ethical responsibilities and skills of a global manager with an entrepreneurial mindset.
 - Communicate effectively both verbally and in writing, using different media and settings.
 - Demonstrate and apply cross-cultural competence in different managerial and entrepreneurial settings
4. A new LO #6 was also discussed, designed, and introduced:
 - *Identify information technology trends and developments and utilize those for effective managerial decision-making.*
5. The following MGEM courses were designated and eventually LOs 1-5 were assessed in AY 2017 in the following courses based on the new curriculum map:
 - 1) Consulting Course (IQS)—final consulting team/ individual presentations/ project, 2) Consulting course (USF) —final consulting team/ individual presentations/ project (both consulting courses were assessed by the faculty and the external clients in respective universities (IQS in Barcelona) and (USF in San Francisco) to assess a modified SLO#1 (Leading and managing diverse individuals), SLO #3 (Communication skills), and a modified SLO #2. No formal pre- and post- project assessment was conducted due to methodological problems of having different clients/ reviewers and different consulting topics in the beginning and toward the end of the program. However, some general comparative and basic correlational analysis of the

averaged student performance scores were conducted to outline trends and tendencies in the MGEM student learning.

- Common Ground in Corporate Valuation (IQS Finance) and Venture Capital and Microfinance (USF Finance) courses were used primarily to imbed program-based assessment of student financial acumen (current SLO #5) on the basis of select financial topics and concepts (those that are revisited in both courses) in the beginning and toward the end of the program for comparative and possible correlational analytical purposes, similar to the Consulting projects above. The data gathered from the Corporate Finance course assessment (FJU University) were also used to monitor student performance level and recommend curriculum changes.

 - Social Entrepreneurship course (G. Nikitenko) was used for assessing a modified SLO#1 (Leading and managing diverse individuals), SLO #2, and SLO#3 (Communication skills).

 - The two technology courses (Technology Appreciation and IP Management and Innovation Technology Management) offered in the MGEM program had program-level imbedded assessment instruments to test the new technology and design thinking related SLO#6 replacing the old SLO #4). The results of the two assessments of the same technology management concepts will be compared on the basis of the correlational analysis of the pre- and post-nature.

 - The Business Plan course (FJU) and its main deliverable was used for the program-based assessment of the SLO 3 (Communication (especially written) skills) and the revised SLO 4 focused on the business concepts.
6. The new supplementary Intro to accounting and finance course was introduced and successfully conducted in Barcelona in Fall 2016 and 2017. The results showed that overall students met or exceeded expectations (88%). Not all of the MGEM students were offered the course but only those with non-business/ economics/ accounting undergraduate degrees took it (45%). The overall assessment for LO#5 (Financial analysis competence) actually showed a slight decrease in the overall student performance, which is not positively correlated

with the introduction of the new (optional) finance course and should be further reviewed after this round of the Venture Capital and Microfinance (USF Finance, Summer 2018).

7. Based on the 2016 program assessment, the SLO#6 was introduced and a new course was drafted and approved by all three MGEM program directors in December of 2017 for MGEM to launch at USF in Summer 2019—Business Analytics (tentative). The course is to be reviewed and approved by the USF Curriculum Committee in 2018.

8. Although the cross-cultural competence (SLO #4) was going to be assessed in the Cross-Cultural Marketing course (USF with A. Patino) in 2017, it was postponed until Summer 2018, when a new instrument was going to be developed and introduced.

APPENDIX (Assessment of LO #5)

SoLSF, Inc MEMORANDUM OF TERMS

Company:	SoLSF, Incorporated - a newly formed Delaware corporation (the "Company")
Type of Security:	Series A Convertible Preferred Stock ("Series A Preferred").
Amount of Offering:	\$4.5 million total with USFVC contributing the entire amount.
Anticipated Closing:	15-Sep-2017
Investor Group:	USF Venture Capital Partners ("USFVC") will act as lead investor.
Valuation:	The Purchase Price shall represent a fully diluted pre-money valuation of \$4.0million.
Condition to Closing:	<p>The Company will acquire the assets described in Appendix B (the "Defined Assets") pursuant to an asset purchase agreement and on terms satisfactory to USFVC.</p> <p>All employee options grants will be subject to a four (4) year monthly vesting schedule with a one (1) year cliff</p> <p>The Founders and employees will be become Company employees and will be bound by an employment agreement with the terms described in this term sheet and Appendices and will have agreed to the compensation arrangements described in this term sheet and its appendices.</p> <p>The Founders will also agree to restricted stock agreements for the shares of Common Stock held by them, with a Company re-purchase right over such shares of Common Stock, which will vest monthly over four years, with no cliff.</p>
Pre-emptive Rights:	Series A stockholders will have the right to participate ratably in future offerings of new securities based on their ownership in the Company, subject to customary exclusions.
Liquidation Preference:	Upon any form of liquidation, sale, winding down of the business, etc., the Series A stockholders will first receive one and one-half times (1.5x) their invested capital with participation and a 2x cap, plus any accrued, but unpaid dividends (8% if and when approved)

Drag-Along Rights:	If the holders of a majority of the Series A Preferred (on an as-converted basis) approve a change of control of the Company, each holder of Company capital stock shall agree to vote for, consent to and raise no objection against, such change of control. This Drag-A-Long right will terminate upon an IPO.
Anti-Dilution Protection:	Series A Preferred stockholders will receive broad-based weighted average anti-dilution protection, subject to customary exclusions.
Board Seat:	Upon the closing of the Series A financing, the investors and the Company will agree to the following board of director arrangement: <ul style="list-style-type: none"> • USFVC will nominate two (2) board members. • The Common stockholders will nominate two (2) board members. One of which will be the CEO when hired and the other will initially be Miguel N. Joyce. Until the CEO is hired, the commons stockholders will be entitled to nominate a second board member. • One (1) independent board member nominated by USFVC and agreed to by the Company.
Reg. and Co-Sale Rights	Series A Preferred stockholders will have customary registration and co-sale rights.
Redemption	Series A Preferred stock will be redeemable at the option of a majority of the Series A Preferred stockholders at any time after the 5th anniversary from the date of issuance.
Other Terms:	A search for a permanent CEO will commence immediately.
Exclusivity:	As long as USFVC continues to work in good faith to consummate this financing, the Company will not solicit nor evaluate any other offers associated with this financing. The terms of this agreement shall remain confidential.
Expenses:	The Company will bear legal and due diligence expenses, up to a maximum of \$50K.
Additional Conditions to Closing:	With the exception of Exclusivity, this summary of terms is not intended to be a legally binding commitment by USFVC and the Company, and any obligation on the part of USFVC is subject to the completion of business and legal due diligence including the execution of a definitive stock purchase agreement.
Expiration:	This Term Sheet shall remain in effect until 5pm PDT on Friday 11-Aug-2017.