"Hello everyone!" –Prof. Ebrahimi

Menu:

1. Excel demo by Taiba, Khudija and Elizabeth
2. Reading from the text book. (Chapter 8)
3. Review module 6.
4. Announcement and email a copy of Prof. Ebrahimi's flier to everyone.
5. Student participation in faculty forum on November 20, 2009 at 10:30am-12:30pm. Lunch is included
6. Miscellaneous
7. Evaluation criteria for quiz 3.

Reminder:

- If you share and demo in class Prof. Ebrahimi will give you an extra 5 points.
- Please do not miss class especially now. If you want a grade of 100, come to class regularly.

Notes on Excel demo:

How to find Microsoft Excel: Click on START and go to ALL PROGRAMS and then click on MICROSOFT OFFICE and then scroll down to EXCEL.

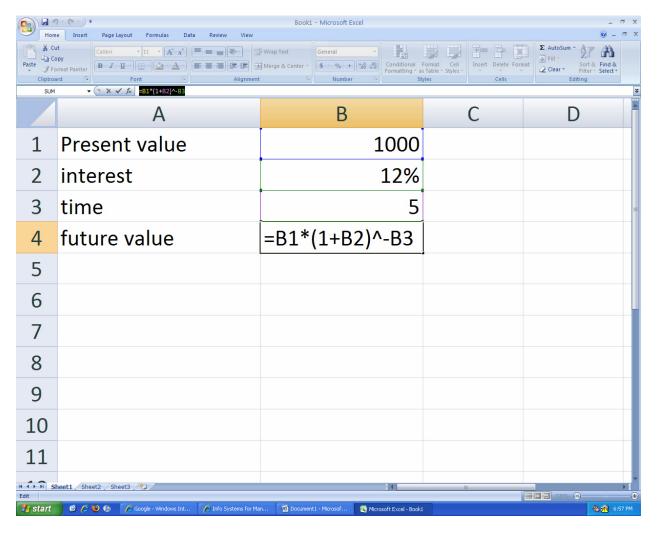Once you have successfully entered Excel, you will see a spread sheet.

To make a chart, enter the desired information, highlight all the information, go to INSERT and select COLUMN and you will find a number of selections on what kind of column you might like. When you have selected the information you will see a chart on your spreadsheet with all the information you have entered.

Excel Formula: Present Value
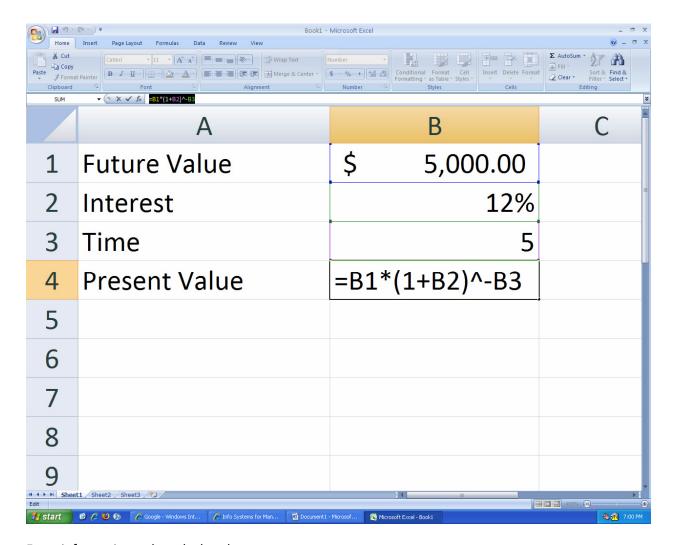
Enter information to be calculated:

Present Value= $1000.00

Interest= 12%

Time= 5 years

Future Value= $567.43, to calculate see above formula.

Excel Formula: Future Value

Enter information to be calculated:

Future Value= $5000.00

Interest= 12%

Time= 5 years

Present Value= $2,837.13, to calculate see above formula.

Taiba, Khudija and Elizabeth also showed the class an example of a Balance Sheet (Guess Inc.)

Conclusion: It is important for a manager to be familiarized with Microsoft Excel.

Sample formula in Excel:

PMT is a formula that will help you calculate loan payments.

PMT (rate , nper , pv , fv , type)

See the link: http://spreadsheets.about.com/od/excelfunctions/qt/20071020.htm

For more examples see this link: http://www.techonthenet.com/excel/formulas/pmt.php

What makes Excel valuable is the "what if" function. If you change the value of one thing, the PMT will change.

Quiz 4: Please formulate quiz questions and submit these suggestions to Prof. Ebrahimi. If nobody submits anything, by default Prof. Ebrahimi will make the quiz questions himself.

Chapter 8

p. 260, Figure 8.4: Shows a comparison of purchase orders (PO) fulfillment with and without Electronic Data Interchange (EDI). **Electronic Data Interchange** is a communication standard that enables business partners to exchange routine documents, such as purchasing orders, electronically. To describe figure 8.4, without EDI more people are involved with transferring information and data, it seems to take longer for things to be transferred from one partner to another. But with EDI, the transfer is done by software, less people are involved because people were replaced by a computer, and the transfer is done quickly.

Enterprise Resource Planning (ERP) systems integrate the planning, management, and use of all of the organization's resources.

Supply Chain Management: A supply chain refers to the flow of materials, information, money and services from raw material suppliers, through factories and warehouses, to the end customers. A supply chain also includes the organizations and processes that create and deliver products, information, and services to the end customers. The function of **supply chain management (SCM)** is to plan, organize and optimize the supply chain's activities.

Module 6: Write a one page paper on why managers should be acquainted with Research and Development (R&D). Add a research methodology to your project, for example study of 20 manager's resume.

- Find out of there is anything in common on the resumes you find. If they know anything about R&D.

Quiz 3: Please see ANGEL for more instructions.

Design a payroll worksheet for a small company of hourly based salaried employees (weekly computation)

If you want to do something else for Quiz 3, please let Prof. Ebrahimi know. Prof. Ebrahimi would like us to survive and strive for success.

Please see the example posted on Angel. You do not have to make it complicated. Make it simple.

Quiz 3 will be evaluated as follows:

- First snapshot, activating Excel (20pts.)
- Second snapshot, labeling all the column and rows. (20 pts.)
- Third snapshot, a minimum of 10 entries, such as first name, last name, hours worked, hourly rate and gross pay. (20 pts.)
- Fourth snapshot, computing gross pay. (20 pts.)
- Fifth snapshot, computing tax amount (your own default), minimum, maximum and average gross pay. (20 pts.)
- Extra 20 points for overtime and other computations.

TLC Flier: Prof. Ebrahimi will be sending a copy of his TLC flier you will get a point for printing the flier and giving it to your professors. He encourages you and your professors to attend the seminar.

Next class:

We will look at other class' work on Module 6.

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Khudija, Elizabeth, Taiba started their demo on how to use Microsoft Excel.

Rohit Khunteta is the Co-captain for the day.

To use Excel we must open the program and then create a new spreadsheet. Taiba demonstrated how we can get interest rate by using the excel spreadsheet. She showed the result of Present value times interest, equals future value.

They also showed a balance sheet of Guess Inc.

When using Excel, data entry is simple, but the formulas can be difficult to know.

<u>PMT</u> means monthly payment in Excel.

Pmt(interest_rate, number_payments, PV, FV, Type)

Within the browser window:

0	Payments are due at the end of the period. (default)
1	Payments are due at the beginning of the period.

If the *Type* parameter is omitted, the Pmt function assumes a *Type* value of 0.

Applies To:

- Excel 2007, Excel 2003, Excel XP, Excel 2000

For example:

Let's take a look at a few examples:

This first example returns the monthly payment on a $5,000 loan at an annual rate of 7.5%. The loan is paid off in 2 years (ie: 2 x 12). All payments are made at the beginning of the period.

=Pmt(7.5%/12, 2*12, 5000, 0, 1)

This next example returns the weekly payment on a $8,000 loan at an annual rate of 6%. The loan is paid off in 4 years (ie: 4 x 52). All payments are made at the end of the period.

=Pmt(6%/52, 4*52, 8000, 0, 0)

This next example returns the annual payment on a $6,500 loan at an annual rate of 5.25%. The loan is paid off in 10 years (ie: 10 x 1). All payments are made at the end of the period.

=Pmt(5.25%/1, 10*1, 6500, 0, 0)

This final example returns the monthly payment on a $5,000 loan at an annual rate of 8%. The loan is paid on for 3 years (ie: 3 x 12) with a

This website shows examples of PMT function on Excel.

It is called a "what if" this is the term to describe the differences in the interest or time value.

Page 260 of Chapter 8, we observed a picture of EDI (Electronic Data Interchange)

We are comparing page 260 with EDI and without EDI.

==EDI== is communication standard that enables business partners to exchange routine documents, such as purchasing orders, electronically.

In the picture we see human resources replaced with electronics.

Accounting manager, order manager fired, receiving manager fired, financial manager fired.

There are 52 million user developers in the United States.

User Developers are people who are able to develop small programs.

Read page 265.

ERP- Enterprise Resource Planning systems integrate the planning, management and use of all of the organizations resources.

Debby is going for an A++++

A supply chain refers to the flow of materials information money, and services from raw material

suppliers, through factories and warehouses to the end customers.

Write a page report as why managers should be acquainted with Research and Development (R&D)

Add a research methodology to your project, for example study of 20 manager's resume

Talk about importance of Research and Development. Talk about your other specialties relating to this topic.

QUIZ 3

Design a payroll worksheet for a small company of hourly based salaried employees (weekly computation).

HOW TO EVALUTE YOURSELF

 20 points, first snapshot and activating excel

 20 points second snapshot is for labeling the columns and rows

20 points for entering 10 entries of data such as first name, last name, hourly rate, etc

20 points for computing Gross Pay

20 points for tax amount (your own default) , min and max gross pay, and average

EXTRA 20 points for overtime and deductions.

The following information will be given: employee name, employee ID, hours worked, hourly rate. The worksheet should compute gross pay, tax amount (be creative to find or apply a reasonable tax rate) , net pay.
In addition worksheet should compute the total gross pay, number of employee, average gross pay, min and max gross pay.

Extra compute overtime pay for an overtime worked employee. Apply what if: increasing 5% to the hourly rate and its impact.

You may choose another similar project, however you must inform me by an email.

Prof. Ebrahimi wants you to evaluate yourself.