



HCM 400 Milestone Four Guidelines and Rubric

Submit a draft proposal for Sections II and III (see below). Provide financial statement analysis, profitability ratios, and ratio analysis to support the capital budget proposal formulated in Milestone Three. You must also use financial calculations to support proposal recommendations and to explain the short- and long-term financial impact for the organization.

Specifically the following critical elements must be addressed:

II. Financial and Budgetary Considerations

- A. **Financial Statements:** What financial statements will you utilize in making your proposal, and how will you use these statements?
- B. **Proposal Impact:** What impact will your proposal have on the organization's financial statements? Articulate the impact using appropriate terminology.
- C. **Flexed Versus Fixed:** How would your proposal be different if using a flexed budget versus a fixed budget? In other words, how would the use of one type of budget versus the other impact your proposal, and how would your proposal impact the budget? (Evaluate the differences between a fixed and a flexed budget.)

III. Proposal Justification

- A. **Ratio Selection:** What ratios will you use to support your proposal and why? Select the ratio or ratios that would be the most appropriate.
- B. **Ratio Results:** Calculate the selected ratios and articulate the results using accurate terminology. What do the results tell you about the viability of your proposal?
- C. **Short- and Long-Term Impact:** Based on your calculations and financial statement analysis, determine the short-term and long-term impact on the organization and the organization's financials. What is the short-term and long-term financial impact of your proposal for the organization? How can you plan to strategically mitigate the impact on the financials of the company, or how will your proposal help inform strategic planning in the short and long term?

Guidelines for Submission: Your paper must be submitted as a Microsoft Word document and should be a minimum of two pages in length with double spacing, 12-point Times New Roman font, one-inch margins, and at least two sources cited in APA format.

Critical Elements	Proficient (100%)	Needs Improvement (85%)	Not Evident (0%)	Value
Financial Statements	Identifies the correct financial statements and information for use in preparing the proposal	Identifies incorrect financial statements and information or misses key financial elements necessary for preparing the proposal	Does not identify financial statements and information for preparing the proposal	15



Proposal Impact	Clearly articulates how the proposal could impact the financial statements of the organization	Articulates the relationship between the proposal and the financial statement, but does not correctly describe the potential impact of the proposal on the statements of the organization	Does not articulate the relationship between the proposal and financial statements of the organization	15
Flexed vs. Fixed	Accurately discusses the differences between flexed and fixed budgets in relation to the proposal	Discusses the differences between flexed and fixed budgets, but with gaps in accuracy or not in relation to the proposal	Does not discuss the difference between flexed and fixed budgets	15
Ratio Selection	Selects financial ratios appropriate for support of the proposal	Selects financial ratios, but they are not appropriate for supporting the proposal	Does not select financial ratios	15
Ratio Results	Articulates the results of ratio calculations accurately using appropriate financial terminology	Articulates the results of ratio calculations, but with gaps in accuracy or without use of appropriate terminology	Does not articulate the results of ratio calculations	15
Short- and Long-Term Impact	Determines accurately the short- and long-term potential impact of the proposal on the organization and the organization's financials	Determines short- and long-term impacts of the proposal on the organization and financials, but with gaps in accuracy, logic, or detail	Does not determine the short- and long-term impacts of the proposal on the organization and financials	15
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
Earned Total				100%