

MBA 503 Milestone Two Guidelines and Rubric

For this assignment, due in Module Six, you will submit the **Ratio Analysis** portion of the final project. For this milestone, you will be analyzing the financial performance of Starbucks using the financial ratios of liquidity, solvency, and profitability (Critical Element III). Include your calculations and amounts in a table in the appendix of your paper. Be sure to show your calculations for each ratio. You will also discuss what each ratio and ratio category tells the user about the financial health of the company, including stating appropriate methods for comparison such as benchmarking and trend analysis.

Note: To calculate the ratio amounts you may use the document [Key Financial Ratios Explained and Set Up in Excel](#). This Excel document may also be used for your final project.

Specifically, the following critical elements must be addressed:

- I. **Ratio Analysis:** Analyze and discuss the financial performance of Starbucks using financial ratios. Include your calculations and amounts in a table in the appendix of your paper. Be sure to show your calculation for each ratio.
 - A. **Liquidity Ratios**
 1. Accurately present and **calculate** two liquidity ratios for Starbucks.
 2. **Discuss** what the liquidity ratios reveal about Starbucks, including any description of benchmarks, standard measurements, or other types of analysis used once the ratio amount is known.
 - B. **Solvency Ratios**
 1. Accurately present and **calculate** two solvency ratios for Starbucks.
 2. **Discuss** what the solvency ratios reveal about the company, including any description of benchmarks, standard measurements, or other types of analysis used once the ratio amounts are known.
 - C. **Profitability Ratios**
 1. Accurately present and **calculate** two profitability ratios for Starbucks.
 2. **Discuss** what the profitability ratios reveal about the company, including any description of benchmarks, standard measurements, or other types of analysis used once the ratio amounts are known.

Rubric

Guidelines for Submission: Milestone Two should adhere to the following formatting requirements: 2–3 pages (not including cover page or appendix), double-spaced, using 12-point Times New Roman font and the most current guidelines for APA formatting. Include all calculations in an Excel document.

Instructor Feedback: This activity uses an integrated rubric in Blackboard. Students can view instructor feedback in the Grade Center. For more information, review [these instructions](#).

Critical Elements	Proficient (100%)	Needs Improvement (75%)	Not Evident (0%)	Value
Ratio: Liquidity: Calculate	Accurately presents and calculates two liquidity ratios for Starbucks	Presents and calculates two liquidity ratios for Starbucks, but with gaps in accuracy, or chosen ratios are not appropriate	Does not present and calculate two liquidity ratios for Starbucks	15
Ratio: Liquidity: Discuss	Comprehensively discusses what liquidity ratios reveal about Starbucks	Discusses what liquidity ratios reveal about Starbucks, but with gaps in logic or detail	Does not discuss what liquidity ratios reveal about Starbucks	15
Ratio: Solvency: Calculate	Accurately presents and calculates two solvency ratios for Starbucks	Presents and calculates two solvency ratios for Starbucks, but with gaps in accuracy, or chosen ratios are not appropriate	Does not present and calculate two solvency ratios for Starbucks	15
Ratio: Solvency: Discuss	Comprehensively discusses what solvency ratios reveal about Starbucks	Discusses what solvency ratios reveal about Starbucks, but with gaps in logic or detail	Does not discuss what solvency ratios reveal about Starbucks	15
Ratio: Profitability: Calculate	Accurately presents and calculates two profitability ratios for Starbucks	Presents and calculates two profitability ratios for Starbucks, but with gaps in accuracy, or chosen ratios are not appropriate	Does not present and calculate two profitability ratios for Starbucks	15
Ratio: Profitability: Discuss	Comprehensively discusses what profitability ratios reveal about Starbucks	Discusses what profitability ratios reveal about Starbucks, but with gaps in logic or detail	Does not discuss what profitability ratios reveal about Starbucks	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 idea	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas	10
Total				100%