
**FINAL REPORT:
Summary of Recommendations for X-plant
of St. Xavier's College, Ahmedabad**

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ACKNOWLEDGEMENTS

As members of the 2012 Applied Global Business Learning (AGBL) program, we would like to thank the entire St. Xavier’s College, Ahmedabad community for their generous hospitality and overall friendliness. We would also like to thank Marquette University’s College of Business Administration for their continued support. We would especially like to thank Dr. Heather Kohls, director of the AGBL program, who helped in the preparation for our journey as well as Dr. David Clark and Erin Barth, who served as excellent advisors and leaders for this unique experience. Furthermore, Fr. Vincent Braganza’s gracious hospitality and continued encouragement and support of this exchange between St. Xavier’s College and Marquette University students is something we greatly appreciate. This exchange has facilitated discussions, brought about new and different views, and opened our minds to unique cultural experiences and perspectives. We feel incredibly blessed to have been able to participate in this international exchange, and gratefully thank St. Xavier’s College on behalf of the entire Marquette community.

INTRODUCTION AND IMPROVEMENTS TO ACKNOWLEDGE

As a new group of ABGL participants, we were exceedingly impressed by X-Plant as a student-run organization. The company's attitude of pride when it came to their product and the organizational concern for continual improvement made an impression on us. Also impressive was the professionalism and genuine interest in the organization among the student workers. We were particularly impressed by the marketing initiatives that X-Plant has undertaken in the past year. We believe that finding creative and effective outlets for advertising and marketing has helped expand X-Plant's customer base and it also helped redefine its goals. Finally, the integration of workshops as an innovative solution to production difficulties outside of the company's control, and as a way to address issues of profit has been skillfully executed. This strategy may also serve the wider university as you have the potential to spark interest for academic programs at St. Xavier's among those attending the workshops.

That being said, we believe that following the recommendations set forth in this report will continue to improve the efficiency and profitability of this already well-developed and well-run organization. We believe that these actions will be beneficial to X-Plant, and will serve the long-term interests of the organization as it works towards continual and ongoing improvement.

RECOMMENDATIONS

IMPLEMENTATION OF TRANSITION PROCESS

One issue articulated to us during our discussions with students in X-Plant was the desire for a new leadership structure. Students voiced concerns about the pressures, responsibilities and increased work load placed on third year students – who currently serve as the leadership of the organization. This was a particular struggle this past year with so many of X-Plant's student leaders having also received research positions within the college. To implement these changes, we recommend a two year transition process be put into place. The main aspect of this process would be to shift leadership responsibilities from those students in their third year to those in their second year. Implementing the changes over a two year time frame will guarantee a smoother process and ensure that no class is excluded from participation in the program.

As we discussed with the current leadership team, we understand the organization's hesitancy to incorporate first year students right away, due to an inherent lack of experience, which is necessary to participate actively in the organization. However, we agree with the recommendations made by a previous Marquette team, which suggested that it is important to get younger students involved at an earlier phase of the program and expose them to different aspects of the organization. We encourage you to explore the possibility of utilizing first year students during their second semester to do less science-intensive duties such as data entry or cleaning. This would give them experience with the company as well as relieve stress from the second and third year students, ultimately familiarizing the younger students with the company procedures and reducing the steepness of the initial learning curve. In addition, we suggest you consider moving leadership roles to second year students sooner than is the current practice.

Third year students could serve as mentors to the second year students, and provide assistance where needed (e.g., help in the production/delivery of bulk orders or help during times of limited student availability).

Creating a detailed plan outlining this transition process will aid in ensuring a smooth change of leadership structure. A thorough analysis of time constraints, matters of inclusion, and other problems that may arise should be considered in the writing of this process. Furthermore, we suggest that an evaluation of how the transition plan is working be done every 3 months to follow up and revise as necessary to ensure that the proper timeline is being followed and any unexpected problems that arise can be addressed.

REORGANIZATION

As demonstrated by the activity completed during our presentation, we encourage X-Plant to reevaluate the clarity with which individuals and departments know and execute their duties to the organization. By clarifying these duties across the organization, X-Plant can ensure the efficiency of all of its members. The creation of a duties and responsibilities document will help reduce overlap between persons and departments. We find a physical document to be particularly helpful, as putting these expectations down in writing helps ensure that a concrete, documented, and universal understanding of them is adopted.

Furthermore, by delving into its current organization, X-Plant will be able to examine the effectiveness of its structure, as well as foster a deeper understanding of its goals and future direction. This understanding aids in creating a stable, annual transition of leadership for the company and within its departments. It is crucial to recognize the importance of this challenge within X-Plant, because one of the unique aspects it faces is a limited number of students within a well-structured organization. By clarifying departmental duties, the organization is able to streamline processes and allow for the possibility of consolidating departments. This will give the organization the opportunity to work more efficiently.

As such, we encourage leadership to consider the consolidation of departments in order to create more efficiency, especially given the small size of your student workforce. This will intuitively occur after redefinition of departmental duties and responsibilities, but may need to be taken a step further by renaming and condensing some of the departments. During our interactions with the leadership teams, it appeared to us that the Systems Analysts could perhaps be housed under Human Resources, and the Product Design teams could perhaps be housed in the Marketing department. These are just two simple suggestions for guidance during this process, but we believe that it is changes like this that will be integral to recreating a solid organizational structure for X-Plant.

One reason that reorganization is important is because of the fluctuating size and nature of X-Plant. Whereas it would be ideal to have individual managers for a variety of organizational tasks (as noted in the previous AGBL report), we believe that the current structure is difficult to maintain given the size of the student workforce. Consolidation will give X-Plant a more realistic and logistically plausible structure.

FEEDBACK

We acknowledge X-Plant's thoughtful implementation of AGBL's previous feedback suggestions; however, from our conversations with the organization's leadership, we believe that some changes need to be made. It has become apparent that the manifestation of the suggested feedback process has not resulted in the initially hoped-for changes. While this implementation was a good start to the evaluation process, we suggest further feedback development to incorporate greater involvement of individuals. This will contribute to effectiveness by closing the feedback loop within the company. The three main focuses for these changes will center around the new system being: inclusive, supportive and standardized.

First, we suggest eliminating the current grading system and creating a more *inclusive* system for individuals. As it is, the current system of grading is private, ambiguous, and vague. To be effective, the process needs to make sure that students fully understand the expectations that are set for them, so that they can perform their duties to the best of their abilities. We suggest having more consistent, individual evaluations of students to give them a better understanding of how they are doing and what they can improve upon. In designing these individual evaluations, we encourage them to be *supportive* of the individuals and departments, as well. Throughout the process, persons should feel able to address questions and concerns involving their work/behavior.

Issues and disputes will arise within a company, and it is important to have clear guidelines and procedures in place for handling these problems. In dealing with issues that arise, we would like to suggest a process to follow. This process begins with a meeting between the student and management to identify the problem. Once the problem is identified, it is important for management to give specific examples of when the problem occurred followed by future expectations for the student. Finally, a solution should be agreed upon to eliminate the probability of the initial problem appearing again. After this initial resolution, it is important to have a follow-up in two to three weeks. Implementing a structured procedure with follow-ups will allow for more open discussions and feedback, which will create a much more supportive environment among employees within the company.

Finally, we want to emphasize the importance of these feedback processes being *standardized* across all of the departments of X-Plant. We recognize that these new suggestions will also call for a change in the current duties of either the Human Resources or Systems Analysts positions. As covered in the section regarding 'Reorganization,' we suggest reanalyzing the position duties of each of these departments to determine which department should be in charge of these new feedback procedures. We suggest making sure that there is a proper chain for evaluation and that only one department is in charge of handling any feedback issues. Students that are appointed to this department must be willing and able to confidentially and carefully address any and all issues that arise.

ACCOUNTING IMPROVEMENTS

While steps have recently been taken to incorporate digital records of sales and inventory information into business practices, we believe that technology can be more effectively utilized for the organization. Ways in which this can be done are: keeping track of billable hours that are spent on production, producing a yearly income statement, analyzing profit margins through production costs, and utilizing cost-plus pricing. Continuing to record this data and beginning to implement these strategies will benefit the accounting principles and financial aspect of X-Plant.

Billable Hours

First, recording how many hours are worked by students and introducing a system of “billable hours” will help to keep track of how much time is spent in each department and on each product. In the professional world, this is a key record keeping policy of many companies. A spreadsheet can be organized so that it lists the number of hours each employee spent working, as well as on which product. This will allow X-Plant to analyze how much time goes into producing each product, and optimize time in the best manner. Furthermore, this will provide a visual comparison of the time cost of each product. Understanding the time costs of a product is also important to correctly price that product.

Yearly Income Statement

Additionally, incorporating a yearly income statement is a good business practice to utilize. This statement will show how much money is spent, how much revenue is brought in, and how much of that revenue is pure profit. This income statement can also be used to examine profitability on a per product basis. This will help make apparent the strengths and weaknesses of the products. Scrutinizing this data may assist in developing more focused marketing strategies on a per product basis. To determine pricing, the data of actual sales is the most effective and accurate means to judge how much profit a product brings in, as opposed to using subjective observations.

Production Costs

As mentioned in the previous AGBL report, it is important to organize costs into different categories: cost of goods, labor, and supplies. This will help develop a more accurate understanding of how much of revenue is actual profit. This will provide a quantitative look of what it takes, financially, to produce different products.

One consideration for increasing profitability is to ensure that products are priced appropriately. One important part of pricing is taking into account the time it took to produce each product. Even though X-Plant workers are students and not receiving any compensation for their work, their time is still exceedingly valuable. In fact, it is probably the most valuable input when taking into consideration the other demands on their time. X-Plant is only one facet of students’ education, in addition to classes and other responsibilities. Thus, it is wise to establish a labor cost for time spent in producing the various products. The wage rate (a rate of cost per hour spent working) can be decided by the organization when including it in calculations. We

suggest using a typical hourly wage that would be earned if a student was working elsewhere, outside of the college.

Cost-Plus Pricing

In order to price products, it is common to use a “cost-plus” method. Cost-plus refers to the practice of assigning a price to each product according to how much it cost to produce, *plus* the desired profit. In other words, in addition to the total expenses it costs to produce a product, ***including labor cost***, add the amount per product that the organization wants to make in profit. This ensures that a profit is made beyond being compensated for time and materials. For example, a specialized product that had higher time costs than a typical product would thus be priced higher when being sold.

Finally, specific to X-Plant and its products, the risk of contamination needs to be taken into consideration. By averaging the cost of the loss of plants due to contamination into the cost of the products, X-Plant can undercut profit losses from this issue. Furthermore, putting these recommendations into practice, we hope that profit margins can be increased, and X-Plant can attain ventilation and filtration systems to reduce contamination in the future.

A template has been provided to show an example of what detailed records should include, based on the aforementioned recommendations. Also, there are several free websites and tutorials online that we recommend utilizing, which teach how to use the features of excel most effectively for organizational purposes.

MOTTO

X-Plant’s growth and success in the last year have inspired a number of slogans and mottos that have become associated with its product line. During the introductory meeting and presentation with X-Plant, we noticed that there seemed to be three working slogans for the organization: “Nature on your Desktop,” “Give the Gift for a Greener Tomorrow,” and “Let Nature Bloom on Your Desktop.” The best business practice in this instance is to only have one slogan at a time, over a prolonged period. This contributes to the company’s identity and increases the likelihood of the product line being memorable and recognizable. By having one, set slogan, the brand becomes more established, and develops a potential for brand loyalty from previous consumers.

We continue to endorse the previously suggested slogan of “Nature on your Desktop, Knowledge for your Future” (or a similar variation). This slogan incorporates the multiple dimensions of X-Plant as a company – tying the goals of product sales and intellectual engagement of students neatly together. Although this is just an example, we believe that a slogan similar to this would be beneficial, as it both promotes and explains the company’s product line.

PARENT COMPANY

During our final discussion, Father Braganza remarked upon the issue of communication between X-Plant and its parent company, St. Xavier's College. It was mentioned there is a need for more effective communication between these two organizations. To address this issue, we recommend scheduling quarterly meetings with leaders from both X-Plant and St. Xavier's to facilitate sharing up-to-date information and provide an opportunity to clarify any current organizational changes and future initiatives.

We believe that this increased level of communication will be beneficial to the organization's direction and overall cohesiveness with the administration. Through these meetings, students and faculty will have the opportunity to interact on an interpersonal basis, which encourages accountability, progress, and inspiration.

EXPAND PRODUCT LINE

There is always the possibility of expansion within a company. In the case of X-Plant, product expansion is something we would strongly emphasize and encourage. We recognize that the X-Plant product is challenging to sell, and that you have successfully used creative measures to introduce other products (e.g., workshops) and utilize marketing strategies to further the success of the X-Plant brand. We encourage you to further explore areas of expansion, whether in agricultural or other areas outside the traditional X-Plant product. Company growth can occur through exploration of other services and products that X-Plant can offer to consumers.

This is an exciting opportunity to investigate an expansion of product lines. One of the ideas suggested at our final meeting was to look into the possibility of providing agricultural services through breeding plants lines with increased yields, or similar paths that would draw on X-Plant's specific expertise and unique skill-sets. We are sure that deeper thought and discussion in this area will lead to new, innovative ideas that can be included in X-Plant's production lines. We very much look forward to seeing what products and services are envisioned, decided upon and eventually come to fruition. These new products will not only benefit X-Plant, but also St. Xavier's College as well as the greater Indian society.

CONCLUSIONS AND NEXT STEPS

Through the opportunity to work with X-Plant again this year, Marquette's AGBL team continues to be very impressed by this company and its success thus far. We highly respect the company's pride for the product, the members' professionalism and genuine interest, and the desire for continual improvement. Again, we are thankful to have worked with such an outstanding group of fellow students, internationally. We aspire to a mutually beneficial relationship between AGBL and X-Plant and hope that the suggestions that we have outlined can lead the organization to more growth and success in the coming year. By transitioning to a new

leadership structure through a planned process and reorganizing the structure of the organization, X-Plant will redefine its future and strengthen the company as a whole.

Furthermore, through the implementation of a more effective feedback process that takes into account its own inclusivity, supportiveness, and standardization across departments, X-Plant's members and departments will be able to function more cohesively as a team. The efficiency of X-Plant as a business will be bettered by the accounting improvements that we have suggested, and the consistency of its business practices will be enhanced through the selection of one motto. Finally, looking to the future, as X-Plant grows and changes, communication with St. Xavier's College – its parent company – will help provide direction and inspiration for the expansion of its product line and the direction of its decisions.

X-Plant continues to have many opportunities for growth and we hope that our recommendations will help aid this process. The Marquette team continues to have high hopes for the future success of X-Plant as a company. The current members of X-Plant have continued the legacy of success for this company under the direction of a very hard-working and enthusiastic leadership team, and along with implementation of improvements, we see this success continuing with groups in the future. We very much look forward to seeing the progress that you will make in this next year, given these recommendations.