

BOVÉE • THILL



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Business **in Action**

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This book is dedicated to the many instructors and students who have used this text and its predecessors *Excellence in Business* and *Business Today*. We appreciate the opportunity to assist you in your exploration of the world of business, and we wish you great success in this course and in your careers.

Courtland L. Bovée
John V. Thill

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Preface

Major Changes and Improvements in This Edition

Here are the major changes in the Seventh Edition of *Business in Action*:

- Six new chapter-opening vignettes with chapter-ending case studies:
 - Chapter 1:* Profiling Yolanda Diaz of El Paso, Texas, who turned her business education and entrepreneurial drive into a multimillion-dollar business
 - Chapter 3:* Outlining the global expansion plans of the Swedish fashion retailer H&M
 - Chapter 11:* Explaining how the Minneapolis-based aerospace and defense company ATK uses leading-edge workforce analytics to plan and manage its talent needs
 - Chapter 12:* Exploring the heated and high-stakes battle between Boeing and the International Association of Machinists that affected tens of thousands of jobs and the economy of an entire region
 - Chapter 16:* Describing how CafeMom used customer communication to build the world's largest social network for mothers and mothers-to-be
 - Chapter 20:* Covering the rise of Chicago's Alliant Credit Union to become one of the nation's largest credit unions, partly by responding to consumer frustration with traditional banks
- More than 50 new review, analysis, and application questions and student projects
- More than 20 new exhibits, further expanding *Business in Action*'s unmatched portfolio of value-added instructional visuals
- Substantially revised chapter on money and banking, reflecting the progress (or lack thereof) at reforming the banking system
- Updated coverage of the World Trade Organization, the International Monetary Fund, the World Bank, NAFTA, legal differences in the global business environment (including the use of tax havens), crowdfunding, "alt-labor" worker rights groups, the use of non-GAAP financial data, and the convergence of GAAP and IFRS accounting standards.
- New coverage of résumés in the career planning prologue, including three sample résumés that show how to adapt one's qualifications to an interim opportunity when the ideal opportunity isn't available yet.
- More than 75 new Real-Time Updates "Learn More" media items, giving students links to carefully selected videos, infographics, interactive websites, and more to extend the value of the textbook

Business in Action: An Ideal Text for Your Introduction to Business Course

Business in Action is the ideal text for courses that aim to cover the full spectrum of contemporary business topics in the most efficient and successful manner possible.

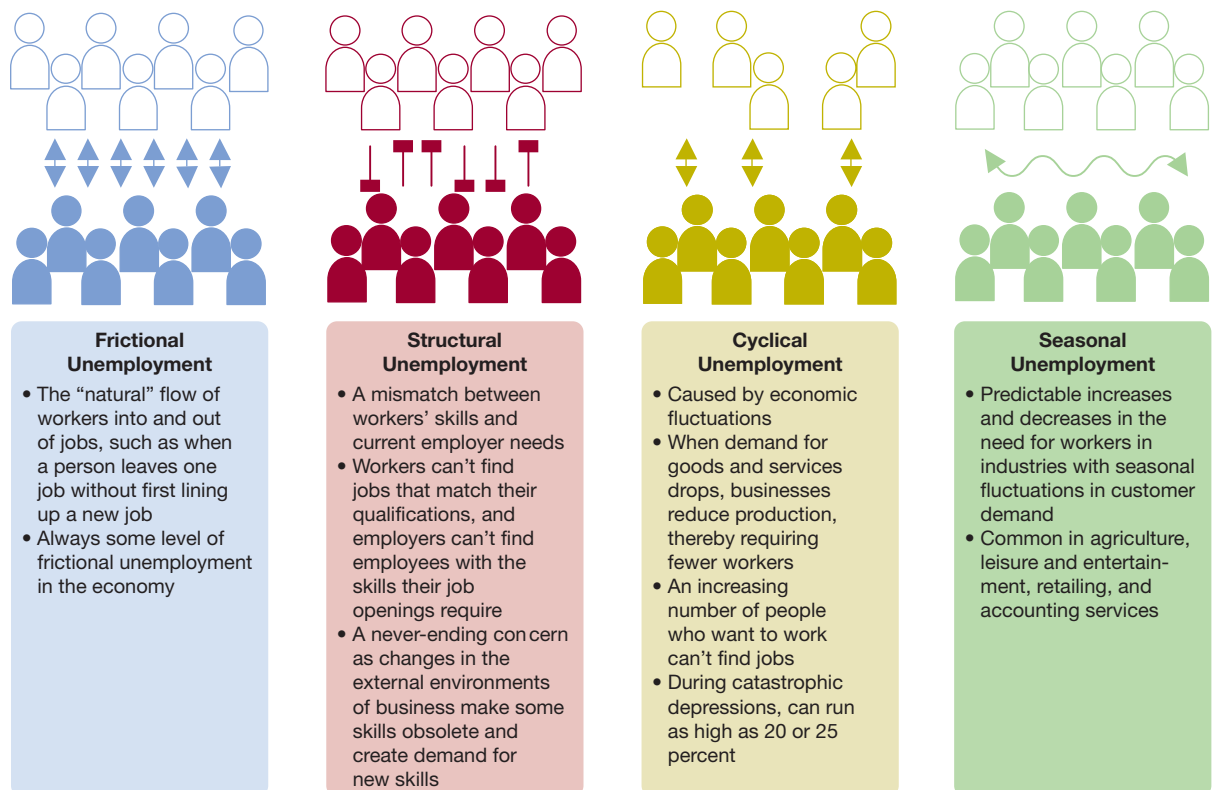
HIGH-EFFICIENCY LEARNING WITHOUT COMPROMISES

Business in Action offers instructors and students a much-needed alternative to texts that are either overstuffed and overwhelming or so skimpy that they compromise essential coverage. With full 20-chapter coverage, including dedicated chapters on employee

motivation, customer communication, financial markets, and banking, it has the same scope as other comprehensive texts while being up to 20 percent shorter. There is no filler and no fluff, and the examples were chosen carefully to illustrate important points, without overloading the text. We invite you to do side-by-side comparisons with any other business text to see which one will make the best use of students' limited time and energy for studying.

VISUAL LEARNING FOR A NEW GENERATION OF STUDENTS

Business in Action takes efficiency and student-friendly design to an entirely new level, with more than 150 *Exhibits That Teach*. These unique diagrams, infographics, and other exhibits address the challenge of getting students to read long passages of text by presenting vital concepts visually. The emphasis throughout is on productive learning—on helping students minimize the time they spend reading while maximizing their learning outcome. This value-added approach to visuals is in sharp contrast to books that try to entertain with decorative photos, cartoons, or fractured page designs that disrupt the flow of reading and thereby force students to spend even *more* time reading.



Vignettes and Case Studies That Bring Business Concepts to Life

Every chapter is bookended with a vignette/case study pair that helps students grasp the principles covered in the chapter. The chapter-opening vignette introduces a company faced with a major strategic challenge and encourages students to imagine how they would address that challenge. The chapter-closing case study describes the strategic choices the company’s leaders made, including how they applied the concepts students just learned in the chapter. Three critical thinking questions require students to apply the concepts covered in the text. Plus, students can find out more about the company featured in the case by completing the “Learn More Online” exercise. In this edition, six of the vignette/case studies are all new, and the rest have been updated to reflect the most recent decisions faced by each featured company.

Objective-Driven Design with Information Chunking and Interim Checkpoints

Every chapter is divided into six concise segments, each focused on its own learning objective and offering a comprehensive checkpoint to help students review and reinforce what they've learned. With this approach, each learning objective segment is treated almost as a mini-chapter within the chapter, letting students pace their intake and memorization, rather than having to review an entire chapter at once. The consistent six-part structure also simplifies course planning and class time allocation for instructors, and it helps students organize their reading, review, and test preparation.



Checkpoint

LEARNING OBJECTIVE 1: Explain the concept of adding value in a business, and identify the major types of businesses.

SUMMARY: Businesses add value by transforming lower-value inputs to higher-value outputs. In other words, they make goods and services more attractive from the buyer's perspective, whether it's creating products that are more useful or simply making them more convenient to purchase. Companies fall into two general categories: goods-producing businesses, which create tangible things (except in the case of digital goods), and service businesses, which perform various activities of value to customers. Many companies are both goods-producing and service businesses. Businesses can also be categorized as capital intensive or labor intensive.

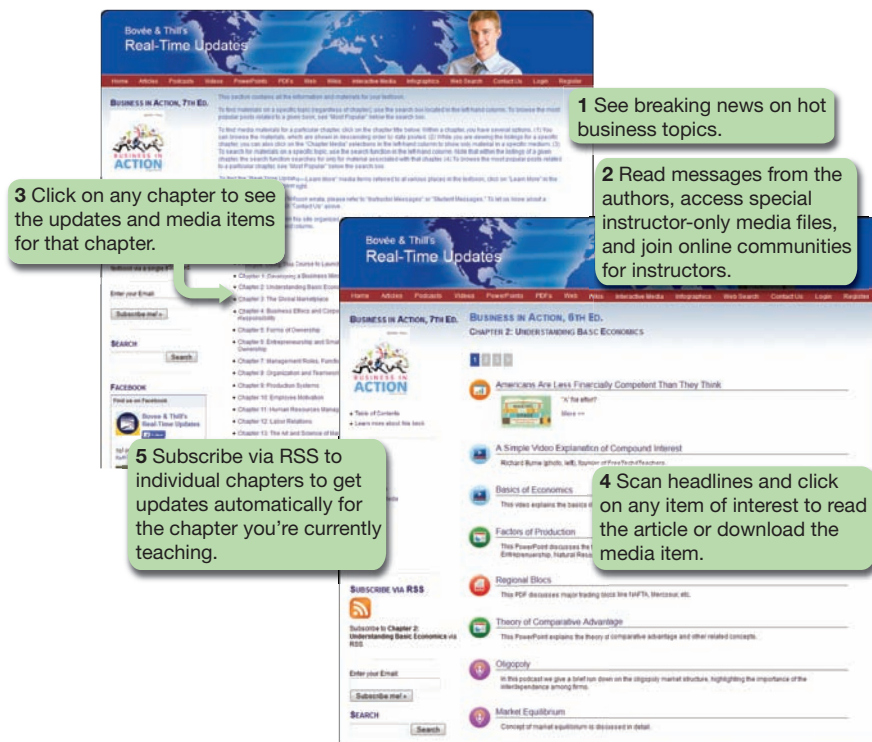
CRITICAL THINKING: (1) What inputs does a musical group use to create its outputs? (2) Can not-for-profit organizations benefit from practices used by for-profit companies? Why or why not?

IT'S YOUR BUSINESS: (1) Think back to the last product you purchased; how did the companies involved in its manufacture and sale add value in a way that benefited you personally? (2) Can you see yourself working for a not-for-profit organization after you graduate? Why or why not?

KEY TERMS TO KNOW: business, revenue, business model, profit, competitive advantage, not-for-profit organizations, goods-producing businesses, service businesses, barrier to entry

Extending the Value of Your Textbook with Free Multimedia Content

Business in Action's unique Real-Time Updates system automatically provides weekly content updates, including interactive websites, podcasts, PowerPoint presentations, online videos, PDFs, and articles. You can subscribe to updates chapter by chapter, so you get only the material that applies to your current chapter. Visit <http://real-timeupdates.com/bia7> to register.



Building Skills, Awareness, and Insight

Each chapter contains a rich set of questions and projects to help students verify their learning, expand their knowledge, and practice important skills:

- **Test Your Knowledge.** Fourteen carefully selected questions help you review information, analyze implications, and apply concepts. Highlighted questions involve ethical considerations and concept integration from other chapters.
- **Expand Your Knowledge.** *Discovering Career Opportunities* tasks give students a chance to explore career resources on campus, observe professionals at their jobs, interview businesspeople, and perform self-evaluations to assess their own career skills and interests. *Improving Your Tech Insights* tasks students to research and summarize an important technical development and explain its business implications; this feature introduces them to such revolutionary developments as nanotechnology, location and tracking technologies, and assistive technologies for people with disabilities.
- **Practice Your Skills.** *Sharpening Your Communication Skills* addresses one of the key skill concerns among today's hiring managers; this exercise lets students practice listening, writing, and speaking in a variety of real-life scenarios. *Building Your Team Skills* teaches important team skills, such as brainstorming, collaborative decision making, developing a consensus, debating, role playing, and resolving conflict. *Developing Your Research Skills* familiarizes students with a wide variety of business reference materials and offers practice in developing research skills.

Full Support for AACSB Learning Standards

The American Association of Collegiate Schools of Business (AACSB) is a not-for-profit corporation of educational institutions, corporations, and other organizations devoted to the promotion and improvement of higher education in business administration and accounting. A collegiate institution offering degrees in business administration or accounting may volunteer for AACSB accreditation review. The AACSB makes initial accreditation decisions and conducts periodic reviews to promote continuous quality improvement in management education. Pearson Education is a proud member of the AACSB and is pleased to provide advice to help you apply AACSB Learning Standards.

Curriculum quality is one of the most important criteria for AACSB accreditation. Although no specific courses are required, the AACSB expects a curriculum to include learning experiences in the following areas:

- Written and oral communication
- Ethical understanding and reasoning
- Analytical thinking
- Information technology
- Interpersonal relations and teamwork
- Diverse and multicultural work environments
- Reflective thinking
- Application of knowledge

Throughout *Business in Action*, you'll find student exercises and activities that support the achievement of these important goals, and the questions in the accompanying test bank are tagged with the appropriate AACSB category.

Course Planning Guide

The structure of *Business in Action* makes it easy to adapt to courses of any length and with any specific instructional goals. The following table suggests one possible sequence and schedule for covering the chapters in the textbook, with time allocations based on the total number of class hours available.

Chapter	Hours Devoted to Each Chapter		
	30-Hour Course	45-Hour Course	60-Hour Course
Chapter 1: Developing a Business Mindset	1	2	3
Chapter 2: Understanding Basic Economics	2	2	3
Chapter 3: The Global Marketplace	1	2	3
Chapter 4: Business Ethics and Corporate Social Responsibility	2	3	3
Chapter 5: Forms of Ownership	1	2	3
Chapter 6: Entrepreneurship and Small-Business Ownership	1	2	3
Chapter 7: Management Roles, Functions, and Skills	2	3	3
Chapter 8: Organization and Teamwork	1	2	3
Chapter 9: Production Systems	1	2	3
Chapter 10: Employee Motivation	1	2	3
Chapter 11: Human Resources Management	1	2	3
Chapter 12: Labor Relations	1	2	3
Chapter 13: The Art and Science of Marketing	2	2	2
Chapter 14: Product and Pricing Strategies	2	2	2
Chapter 15: Distribution and Marketing Logistics	1	1	2
Chapter 16: Customer Communication	1	2	2
Chapter 17: Financial Information and Accounting Concepts	2	3	3
Chapter 18: Financial Management	2	2	3
Chapter 19: Financial Markets and Investment Strategies	1	2	3
Chapter 20: The Money Supply and Banking Systems	2	2	3
Appendix A: Business Law	-	1	1
Appendix B: Risk Management	1	1	1
Appendix C: Information Technology	-	-	1
Appendix D: Personal Finance: Getting Set for Life	1	1	1

Resources for Instructors and Students

Instructor's Resource Center

The Instructor's Resource Center, available at www.pearsonhighered.com/irc, provides presentation materials and other classroom resources. Instructors can collect the materials, edit them to create powerful class lectures, and upload them to an online course-management system.

The Instructor's Resource Center offers a variety of faculty resources:

- **PowerPoints.** A full set of PowerPoint slides is provided. The slides are divided by chapter and are suitable for leading class lectures and discussion. The slides contain the relevant material from each chapter along with reproductions of key tables and figures.
- **Instructor's Resource Manual.** The *Instructor's Resource Manual* makes it easy to plan lectures and incorporate all resources offered with *Business in Action*. Each chapter contains a chapter outline, classroom activities, and answers to all end-of-chapter material.
- **Test Bank.** The test bank contains approximately 100 questions per chapter, including multiple-choice, true/false, and essay questions.
- **TestGen® Computerized Test Bank (and various conversions).** TestGen is a test-generating software program that allows instructors to add, edit, or delete questions from the test bank; analyze test results; and organize a database of exams and student results.

CourseSmart eTextbook

CourseSmart eTextbooks were developed for students looking to save on required or recommended textbooks. Students simply select their eText by title or author and purchase immediate access to the content for the duration of the course using any major credit card. With a CourseSmart eText, students can search for specific keywords or page numbers, take notes online, print out reading assignments that incorporate lecture notes, and bookmark important passages for later review. For more information or to purchase a CourseSmart eTextbook, visit www.coursesmart.com.

Customer Service

If you have questions related to this product, please contact our customer service department online at <http://247pearsoned.custhelp.com/>.

About the Authors

Courtland L. Bovée and John V. Thill have been leading textbook authors for more than two decades, introducing millions of students to the fields of business and business communication. Their award-winning texts are distinguished by proven pedagogical features, extensive selections of contemporary case studies, hundreds of real-life examples, engaging writing, thorough research, and the unique integration of print and electronic resources. Each new edition reflects the authors' commitment to continuous refinement and improvement, particularly in terms of modeling the latest practices in business and the use of technology.

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Courtland L. Bovée

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We want to extend our warmest appreciation to the devoted professionals at Pearson. They include Paul Corey, president; Stephanie Wall, editor-in-chief; Claudia Fernandes, editorial project manager; Lenny Ann Raper, marketing manager; Judy Leale, senior managing editor of production; Jackie Martin, production project manager; all of Prentice Hall Business Publishing; and the outstanding Prentice Hall sales representatives.



John V. Thill

Courtland L. Bovée

John V. Thill

Real-Time Updates—Learn More

Real-Time Updates—Learn More is a unique feature you will see strategically located throughout the text, connecting students with dozens of carefully screened online media. These elements—categorized by the icons shown below representing interactive websites, podcasts, PDFs, articles, videos, and PowerPoints—complement the text’s coverage by providing contemporary examples and valuable insights from successful professionals.



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Prologue

Using This Course to Help Launch Your Career

You might not be thinking about your long-term career path as you dive into this business course, but this is actually the perfect time to start planning and preparing. Even though you may not have decided which area of business interests you the most, it's never too early to start accumulating the skills, experiences, and insights that will give you a competitive advantage when it's time to enter (or reenter) the business job market. By thinking ahead about the qualifications you'd like to have on your résumé when you graduate, you can select courses, seek out part-time employment and internship opportunities, and pursue extracurricular activities that will give you the professional profile that top employers look for.

This prologue sets the stage by helping you understand today's dynamic workplace, the steps you can take to adapt to the job market, and the importance of creating an employment portfolio and building your personal brand.

Understanding Today's Dynamic Workplace

There is no disguising the fact that you are entering a tough job market, but there are several reasons to have at least some hope over the longer term. First, the U.S. economy continues to recover from the Great Recession, although it's going to take a while before the majority of employers feel confident enough to ramp up hiring significantly. Second, the large demographic bulge of Baby Boomers is moving into retirement, which should set off a chain reaction of openings from the tops of companies on downward. Third, political and business leaders in the United States and abroad are keenly aware of the problem of unemployment among young adults, both as it affects people looking for work and in the loss of vitality to the economy. For example, programs aimed at helping graduates start companies right out of college, rather than entering the conventional job market, are springing up under government and philanthropic efforts.¹

The ups and downs of the economic cycle are not the only dynamic elements that will affect your career. The nature of employment itself is changing, with a growing number of independent workers and loosely structured *virtual organizations* that engage these workers for individual projects or short-term contracts, rather than hire employees. In fact, one recent study predicted that independent workers will outnumber conventional employees in the United States by 2020.²

This new model of work offers some compelling advantages for workers and companies alike. Companies can lower their fixed costs, adapt more easily to economic fluctuations and competitive moves, and get access to specialized talent for specific project needs.³ Workers can benefit from the freedom to choose the clients and projects that interest them the most, the flexibility to work as much or as little as they want, and (thanks to advances in communication technology) access to compelling work even if they live far from major employment centers such as New York City or California's Silicon Valley.⁴

On the other hand, this new approach also presents some significant challenges for all parties. These flexibilities and freedoms can create more complexity for workers and managers,



Peter Bernik/Shutterstock

Are you comfortable working on your own? Independent workers have become an important part of the global workforce.

diminished loyalties on both sides, uncertainty about the future, issues with skill development and training, and problems with accountability and liability.⁵

As you navigate this uncertain future, keep two vital points in mind. First, don't wait for your career to just happen: Take charge of your career and stay in charge of it. Explore all your options and have a plan—but be prepared to change course as opportunities and threats appear on the horizon. Second, don't count on employers to take care of you. The era of lifetime employment, in which an employee committed to one company for life with the understanding it would return the loyalty, is long gone. From finding opportunities to developing the skills you need to succeed, it's up to you to manage your career and look out for your own best interests.

How Employers View Today's Job Market

From an employer's perspective, the employment process is always a question of balance. Maintaining a stable workforce can improve practically every aspect of business performance, yet many employers want the flexibility to shrink and expand payrolls as business conditions change. Many now fill some labor needs by hiring temporary workers or engaging contractors on a project-by-project basis. For full-time jobs and project work, employers obviously want to attract the best talent, but the best talent is more expensive and more vulnerable to offers from competitors, so there are always financial trade-offs to consider.

Employers struggle with the ups and downs of the economy. When unemployment is low, the balance of power shifts to employees, and employers have to compete in order to attract and keep top talent. When unemployment is high, the power shifts back to employers, who can afford to be more selective and less accommodating. In other words, pay attention to the economy; at times you can be more aggressive in your demands, but at other times you need to be more flexible and accept what the market gives you.

Companies view employment as a complex business decision, with lots of variables to consider. To make the most of your potential, regardless of the career path you pursue, you need to view employment in the same way.

What Employers Look for in Job Applicants

Given the complex forces in the contemporary workplace and the unrelenting pressure of global competition, what are employers looking for in the candidates they hire? The short answer: a lot. Like all other “buyers,” companies want to get as much as they can for the money they spend. The closer you can present yourself as the ideal candidate, the better your chances of getting a crack at the most exciting opportunities.

Specific expectations vary by profession and position, of course, but virtually all employers look for the following general skills and attributes:⁶

- **Communication skills.** Communication is far and away the most commonly mentioned skill set when employers are asked about what they look for in employees. Improving your communication skills will help in every aspect of your professional life.
- **Interpersonal and team skills.** You will have many individual responsibilities on the job, but chances are you won't work alone very often. Learn to work with others—and help them succeed as you succeed.
- **Intercultural and international awareness and sensitivity.** Successful employers tend to be responsive to diverse workforces, markets, and communities, and they look for employees with the same outlook.
- **Data collection, analysis, and decision-making skills.** Employers want people who know how to identify information needs, find the necessary data, convert the data into useful knowledge, and make sound decisions.



Monkey Business Images/Shutterstock

Communication skills will benefit your career, no matter what path or profession you pursue.

- **Computer and electronic media skills.** Today's workers need to know how to use common office software and how to communicate using a wide range of electronic media.
- **Time and resource management.** If you've had to juggle multiple priorities during college, consider that great training for the business world. Your ability to plan projects and manage the time and resources available to you will make a big difference on the job.
- **Flexibility and adaptability.** Stuff happens, as they say. Employees who can roll with the punches and adapt to changing business priorities and circumstances will go further (and be happier) than employees who resist change.
- **Professionalism.** Professionalism is the quality of performing at the highest possible level and conducting oneself with confidence, purpose, and pride. True professionals strive to excel, continue to hone their skills and build their knowledge, are dependable and accountable, demonstrate a sense of business etiquette, make ethical decisions, show loyalty and commitment, don't give up when things get tough, and maintain a positive outlook. You can read more about these qualities in Chapter 1.

Unfairly or not, some employers believe that many of today's graduates are not ready to enter the workforce, whether it's a perception of lacking one or more essential skills or just not being ready to make the transition from student to professional.⁷ You may not agree with this assessment, but you should view it as an opportunity. If you can communicate well, demonstrate an interest in learning how to improve your professional skills, and present yourself as someone who is motivated to make an important contribution to a company, you will stand out from your competition in the job market.

Adapting to Today's Job Market

Adapting to the workplace is a lifelong process of seeking the best fit between what you want to do and what employers (or clients, if you work independently) are willing to pay you to do. It's important to know what you want to do, what you have to offer, and how to make yourself more attractive to employers.

What Do You Want to Do?

Economic necessities and the vagaries of the marketplace will influence much of what happens in your career, of course; nevertheless, it's wise to start your employment search by examining your values and interests. Identify what you want to do first and then see whether you can find a position that satisfies you at a personal level while also meeting your financial needs. Consider these questions:

- **What would you like to do every day?** Research occupations that interest you. Find out what people really do every day. Ask friends, relatives, alumni from your school, and contacts in your social networks. Read interviews with people in various professions to get a sense of what their careers are like.
- **How would you like to work?** Consider how much independence you want on the job, how much variety you like, and whether you prefer to work with products, machines, people, ideas, figures, or some combination thereof.
- **How do your financial goals fit with your other priorities?** For instance, many high-paying jobs involve a lot of stress, sacrifices of time with family and friends, and frequent travel or relocation. If location, lifestyle, intriguing work, or other factors are important enough to you, you may well have to sacrifice some level of pay to achieve them.
- **Have you established some general career goals?** For example, do you want to pursue a career specialty such as finance or manufacturing, or do you want to gain experience in multiple areas, with an eye toward upper management?
- **What sort of corporate culture are you most comfortable with?** Would you be happy in a formal hierarchy with clear reporting relationships? Or do you prefer less structure? Do you favor teamwork or individualism? Do you like a competitive environment?

You might need some time in the workforce to figure out what you really want to do or to work your way into the job you really want, but it's never too early to start thinking about where you want to be. Filling out the assessment in Exhibit 1 might help you get a clearer picture of the nature of work you would like to pursue in your career.

What Do You Have to Offer?

Knowing what you *want* to do is a good start—now, what are employers willing to pay you to do? You may already have a good idea of what you can offer employers. If not, some brainstorming can help you identify your skills, interests, and characteristics. Start by jotting down achievements you're proud of and experiences that were satisfying, and think carefully about what specific skills these achievements demanded of you. For example, leadership skills, speaking ability, and artistic talent may have helped you coordinate a successful class project. As you analyze your achievements, you may begin to recognize a pattern of skills. Which of them might be valuable to potential employers?

Next, look at your educational preparation, work experience, and extracurricular activities. What do your knowledge and experience qualify you to do? What have you learned from volunteer work or class projects that could benefit you on the job? Have you held any offices, won any awards or scholarships, mastered a second language? What skills have you developed in nonbusiness situations that could transfer to a business position?

EXHIBIT 1

Career Self-Assessment

Consider these 20 questions to help define the sort of career path you would like to pursue.

Activity or Situation	Strongly Agree	Agree	Disagree	No Preference
1. I want to work independently.				
2. I want variety in my work.				
3. I want to work with people.				
4. I want to work with technology.				
5. I want physical work.				
6. I want mental work.				
7. I want to work for a large organization.				
8. I want to work for a nonprofit organization.				
9. I want to work for a small business.				
10. I want to work for a service business.				
11. I want to start or buy a business someday.				
12. I want regular, predictable work hours.				
13. I want to work in a city location.				
14. I want to work in a small town or suburb.				
15. I want to work in another country.				
16. I want to work outdoors.				
17. I want to work in a structured environment.				
18. I want to avoid risk as much as possible.				
19. I want to enjoy my work, even if that means making less money.				
20. I want to become a high-level corporate manager.				

Take stock of your personal characteristics. Are you aggressive, a born leader? Or would you rather follow? Are you outgoing, articulate, great with people? Or do you prefer working alone? Make a list of what you believe are your four or five most important qualities. Ask a relative or friend to rate your traits as well.

If you're having difficulty figuring out your interests, characteristics, or capabilities, consult your college career center. Many campuses administer a variety of tests that can help you identify interests, aptitudes, and personality traits. These tests won't reveal your "perfect" job, but they'll help you focus on the types of work best suited to your personality.

How Can You Make Yourself More Valuable?

While you're figuring out what you want from a job and what you can offer an employer, you can take positive steps toward building your career. First, look for volunteer projects, temporary jobs, freelance work, or internships that will help expand your experience base and skill set.⁸ You can look for freelance projects on Craigslist (www.craigslist.org) and numerous other websites; some of these jobs offer only nominal pay, but they provide opportunities for you to display your skills. Also consider applying your talents to *crowd-sourcing* projects, in which companies and nonprofit organizations invite the public to contribute solutions to various challenges.

These opportunities help you gain valuable experience and relevant contacts, provide you with important references and work samples for your employment portfolio, and help you establish your personal brand (see the following sections).

Second, learn more about the industry or industries in which you want to work and stay on top of new developments. Join networks of professional colleagues and friends who can help you keep up with trends and events. Many professional societies have student chapters or offer students discounted memberships. Take courses and pursue other educational or life experiences that would be difficult while working full time.

For more ideas and advice on planning your career, check out the resources listed in Exhibit 2.

Building an Employment Portfolio

Employers want proof that you have the skills needed to succeed on the job, but even if you don't have much relevant work experience, you can use your college classes to assemble that proof. Create and maintain an *employment portfolio*, which is a collection of projects that demonstrate your skills and knowledge. You can produce a print portfolio and an online e-portfolio; both can help with your career effort.

A print portfolio gives you something tangible to bring to interviews and lets you collect project results that might not be easy to show online, such as a handsomely bound report.

EXHIBIT 2

Career Planning Resources

Here are few of the many online sources that offer advice on managing your career.

Resource	URL
Career Rocketeer	www.careerrocketeer.com
The Creative Career	http://thecreativecareer.com
Brazen Careerist	www.brazencareerist.com
Daily Career Connection	http://dailycareerconnection.com
The Career Key	http://careerkey.blogspot.com
Rise Smart	www.risesmart.com/blog
Women's Leadership Blog	http://blog.futurewomenleaders.net/blog
The Career Doctor	www.careerdoctor.org/career-doctor-blog

An e-portfolio is a multimedia presentation of your skills and experiences.⁹ Think of it as a website that contains your résumé, work samples, letters of recommendation, relevant videos or podcasts you have recorded, any blog posts or articles you have written, and other information about you and your skills. You may be asked to provide links to your online presence (Facebook, Twitter, Instagram, and so on), so have these ready. And if you have any embarrassing photos, tweets, or other material online that could hurt your job chances, remove them immediately.

The portfolio can be burned onto a CD or DVD for physical distribution, or, more commonly, it can be posted online—whether it’s a personal website, your college’s site (if student pages are available), a specialized portfolio hosting site such as Behance (www.behance.com), or a résumé hosting site such as VisualCV (www.visualcv.com) or Gozaik (www.gozaik.com) that offers multimedia résumés.

Your portfolio is also a great resource for writing your résumé because it reminds you of all the great work you’ve done over the years. Moreover, you can continue to refine and expand your portfolio throughout your career; many professionals use e-portfolios to advertise their services.

As you assemble your portfolio, collect anything that shows your ability to perform, whether it’s in school, on the job, or in other venues. However, you must check with employers before including any items that you created while you were an employee and check with clients before including any *work products* (anything you wrote, designed, programmed, and so on) they purchased from you. Many business documents contain confidential information that companies don’t want distributed to outside audiences.

For each item you add to your portfolio, write a brief description that helps other people understand the meaning and significance of the project, such as the background of the work, the project objectives, any important constraints you had to deal with, the outcomes of the project, and what you learned along the way.

Building Your Personal Brand

Products and companies have brands that represent collections of certain attributes, such as the safety emphasis of Volvo, the performance emphasis of BMW, or the luxury emphasis of Cadillac. Similarly, when people who know you think about you, they have a particular set of qualities in mind, based on your professionalism, your priorities, and the various skills and attributes you have developed over the years. Perhaps without even being conscious of it, you have created a **personal brand** for yourself.

As you plan the next stage of your career, start managing your personal brand deliberately. Branding specialist Mohammed Al-Tae defines personal branding succinctly as “a way of clarifying and communicating what makes you different and special.”¹⁰

You can learn more about personal branding from the sources listed in Exhibit 3, but to help you get started, here are the basics of a successful personal branding strategy:¹¹

- **Figure out the “story of you.”** Simply put, where have you been in life, and where are you going? Every good story has dramatic tension that pulls readers in and makes them wonder

personal brand The summary perception employers have of your skills, knowledge, and professionalism.

EXHIBIT 3

Personal Branding Resources

Take advantage of the personal branding advice from these sources.

Resource	URL
Personal Branding Blog	www.personalbrandingblog.com
Mohammed Al-Tae	http://altaeeblog.com
Brand Yourself	http://blog.brand-yourself.com
Krishna De	www.krishnade.com/blog2
Cube Rules	http://cuberules.com
Jibber Jobber	www.jibberjobber.com/blog
The Engaging Brand	http://theengagingbrand.typepad.com

what will happen next. Where is your story going next? Chances are an interviewer will hit you with the classic “So, tell me about yourself,” so be ready with a brief response.

- **Clarify your professional theme.** Volvos, BMWs, and Cadillacs can all get you from Point A to Point B in safety, comfort, and style—but each brand emphasizes some attributes more than others to create a specific image in the minds of potential buyers. Similarly, you want to be seen as something more than just an accountant, a supervisor, a salesperson. What will your theme be? Brilliant strategist? Hard-nosed, get-it-done tactician? Technical guru? Problem solver? Creative genius? Inspirational leader?
- **Reach out and connect.** Major corporations spread the word about their brands with multimillion-dollar advertising campaigns. You can promote your brand for free or almost free. The secret is networking: You can build your brand by connecting with like-minded people, sharing information, demonstrating skills and knowledge, and helping others succeed. (See the next section for more on networking.)
- **Deliver on your brand’s promise—every time, all the time.** When you promote a brand, you make a promise—a promise that whoever buys that brand will get the benefits you are promoting. All of this planning and communication is of no value if you fail to deliver on the promises that your branding efforts make. Conversely, when you deliver quality results time after time, your talents and your professionalism will speak for you.

Building Your Network

networking The process of making connections with mutually beneficial business contacts.

Networking is the process of making informal connections with mutually beneficial business contacts. Networking takes place wherever and whenever people communicate: at industry functions, at social gatherings, at alumni reunions—and all over the Internet, from LinkedIn to Facebook to Twitter. In addition to making connections through social media tools, you can get yourself noticed by company recruiters. Although the overall percentage of new hires identified through social media is still fairly small and varies across industries and job categories, a majority of companies now use social media to look for promising candidates.¹² As more candidates get connected and more companies use these media, the percentage of hires found via LinkedIn and other sites is likely to rise.

Networking is more essential than ever because the vast majority of job openings are never advertised to the general public. To avoid the time and expense of sifting through thousands of applications and the risk of hiring complete strangers, most companies prefer to ask their employees for recommendations first.¹³ The more people who know you, the better your chance of being recommended for one of these hidden job openings.

Start building your network now, before you need it. Your classmates could end up being some of your most valuable contacts—if not right away then possibly later in your career. Then branch out by identifying people with similar interests in your target professions, industries, and companies. Read news sites, blogs, and other online sources. Follow industry leaders on Twitter. You can also follow individual executives at your target companies to learn about their interests and concerns.¹⁴ Be on the lookout for career-oriented *Tweet-ups*, in which people who’ve connected on Twitter get together for in-person networking events. Connect with people on LinkedIn and Facebook, particularly in groups dedicated to particular career interests. Depending on the system and the settings on individual users’ accounts, you may be able to introduce yourself via private messages. Just make sure you are respectful of people and don’t take up much of their time.¹⁵

Participate in student business organizations, especially those with ties to professional organizations. Visit *trade shows* to learn about various industries and rub shoulders with people who work in those industries.¹⁶ Don’t overlook volunteering, which enables you to meet people, demonstrate your ability to solve problems, manage projects, and lead others. You can do some good while creating a network for yourself.

Remember that networking is about people helping each other, not just about other people helping you. Pay close attention to networking etiquette: Try to learn something about the people you want to connect with, don’t overwhelm others with too many messages or requests, be succinct in all your communication efforts, don’t give out other people’s names and contact information without their permission to do so, never email your résumé to complete strangers, don’t assume that you can send your résumé to everyone you meet, and remember to say thank you every time someone helps you.¹⁷

To become a valued network member, you need to be able to help others in some way. You may not have any influential contacts yet, but because you're actively researching a number of industries and trends in your own job search, you probably have valuable information you can share via your social networks, blog, or Twitter account. Or you might simply be able to connect one person with another who can help. The more you network, the more valuable you become in your network—and the more valuable your network becomes to you.

Finally, be aware that your online network reflects on who you are in the eyes of potential employers, so exercise some judgment in making connections. Also, some employers are beginning to contact people in a candidate's network for background information, even if the candidate doesn't list those people as references.¹⁸

Preparing Your Résumé

Although you will create many messages during your career search, your **résumé** will be the most important document in this process. You will be able to use it directly in many instances, adapt it to a variety of uses such as an e-portfolio or a social media résumé, and reuse pieces of it in social networking profiles and online application forms. Even if you apply to a company that doesn't want to see your résumé, the process of creating it will prepare you for interviewing and preemployment testing.

Before you begin writing a résumé, make sure you understand its true function—as a brief, persuasive business message intended to stimulate an employer's interest in meeting you and learning more about you. In other words, the purpose of a résumé is not to get you a job but rather to get you an interview.¹⁹

Your résumé is one of the most important documents you'll ever write. You can help ensure success by remembering four things: First, treat your résumé with the respect it deserves. A single mistake or oversight can cost you interview opportunities. Second, give yourself plenty of time. Don't put off preparing your résumé until the last second and then try to write it in one sitting. Experiment with different ideas and phrases until you hit on the right combination. Also, give yourself plenty of time to proofread the résumé when you're finished—and ask several other people to proofread it as well. Third, learn from good models. You can find thousands of sample résumés online at college websites and job sites such as [Monster.com](http://www.monster.com). Fourth, don't get frustrated by the conflicting advice you'll read about résumés; they are more art than science. Consider the alternatives and choose the approach that makes the most sense in your specific situation.

Be aware that you will find a wide range of opinions about résumés, regarding everything from appropriate length, content, design, distribution methods, and acceptable degrees of creativity to whether it even makes sense to write a traditional résumé in this age of social media and online applications. For example, you may encounter a prospective employer that wants you to tweet your résumé or submit all the links that make up your online presence, rather than submitting a conventional résumé.²⁰ You may run across examples of effective résumés that were produced as infographics, interactive videos, simulated search engine results, puzzles, games, graphic novels—you name it, somebody has probably tried it.

By the way, if anyone asks to see your "CV," they're referring to your *curriculum vitae*, the term used instead of *résumé* in some professions and in many countries outside the United States. Résumés and CVs are essentially the same, although CVs can be more detailed. If you need to adapt a U.S.-style résumé to CV format, or vice versa, career expert Alison Doyle offers advice on her website, www.alisondoyle.com.

Keeping Your Résumé Honest

Estimates vary, but one comprehensive study uncovered lies about work history in more than 40 percent of the résumés tested.²¹ And dishonest applicants are getting bolder all the time—going so far as to buy fake diplomas online, pay computer hackers to insert their names into prestigious universities' graduation records, and sign up for services that offer phony employment verification.²² "It's becoming common to cheat," observes Professor

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résumé A structured, written summary of a person's education, employment background, and job qualifications.