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# The Praxis of Professional Communication in Simulated Business: PSU Capstone Analysis

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The praxis of professional communication in simulated business: PSU Capstone Analysis

By

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An undergraduate business honors and university honors capstone review thesis. Submitted in  
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**Abstract**

“Let knowledge serve the city” serves not only as Portland State University’s motto but also as the guiding intent of the Business Administration capstone program to assist local companies in the city of Portland. This review covers the experience of my participation in the program including the use of education and challenges. While the experience recorded within is atypical due to the unforeseen closure of the participating client, effective communication studies with clients and other students remain pressing. This entailed examining the quantitative and qualitative needs of a hybrid coffee shop and event space and whether changing to a larger location would serve the business better. The results of this experience had me come away with an appreciation of how the business programs at Portland State prepared me, especially regarding strong communication skills, the value of proper staffing, and research. The main takeaway from the capstone is valuing the tools obtained at Portland State University to be applied to further work efforts.

## Capstone and Client Introduction

Having participated in Portland State University's (PSU) Business Capstone Program I am conducting this review as a thesis for the Portland Honors College. The Business Capstone is the applied praxis of all tracks of undergraduate business degrees, where students use their learned skills from all previous courses to assist a business in the Portland community. Forming teams of consultants composed of different majors and specializations, these teams work with the applicant business to try and create positive change. While working with real businesses is not unique to PSU, it is uncommon and usually is reserved for graduate students. However, as PSU's motto says: "Let Knowledge Serve the City."

My team, a group of 11, was originally tasked with assisting and consulting the small cafe and event venue, here referred to by a pseudonym as "The Consulting Bean." The Consulting Bean, a profitable and active business that operated on sales of breakfast sandwiches and ticketed events, was located in the SE area of Portland, While their business model was turning a profit, the owners originally decided to reevaluate their current business methods due to their lease expiring at the end of the year. Notably, while their business was profitable, the owners desired increased foot traffic and to better serve as a community space. To this end, they had approached PSU with a multipronged question: Would moving to a new location better suit the vision they had for their business and turn a great enough profit to be worth the changes? If not, what changes could be made to current operations to better arrive at their vision in their current location?

I am sorry to say that part way through the term The Consulting Bean ceased business operations and came to a sudden, unexpected close. Due to the late stage of this change in the

term, there was no ability to find a new client. However, the Business Capstone has a primary role even above serving the city: to be the culminating experience for students.. To this end, the professor of the course elected to serve as an interim “client.” This client became a business case with the same needs, circumstances, and qualities as the original business. While this changed aspects of the project, proper application of skills gained from the rest of the curriculum would still need to be applied.

The team structure was initially divided into semi-equal pieces, 4 teams of two covering finances, demographics, marketing, and supply chain info, respectively. The remaining three of us, those not part of a research team, were assigned administrative and team organizational roles. I have always had a focus on managing empathy and careful communication, both in the sorts of managerial classes aimed at effective communication, but also as a personal interest. This interest saw me initially assigned the role of client coordinator. My role would be to speak with the client about any questions that the team needed answered and to coordinate meetings. After the closure of The Consulting Bean the team was reassigned to better fit each team member's needs, and my position became Staffing Research Lead. This new position focused more on my Human Resources education with an emphasis on optimal staffing, wages, and retention. Much of this centered around resources and knowledge gained through Human Resource courses at PSU, namely Staffing and Employee Selection and Reward Systems/Performance Management.

### **Methodology and Framing**

As a united group, we evaluated The Consulting Bean utilizing SWOT (an evaluation of Strengths, Weaknesses, Opportunities, and Threats), PESTEL (examining the external forces specifically Political, Economic, Social, Technological, Environmental, and Legal), and 5 Forces

analysis (evaluating the pressure on the market from competitors). These materials examine, respectively, the balance of internal and external forces upon the company, the larger range of external forces, and the effects of external threats. I learned these methods in Organizational Design and Change as tools to help evaluate the business landscape. Their value is largely due to their flexibility and ability to be applied to any scale business. The results of the three evaluations showed that the strategic positioning of The Consulting Bean was in flux at the time. The company's strengths were mostly in online food sales and hosted events, bringing in over 50% of daily revenue. While these aspects were certainly the best value propositions to invest in due to their primary role in driving revenue, the owners had more interest in fulfilling their vision of a community space and serving the role of a cafe. While it was feasible to focus on this vision, this would put them in competition with the robust coffee and cafe industry of Portland.

Following the shift in client, we focused on evaluating a specific set of scenarios. The first scenario would be to remain at the same storefront with the same rough business structure divided between food and coffee sales and event hosting with minor changes to attract more customers and optimize business operations. The alternate scenario would entail moving to a larger venue in a busier area near the current storefront. This would entail an increase in operating and startup costs but with a potential for a larger client base.

Initial evaluations by our marketing team noted that our client's marketing mix, the blend of methods that are used to appeal to potential customers, was lacking cohesiveness. The presentation of the business among different social media and search engine results was variably that of a niche space for 'nerdy' interests, a coffee shop, and a delivery restaurant. While all of these are ostensibly true, each identity failed to grasp the totality of The Consulting Bean. For additional analysis, the team surveyed what would attract customers to a community venue such

as this. Much of the information did not inspire change, but notably, customers preferred to visit between the hours of 9 am to 5 pm. This was at odds with the existing operating hours of 9 am to 9 pm. This helped indicate a strategic shift that could be valuable.

### **Struggles and Client Communication**

An often undersold aspect of both business interactions and team structures is how to communicate effectively. Though communication is inherently essential, as information can't arrive where it's needed without communicating well, it is often considered something that falls into place on its own. The course of this capstone has made it very clear this is not the case. Much of my previous experience came from team communication courses at PSU and a special emphasis on the course Human Management Strategy. These courses helped illustrate both how to write brief but courteous emails and how to work within the framework of a cohesive group-oriented team. This helped me understand the challenges ahead and parts of its resolution.

Firstly, the internal team communications were often lacking and slow, especially during the early weeks. This communication often broke down by the pace of responses from the team due to the no clear structure for who should lead discussions or initiate contact. Considering the speed of this project this challenge was not something that could be brushed aside. As a management student, fixing issues like this was my responsibility (even if it was secondary to my interest in HR). Several leadership styles are known to be effective, and my preferred is a blend of Transformational and Servant. To encourage the change I wanted in the team, I communicated as openly as possible, utilizing my style as a demonstration and making myself available at nearly all times for communication with any group member. This effort was not sustainable in the long term, but in the short term, it created an initial sense of unity and eased the flow of communication.

The challenges with communication with the client were not so quickly mendable. Our clients operate a busy small business with minimal time to spare, and it was imperative from the onset to have empathy and patience for their position, utilizing my practiced emotional intelligence and business writing experience gained from Human Management Strategy and Team Processes. Nonetheless, their specific needs meant that much research needed to be conducted, and much of that research required follow-up questions to be answered. As the client coordinator at the time, I was responsible for getting these questions answered. This became a problem when the speed of their replies stagnated at approximately three days per response, leaving many needed materials, such as financials up in the air. There were no simple solutions to this. Were communication to continue at this rate the team would've had to interpret the material and make assumptions to work from; not something impossible to work with but lacking the specificity that would be preferred.

However, an unfortunate solution was forthcoming when The Consulting Bean suddenly closed its doors during the 6th week of the capstone. With the reshuffle of positions underway, a teammate, Hamam Al Dheeb Ba Omar, became the new client coordinator. Working with our new interim client Hamam engaged with performance reports and questions and I moved to my previously mentioned position of Staffing Research Lead. This change heralded a redoubling of my communication focus with the team, as my research became closely intertwined with that of the other research teams.

### **Follow Up Research**

When evaluating staffing our client had little need for new hires at the current location. The operation of the small space could be held by one employee at a time, and the team of



existing owners and one part-time employee could cover all operating hours. With the 9 am to 9 pm operating hours 7 days of the week, there were a minimum of 84 wage hours of any week. Any hours where more than one staff member was on-site only increased this cost. If two employees were on site the entire day this would double those wage hours to 168 and would put a lot of strain on the business's thin profit margins. In the alternative scenario at a new location, however, we were considering the possibility of that larger space. Optimal staffing was one of the theories imparted by Staffing and Employee Selection. Optimal staffing occurs when utilizing the correct number of employees with the correct knowledge, skills, abilities, and other characteristics to make sure your business is operating at full strength. Were there to be a move to a larger location the workload would become too large for a single employee.

I followed up with the finance team about wanting to hire more staff and they agreed, but only if we could decrease operating hours to reduce the overhead fees. This was fortunate as our marketing team had shown that the shift to more conventional work hours was preferred by patrons. This allowed us to reduce operating hours by a third, making the cost of two on-site employees at any time only one-third more expensive than a single employee under the old operating hours. And with those employees working during more profitable hours, this could result in even greater dividends.

The other important concern with our lean staff however was retention. While hiring for a company at our stage of maturity was often a matter of having the right people at the right time, any turnover could prove incredibly harmful to the business due to how few people were on-site at any time. Utilizing the resources of the Society for Human Resource Management (SHRM), I investigated methods of retaining employees along with what I had learned in my Reward Systems/Performance Management course. We could increase the intrinsic value of working for

the company by empowering our employees to be trusted with autonomy. Once again this is especially true because of how few individuals are on-site. Additionally, making sure that management would be able to hear from and maintain relationships with employees was essential. In the scenario of expanding to a new location, this effort on the part of management would only need to go up as a company culture would inherently start to form, and it was up to them to try to construct it in a way that serves their values.

We were more limited on extrinsic motivation. Many competing coffee shops offered greater than minimum wage to employees at rates that would be difficult to match. However, one other common benefit was paid health insurance. While not all small businesses are required to have health insurance, the option became an enticing one to interest and retain full-time employees. With the help of the Small Business Health Options Program (SHOP) and at least 2 full-time employees, including the owners, it would be possible to pay the premium for moderate health insurance for each employee for less than the fee of upping wages. This is in no small part due to SHOP offering tax credits for businesses that pay at least half of the premiums for their employees.

### **Final Recommendation**

After considering the merits of both scenarios, the answer that the team decided to recommend was an expansion to a new space. The amount of effort made in a transition such as this would be no easy feat; however, the projected profits were much higher in the long term despite the high initial fee and greater consistent costs. Further refinements could be made if the client wished to aim the business in a specific direction, but leveraging a refined workforce with strong branding in a new location would create compounding changes for their return on

investment. And with a proper recruitment and retention strategy, they could minimize the risks of this expansion by asking too much of their moderate workforce.

## **Conclusion**

The Business Capstone program is not like typical work. The artifice of the term schedule, the priorities of students, and the lack of pay all make it seem radically different than what one might call a real experience of work. Despite this, I believe these challenges are not losses. The effort that must be put in to make a functional team from scratch is immense, however, it is an experience that is more than the sum of any teambuilding classes or group projects I had prior. I had to emerge further out of my comfort zone by addressing ambiguity head-on. Abstract recommendations based on strategies taken with staffing and performance management had relevance. Through it all that desire for strong communication and compassion helped guide my ideas. Courses I had previously taken at the School of Business taught me discipline and a framework for viewing a burgeoning business and a team. This capstone was work. Not conventional work, but work that asked both my team and myself to rise to the occasion. Any business can always operate better, and it is those who use information and all their tools that can find the answers.