

A3: Assignment #3
Information Competency
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Course: MGT 360
Title: Management and Organizational Behavior (3 units)

“Without data, you’re just another person with an opinion.”
---W. Edwards Deming (1900-1993)

Goal:

The goal of this assignment is to ensure that you have the requisite skills to acquire and manage information in your management environment. Information competency is one part of management communication.

Instructions:

In general, the task is to answer each of the questions below. In addition to each answer, write two or three sentences about your search strategy, analytic approach, or computational formula. The sentence can be “what technique you used that was successful”, “what technique you used but wasn’t successful”, “what other technique might be useful”, “what technique you would like to try in the future”, etc. You could also include technical details, such as the version of the software you used. There may be more than one “correct” search path for each question.

Please read the following two documents before attempting to answer the questions.

<http://www.ala.org/ala/acrl/acrlstandards/standards.pdf>
<http://www.sec.gov/investor/pubs/begfinstmtguide.htm>

Deliverable:

Your work is due on the last day of class before the final exam—Saturday, March 17. On Tuesday, March 13, we can allocate a small amount of time in class to go over any questions you may have.

Length:

Each question should result in an answer to the question (or rather, each part of the question) *and* two or three sentences about how you went about deriving or acquiring the answer. In other words, the *process* of achieving the correct answer is important as well.

Format:

The style requirements of the essay are as follows: 12-point Times Roman font, double line spacing, and approximately 1 inch page margins. Do not justify the text to the right margin. You may indent the first line of each paragraph if desired. The first three lines on each page should be left-justified and look as follows:

Terry Student, MGT 360, <due date>
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Please double-check the spelling and grammar before you turn in the paper (especially for errors that were common on Assignment #1). And as always, I recommend starting this assignment as soon as possible and allocating time for “re-writing” your work.

Performance Measurement:

The scoring rubric for each question on this assignment is as follows:

- 6 - correct
- 4 - mostly correct
- 2 - mostly incorrect
- 0 - incorrect

I. Quantitative—small business consulting

Issue: A local hot dog vendor near campus sells hot dogs and related items to students and others. The daily sales figures for a recent month are located in an Excel spreadsheet at the following location—

<http://ocw.smithw.org/2007spring/mgt360pace/hotdogs.xls>. All answers are to be rounded to two decimal places.

Question 1: Compute the descriptive statistics (“summary”) of dollar sales for the hot dog stand—i.e., the highest (the “maximum”), the lowest (the “minimum”), the arithmetic mean (the “average” per day), the median (the “middle”), and the standard deviation (use the formula for the “sample” standard deviation, that is, the “n-1” method).

Question 2: What is the average dollar sales for Monday’s only?

Question 3: Expressed as a positive (or negative) dollar amount, how much higher (or lower) is Tuesday’s average dollar sales as compared to Monday’s average dollar sales?

Hint: At a minimum, you’ll need to download the spreadsheet file from the web address listed above. If you don’t have access to a spreadsheet application, such as MS-Excel, you’ll need to work with a student colleague and/or use the COBAE lab in JH2129 to complete this part of the assignment. Alternatively, you could download and install the freely-available, open source spreadsheet application OpenOffice as well.

II. Quantitative—public firm financial statements

Issue: Apple (formerly, Apple Computer) is a publicly-traded corporation. As such, Apple is subject to a broad range of accounting and legal obligations with respect to the disclosure of financial information. While it may be possible to find key financial data

on Apple's own internal pages, the marketplace typically relies on data obtained at an "arm's length" distance to ensure objectivity, accuracy and impartiality. One of the obligations of a publicly-held firm is to submit financial statements (called "filings") to the Securities and Exchange Commission (SEC) in a specific format. Such filings follow the guidelines of Generally Accepted Accounting Principles (GAAP).

The SEC maintains a web service that provides public access to this reported data. This service is referred to as the Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system.

Question 1: For the three month period ended July 1, 2006, what were Apple's Net Sales (in dollars)?

Question 2: For the three month period ended July 1, 2006, what is the relationship (expressed as a percent) of Net Income to Net Sales.?

Question 3: For the period ended July 1, 2006, what is the "Current Ratio"—i.e., the fraction of total current assets divided by total current liabilities?

Question 4: Between the period ended September 24, 2005 (ignore the word "restated" for the time being) and the period ended July 1, 2006, what was the percent change in Retained Earnings?

Hint: You can probably find the EDGAR web site using Google. After you search for "Apple Computer" on EDGAR Web page, use the Form "10-Q"—"Q" is short for "quarterly report"). Also, be careful with your millions/billions dollar conversions.

III. Qualitative—Peer-Reviewed Literature

Issue: Professor Daniel Kahneman won the 2002 Nobel Prize in Economics chiefly for his work in a field of study he and a colleague created entitled "prospect theory". Prospect Theory augments traditional utility theory in Economics by helping to explain how individuals occasionally make less-than-perfectly-rational choices when faced with certain kinds of decisions. His original paper on the subject is:

Kahneman, D., and Tversky, A. (1979) "Prospect theory: An analysis of decisions under risk", *Econometrica*, 47(2), pp. 263-291.

Question 1: What are the first two sentences of the abstract of this seminal paper?

Question 2: Ken Arrow, a Professor of Economics at Stanford, has won the Nobel Prize in Economics as well. Just coincidentally, Dr. Arrow and a colleague also have a paper in the same issue of *Econometrica* as the Kahneman and Tversky "Prospect Theory" paper. What is the title of the paper by Arrow and his colleague in that same issue of *Econometrica*?

Hint: For some older, but important papers, an academic journal may reproduce them in a newer issue of the journal. These “recent” issues are available in Library databases such as ABI/Inform. But many older papers, especially before 1986, are often only available online in the CSUN Library database called “JSTOR”.

IV. Qualitative—Non-Peer-Reviewed Literature

Issue: Each year, Fortune magazine ranks the 500 largest for-profit organizations in the world. This list is known in the business environment as the “Fortune 500”.

Question 1: In descending order of rank, what are the names of the Top 10 largest firms in the Fortune 500 for the year 2006?

Question 2: In descending order of rank, what are the names of the Top 10 largest firms in the Fortune 500 for the year 1996?

Hint: Special articles of current and popular articles are often on one or more web pages. Material from older articles often requires more specific searches, including using Google.

V. Technological

Issue: Gordon Moore is one of the co-founders of the large semiconductor firm Intel. In the mid-1960’s, he posited that the number of transistors the semiconductor industry would be able to place on a computer chip would double approximately every eighteen months. This estimate has come to be known as “Moore’s Law”. It is striking that this estimate has remained relatively consistent for nearly four decades.

Question 1: What the speed of the computer you are using to complete this assignment?

Hint: On Windows, this information can usually be found by using the “System” icon of the “Control Panel.” On MacOS, this information can usually be found by using the “About this Mac” menu choice in the finder.”

Question 2: What the make (manufacturer) and model (type) of the printer you are using to complete this assignment? What is the rated speed in pages per minute (if two numbers are listed, use the most conservative, that is, the smallest, number).

Hint: You may need to look in the manual or online to determine the answer to this question.