



MBA 520 Milestone Three Guidelines and Rubric

Overview: You now know how to evaluate the equity of a company and analyze the market economy's behavior. Using this knowledge, you will predict your company's future behavior through forecasting, identify and describe business opportunities that the company should pursue, and explain the benefits and costs of these decisions.

Prompt: In this milestone, you have two tasks. First, predict your company's future behavior through forecasting, projecting its likely performance based on the most recent year of financial information. Then, explain the incremental impact of a hypothetical but reasonable and simple new investment project, such as a new product or facility or a cost-cutting investment, as an initial step in thinking about the future. To justify your findings and projections, you need to include accurate and relevant data tables that explain how the numbers were informed by existing information and model different scenarios. Be sure to address the following **critical elements**:

- IV. **Projections:** Using what you know about the company's financial health and performance, forecast its future performance. In particular, you should:
- A. Project the company's **likely** consolidated financial **performance** for each of the next three years. Support your analysis with an appendix spreadsheet showing actual results for the most recent year, along with your projections and assumptions. Remember that your supervisor is interested in fresh perspectives, so you should not just replicate existing financial statements: You should add other relevant calculations or disaggregations to help inform decisions.
 - B. Modify your projections for the coming year to show a **best- and worst-case** scenario based on the potential success factors and risks you identified. As with your initial projections, support your analysis with an appendix spreadsheet, specifying your assumptions and including relevant calculations and disaggregations beyond those in the existing financial reports.
 - C. **Discuss** how your assumptions, forecasting methodology, and information gaps affect your **projections**. Why are your projections appropriate? For example, are they consistent with the company's mission and priorities? Aggressive but achievable? How would changing your assumptions change your projections?

Rubric

Guidelines for Submission: Use the [Final Project Template](#) to complete this assignment. Your report should be approximately 5–7 pages long (excluding the title page, spreadsheets and graphs, and the references list). It should be double spaced, with 12-point Times New Roman font and one-inch margins, and use the latest guidelines for APA formatting for references and citations. Please include your name, course name, and report title on the title page.

Critical Elements	Proficient (100%)	Needs Improvement (70%)	Not Evident (0%)	Value
Projections: Likely Performance	Projects the likely consolidated financial performance for next three years, supported by spreadsheet showing actual results for most recent year, projections, and assumptions	Projects the likely consolidated financial performance for next three years, supported by spreadsheet showing actual results for most recent year, projections, and assumptions, but response contains inaccuracies or faulty assumptions or omits key details	Does not project the likely consolidated financial performance for next three years or support with spreadsheet showing actual results for most recent year, projections, and assumptions	30

Critical Elements	Proficient (100%)	Needs Improvement (70%)	Not Evident (0%)	Value
Projections: Best- and Worst-Case	Modifies projections to show best- and worst-case scenarios for coming year based on success factors and risks identified, supported by spreadsheet with assumptions and relevant information beyond existing financial reports	Modifies projections to show best- and worst-case scenarios based on success factors and risks identified, supported by spreadsheet with assumptions and additional information, but response contains inaccuracies or faulty assumptions, or additional information included is not relevant	Does not modify projections to show best- and worst-case scenarios based on success factors and risks identified, supported by spreadsheet with assumptions and information beyond existing financial reports	30
Projections: Discuss Projections	Discusses how assumptions, forecasting methodology, and information gaps affect projections and why projections are appropriate	Discusses how assumptions, methodology, and information gaps affect projections and why projections are appropriate, but discussion is cursory or illogical or contains inaccuracies	Does not discuss how assumptions, forecasting methodology, and information gaps affect projections and why projections are appropriate	30
Articulation of Response	Submission has no major errors related to citations, grammar, spelling, syntax, or organization	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas	10
Total				100%