# CALIFORNIA STATE UNIVERSITY CHANNEL ISLAND

# Camarillo

**Course:** BUS 499

**Title:** Capstone: Global Strategic Simulation

**Units:** 3

**Required Texts:** Dess, H; Gregory G.; Lumpkin, G. Tom and McNamara, Gerry; Strategic Management: Creating Competitive Advantages, 6th Ed. Boston: McGraw-Hill Irwin, 2012: ISBN 13 9780077 439569

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The Business Strategy Game: A Global Simulation, 2012 Edition. <http://www.bsg-online.com>

In addition to the regular readings assigned in this course, it is highly encouraged to keep abreast of current events in business and economics by reading at least one of the following materials on a regular basis: Wall Street Journal, Business Week, Fortune, The Economist.

**Instructor:** Horst J. Liebl, MBA, Ph.D., CFE, CPA, CGMA

**Telephone Number:** (805) 300-4002; email: Horst.Liebl@csuci.edu

**Office Hours:** Wednesdays 15:00 pm – 17:00 pm and Thursdays 12:00 pm – 3:00pm

or by appointment, Sage Building Office 2031.

**Location:** TBA

**Schedule:** See detailed Schedule below

**Course Overview:** This is a required upper division course for the Bachelor of Science in Business. The course is a culminating experience for business a major that attempts to integrate all previous business related material. Students are required to develop comprehensive approaches to business situations. Students analyze cases and create their own businesses via an intensive simulation experience. It is essential for students to understand the interrelated nature of all business disciplines. Also, through intensive group activities, students gain an appreciation of working with others in stressful circumstances.

**Learning Objectives:** Students who successfully complete this course will be able to:

1. make and implement business decisions via a simulation exercise, produce make and implement business decisions via a simulation exercise ( 1,5,6)
2. produce analyses and present analyses orally and in writing to their peers and to a larger audience (1,2,3,5,6)
3. create effective business plans and clearly describe strategies, goal and objectives (1,2,3,5,6)
4. summarize orally and in writing the performance of businesses (2,3,5,6)

\*Aligns with Program Learning Goals for: 1) Critical thinking, 2) Oral communication, 3) Written Communication, 4) Conduct (Ethics), 5) Competencies in discipline, 6) Collaboration

**Course Topics:** Using a simulation game and business case analysis, the course demonstrates the integration of accounting, finance, economics, marketing, production, quantitative analysis and human resource management. As a major focus of the course, students work in Teams to identify and resolve problems, and implement plans.

The course uses a computer simulation Management Game to provide students with an experience in business-decision making under uncertainty. Students develop and implement strategies to operate an ongoing firm in an international environment. Each firm competes in a consumer goods industry against several other firms. Students are responsible for decisions related to product price, quality, production, aggregate planning, marketing and financing. Students are expected to utilize knowledge gained in the business core courses and to apply the appropriate techniques and tools. Students will be dealing with issues related to (but not limited to) the following:

Accounting: Application and interpretation of accounting data. Financial Ratio analysis, financial statements, and financial planning.

Marketing: Product line management, strategies of promotion, advertising and pricing, and analysis of the marketing environment.

Operations Management: Aggregate production planning and production standards for quality, cost and quantity control.

Economics & Statistics: Statistical analysis and quantitative models including forecasting methods, and the economic environment.

Management: Planning, organization, motivation, and communication.

Information Systems: Forecasting and financial simulation models.

**Assignments:** Students are expected to complete the weekly assignments before the beginning of the next class meeting. This point is essential, because much of the discussion in each class will be based upon the concepts presented in the assignments.

**Grading Scale:** 90 - 100 = A

 80 < 90 = B

 70 < 80 = C

 60 < 70 = D

 0 < 60 = No Pass

**Grading:** Business Strategic Game 25%

 Final BSG Presentation 5%

 In-class exams from textbook and lecture (2 at 10% each) 20%

 Case Study 15%

 US Economic Research Paper 15%

 Berkshire Hathaway Strategy Analysis 10%

 Attendance/Participation/Instructor Evaluation 10%

 Total -------

 100%

 No Plus/Minus grading will be used in this course.

Students are responsible to sign in for attendance points at each meeting by initialing the sign in sheet. Ex-post sign in is not accepted.

Group Exercises & Class Participation involves the student’s ability to stimulate discussion and contribute to class activities. The grade is based on quality, not on quantity of participation.

This syllabus may be verbally modified during the term by the instructor.

***Participants are encouraged to active participation and discussion.***

**A missed In-class exam cannot be substituted by “extra” assignments.**

**Grading Criteria:** Students will be graded on the coherent organization of thought, knowledge level, clarity, conciseness, and style of expression, willingness to express views and degree of preparedness. Students are graded on achievement, rather than effort. It is the responsibility of each student to come to class prepared.

 Presentations and Papers will be graded on the following criteria:

 Content 70%

 Format and Presentation 15%

 Style, Grammar and Usage 15%

 Total 100%

All documents are to be typed, spell-checked and grammar-checked and conform to APA Standard (American Psychological Association, 2010: Publication Manual of the American Psychological Association).

**Business Strategy Game (25% of course grade – Team Assignment):**

In the Business Strategy Game (BSG), class members are divided into teams and assigned to run an athletic footwear company in head-to-head competition against companies run by other class members. Companies compete in a global market arena, selling branded and private-label athletic footwear in four geographic regions—Europe-Africa, North America, Asia-Pacific, and Latin America.

The computer simulation game allows students to apply previously learned concepts, skills and techniques in an international competitive and goal-oriented environment. Successful management of a firm requires a balanced emphasis among all functional areas. The game is a dynamic-interactive simulation. The effectiveness of team decisions rests both on the theoretical correctness of each simulated yearly decision and on the competitive decisions of other teams.

The Game website is at: <http://www.bsg-online.com>.

 **BSG Grading Weight**

 Quiz 1 Score (online) 3%

 Quiz 2 Score (online) 7%

 3-year Strategic Plan (2 plans online) 20%

 Game Score 70%

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 Total 100%

**Final Presentation (5% - Team Assignment):**

The final presentation is a critical analysis of the performance of your company, evaluating the implementation and execution of your strategy. Such questions as:

Typical components of the final presentation – but not limited to - are:

1. Analysis of your company’s Strategic Vision: Discussing performance targets for EPS, ROE, credit rating, and image rating. This will include an analysis of the company’s strategy in branded footwear, and in the private label market.
2. Review of the Financial and Strategic Performance including total annual revenues, EPS, ROE, credit rating and stock prices, trends in the image rating, trends in global unit sales, and trends in the company’s market share.
3. Analysis of company’s Pricing Strategy
4. Analysis of the company’s Production Strategy and Work Force Compensation Strategy.
5. Analysis of the company’s Marketing Strategy.
6. Analysis of the company’s Financial Strategy
7. Analysis of the two companies you consider to be your strongest/closest competitors including detailing the actions you would take to out-compete these close rivals in the next two years.
8. Analysis of “lessons learned” about crafting a winning strategy and what managers of a company should or should not do.
9. Answer questions like: What strategic moves were successful? What changes did you make during the game in response to competitive forces? What plans do you have to continue you company in the future? What would you do differently if you were to play the game again? What worked well, what went wrong and why?

**Exams (20% of course grade – Individual Assignment)**

There are two exams that will consist of multiple-choice questions. The first exam will cover Chapters 1-4 and 13 of the textbook. The second exam will cover the remaining chapters. The exams will be non-cumulative.

**Case Study (15% of course grade – Team Assignment)**

Each student has to prepare a case study. Details of the case study will be published on Black Board

**US Economic Research Paper (15% of course grade – Individual Assignment)**

This research paper should review the current US Economic Situation and near-term two year outlook. The Research Paper should address subjects like:

1. Currency & Foreign Markets
2. Fiscal Policy and Government Budgeting
3. GDP, Growth & Consumer Confidence
4. Inflation & Monetary Policy
5. Stock Markets & Housing Markets
6. Unemployment & Labor Markets, US Debt
7. Economic Outlook - what will be the economic situation be in 2 years.

The length of the paper should be between ten and twelve pages. It must include footnotes and a complete biography of sources referenced.

**Attendance, Class Participation and Instructor Evaluation (10% of course grade)**

In a seminar class such as this, the success of the class, the enjoyment of each student, and the degree of material learned is highly dependent on classroom participation. To that end, attendance will be taken at the beginning of each class. Students who do not stay for the entire class session will be marked absent. Your preparation for class discussion will be considered, as well as the extent and quality of your contribution. If it appears that the class is not adequately prepared to discuss a case, the professor may require that written case briefs be prepared and submitted prior to class.

The sign in form has to be signed during the class session. Ex Post signature is not allowed.

**Berkshire Hathaway Strategy Analysis (10% of course grade – Individual Assignment)**

Go to <http://www.berkshirehathaway.com/letters/letters.html> and select one of the shareholder letters between the year 2000 and 2012 and prepare a written strategy analysis of 5-8 pages. The analysis should address subject:

1. Company Background
2. Strategic Goals & Objectives
3. SWOT Analysis
4. Key Success Factors
5. Financial Performance Analysis

**Assessment of Learning**

The Martin V. Smith School of Business and Economics is dedicated to continuous assessment of student learning and success. In this class, the following objectives will be assessed: Marketing.

**Course Standards and Academic Honesty:**

 It is assumed that all students will perform professionally in preparing work required for this class. If papers have to be prepared, all papers must be submitted on their due date. Grades on any materials will be reduced 25% each week that the work is late.

 1. Academic dishonesty includes such things as cheating, inventing false information or citations, plagiarism and helping someone else commit an act of academic dishonesty. It usually involves an attempt by a student to show possession of a level of knowledge or skill that he/she does not possess.

 2. Course instructors have the initial responsibility for detecting and dealing with academic dishonesty. Instructors who believe that an act of academic dishonesty has occurred are obligated to discuss the matter with the student(s) involved. Instructors should possess reasonable evidence of academic dishonesty. However, if circumstances prevent consultation with student(s), instructors may take whatever action (subject to student appeal) they deem appropriate.

 3. Instructors who are convinced by the evidence that a student is guilty of academic dishonesty shall assign an appropriate academic penalty. If the instructors believe that the academic dishonesty reflects on the student's academic performance or the academic integrity in a course, the student's grade should be adversely affected. Suggested guidelines for appropriate actions are: an oral reprimand in cases where there is reasonable doubt that the student knew his/her action constituted academic dishonesty; a failing grade on the particular paper, project or examination where the act of dishonesty was unpremeditated, or where there were significant mitigating circumstances; a failing grade in the course where the dishonesty was premeditated or planned. The instructors will file incident reports with the Vice Presidents for Academic Affairs and for Student Affairs or their designees. These reports shall include a description of the alleged incident of academic dishonesty, any relevant documentation, and any recommendations for action that he/she deems appropriate.

 4. The Vice President for Student Affairs shall maintain an Academic Dishonesty File of all cases of academic dishonesty with the appropriate documentation.

 5. Student may appeal any actions taken on charges of academic dishonesty to the "Academic Appeals Board."

 6. The Academic Appeals Board shall consist of faculty and at least one student.

 7. Individuals may not participate as members of the Academic Appeals Board if they are participants in an appeal.

 8. The decision of the Academic Appeals Board will be forwarded to the President of CSU Channel Islands, whose decision is final.

# Disability: Cal State Channel Islands is committed to equal educational opportunities for qualified students with disabilities in compliance with Section 504 of the Federal Rehabilitation Act of 1973 and the Americans with Disabilities Act (ADA) of 1990. The mission of Disability Accommodation Services is to assist students with disabilities to realize their academic and personal potential. Students with physical, learning, or other disabilities are encouraged to contact the Disability Accommodation Services office at (805) 437-8510 for personal assistance and accommodations.

Course Schedule

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| **BUS 499 Capstone** |
| **CSUCI** |
| **Strategic Management** | **Dess** |
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| **Thursday** | **Fall 2013** |   |
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| **Meeting** | **Date** | **Topic** | **Chapter** | **Assignments** | **Student Learning Outcomes** |
| 1 | 29-Aug-13 | Introduction to Course, Team Formation, BSG Overview |   |   | 1,4,6 |
| 2 | 5-Sep-13 | Designing a Competitive Business Model, Strategy Formulation, Team Review | 5, 10 |   | 5, 6 |
| 3 | 12-Sep-13 | Pricing Strategies, BSG Practice Y11 Review | 8 | BSG Practice Year 11 Entries Due 09-11-2013 | 1, 5, 6 |
| 4 | 19-Sep-13 | Marketing Strategies, Quiz 1 Due 02-13-13, BSG Practice Y12 Review | 6 | BSG Practice Year 12 Entries Due 09-18-2013; BSG Quiz 1 Due 09-18-2013; BSG Data Reset 09-21-2013 | 1, 5 |
| 5 | 26-Sep-13 | Plant Location & Distribution Strategies, Case Study Due BSG Y11 Review | 7 | BSG Year 11 Entries Due 09-24-2013 | 1, 5, 3 |
| 6 | 3-Oct-13 | Using Financial Analysis, BSG Y12 Review |   | BSG Year 12 Entries Due 10-02-2013 | 1, 5, 6 |
| 7 | 10-Oct-13 | Decision Making Quiz 2 Due 03-06-13, BSG Y13 Review | 6 | BSG Year 13 Entries Due 10-09-2013; BSG Quiz 2 Due 10-09-2013 | 1, 5 4, 6 |
| 8 | 17-Oct-13 | Mid Term Berkshire Hathaway Analysis Due, BSG Y14 Review |   | BSG Year 14 Entries Due 10-16-2013; 1st Three Year Plan Due 10-16-2013 | 5,3,6 |
| 9 | 24-Oct-13 | Turn-Around Management BSG Y15 Review | 11 | BSG Year 15 Entries Due 10-23-2013; Mid Term Peer Evaluation Due 10-23-2013 | 1, 6 |
| 10 | 31-Oct-13 | Entrepreneurship & Strategy BSG Y16 Review | 12 | BSG Practice Year 16 Entries Due 10-30-2013 | 1, 5, 6 |
| 11 | 7-Nov-13 | Strategic BSG Review, BSG Y17 Review | 10 | BSG Practice Year 17 Entries Due 11-06-2013 | 1, 5 |
| 12 | 14-Nov-13 | Strategic Control & Execution, US Economic Research Study Due, BSG Y18 Review | 9 | BSG Practice Year 18 Entries Due 11-13-2013; 2nd Three Year Plan Due 11-13-2013 | 1, 5, 3 |
| 13 | 21-Nov-13 | Strategic Leadership, BSG Y19 Review |   | BSG Practice Year 19 Entries Due 11-20-2013 | 1, 5 |
| 14 | 28-Nov-13 | Innovation & Entrepreneurship BSG Y20 Review | 12 | BSG Practice Year 20 Entries Due 11-27-2013 | 5, 6 |
| 15 | 5-Dec-13 | BSG Teams Final Presentations, Instructor Evaluation Due |   | Post-Game Peer Evaluation Due 12-04-2013 | 1, 2, 5 |
| 16 | 12-Dec-13 | Finals |   |   | 5 |

# Business Strategy Game (BSG) Schedule

All times are displayed in the US/Pacific time zone — (GMT -08:00) Pacific Time (US & Canada); Tijuana

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| **Decision** |   | **Deadline For Saving Entries** |
|   |
| **Practice Decision 1 - Practice Year 11** |   | **11-Sep-13** | **11:59 pm** |   |
| **Quiz 1** |   | **18-Sep-13** | **11:59 pm** |   |
| **Practice Decision 2 - Practice Year 12** |   | **18-Sep-13** | **11:59 pm** |   |
| **End of Practice Period** (Data reset to Year 11 and practice results are no longer available) |   | **21-Sep-13** | **11:59 pm** |   |
| **Decision 1 - Year 11** |   | **25-Sep-13** | **11:59 pm** |   |
| **Decision 2 - Year 12** |   | **2-Oct-13** | **11:59 pm** |   |
| **Quiz 2** |   | **9-Oct-13** | **11:59 pm** |   |
| **Decision 3 - Year 13** |   | **9-Oct-13** | **11:59 pm** |   |
| **3-Year Strategic Plan** |   | **16-Oct-13** | **11:59 pm** |   |
| **Decision 4 - Year 14** |   | **16-Oct-13** | **11:59 pm** |   |
| **Mid-Game Peer Evaluations Available** |   | **23-Oct-13** | **11:59 pm** |   |
| **Decision 5 - Year 15** |   | **23-Oct-13** | **11:59 pm** |   |
| **Decision 6 - Year 16** |   | **30-Oct-13** | **11:59 pm** |   |
| **Decision 7 - Year 17** |   | **6-Nov-13** | **11:59 pm** |   |
| **3-Year Strategic Plan** |   | **13-Nov-13** | **11:59 pm** |   |
| **Decision 8 - Year 18** |   | **13-Nov-13** | **11:59 pm** |   |
| **Decision 9 - Year 19** |   | **20-Nov-13** | **11:59 pm** |   |
| **Decision 10 - Year 20** |   | **27-Nov-13** | **11:59 pm** |   |
| **End-of-Game Peer Evaluations Available** |   | **4-Dec-13** | **11:59 pm** |   |