**California State University Channel Islands**

**Martin V. Smith School of Business & Economics**

**BUS 499 CAPSTONE: GLOBAL STRATEGIC SIMULATION**

**Spring 2009**

**M/W: 12:00pm - 13:15 Dr. Horst Liebl**

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**Office: Sage Hall Room, hours Mon,Wed. 1:30-3pm**

**Course Description**

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 inter-related 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
2. produce analyses and present analyses orally and in writing to their peers and to a larger audience
3. create effective business plans and clearly describe strategies, goal and objectives
4. summarize orally and in writing the performance of businesses
5. demonstrate skills to work with peers in small groups to produce timely decisions and excellent oral and written reports

**Content**

Through the use of 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.

Finance 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.

**Texts**

Dess, Gregory G., Lumpkin, G. T. and Alan B. Eisner. *Strategic Management:*

*Text and Cases, 4th Ed.* Boston: McGraw-Hill Irwin, 2008: ISBN 978-0-07-340498-1

*The Business Strategy Game: A Global Simulation, 2009 Edition.* <http://www.bsg-online.com>

Recommended materials: *Business Week*, *Fortune*, *The Wall Street Journal*, *The Economist*

**Grading Weight**

Computer Simulation Game 35%

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

Written Case Briefs (3 at 5% each) 15%

Written Case Analysis/Update 10%

Final Case Analysis 10%

Attendance/Participation/Instructor Evaluation 10%

 Total -------

 100%

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

**The Business Strategy Game (35% of course grade)**

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 (online) 10%

Game Score 60%

Final Presentation (each team member must present) 15%

Peer Evaluation (online) 5%

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 Total 100%

**Exams (20% of course grade)**

There are two exams that will consist of either multiple-choice questions or essay 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 and will consist of both M-C questions and essay questions.

**Case Briefs (3 at 5%, for a total of 15% of course grade)**

In all business capstone courses, a significant goal for each student is to develop an ability to analyze business cases. This activity consists of (1) evaluating an organization’s internal strengths and weaknesses, (2) identifying external opportunities and threats faced by the organization, (3) suggesting viable strategic and tactical moves open to the organization, and (4) recommending and justifying an implementation plan for the firm. A very important skill to develop is an ability to identify the key strategic issue that an organization must address to be successful in the future.

In this class, we will discuss nine cases. For each case discussion, you should prepare a case brief, the format of which will be provided in a separate document. In essence, a case brief provides a short analysis of an organization’s internal and external environment, pinpoints the key strategic issue faced by the firm, and proposes and justifies the best course of action for the firm to address its key strategic issue. You will submit **three written case briefs** during the semester, the length of which should be between two to three pages, double-spaced typed. Briefs of less than two pages usually provide an insufficient analysis, while those longer than three pages usually contain too much detail.

**Case Analyses (2 at 10%, for a total of 20% of course grade)**

In addition to the case briefs, you will submit **two detailed case analysis documents**. A case analysis provides a more comprehensive analysis of the internal and external environment, proposes three potential solutions to resolve the key strategic issue, and offers one recommended solution with detailed justification. In this class, you will prepare two detailed case analyses. The length of each case analysis should be between seven and ten pages, double-spaced typed. The first analysis will address the case of Ford Motor Company. You are to make a recommendation to the Ford Board of Directors at the end of the case, as you normally would in a case brief. After you make your recommendation you will update the case as of the due date by doing online library research. That is, what specific actions did Ford undertake from early 2007 to early-2009? In this analysis, your update must include at least five references and should be of approximately three to five pages in length. Thus, your total detailed case analysis including update should be between ten and fifteen pages in length. The second case analysis will not require an update, and will be due at the time of the final.

**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.

**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:

Oral Presentation Skills – based on your final game presentation.

Written Work – based on your Ford Motor update case analysis.

Critical Thinking – based on your Ford Motor update case analysis.

Collaboration – based on your team skills evidenced during the Business Simulation Game.

Specifics of these assessments will be provided in a separate document. Your scores on the assessment activity will not contribute to your grade in the course.

Team members evaluate each other's contribution (including their own) to the Team effort. Your professor will provide further instructions and will provide a form for this evaluation.

# Business Strategy Game (BSG) Schedule

# All decisions are to be submitted online by 12:59 pm on the decision due dates. No exceptions will be allowed, and teams that do not submit decisions will be penalized severely.

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| --- | --- | --- | --- |
| WEEK | DAY | DATE |  ACTIVITY |
| 4 | Wed. | 2/11 | Review BSG and form teams |
| 7 | Wed. | 3/4 | BSG Team meetings in class |
| 7 | Sat. | 3/7 | Submit Y11 Practice DecisionComplete online individual QUIZ 1  |
| 8 | Tue. | 3/10 | Submit Y11 Decision |
| 8 | Sat. | 3/14 | Submit Y12 Decision |
| 9 | Tue. | 3/17 | Submit Y13 Decision |
| 9 | Sat. | 3/21 | Submit Y14 DecisionComplete online individual QUIZ 2 |
| 10 | Tue. | 3/31 | Submit Y15 Decision |
| 10 | Sat. | 4/4 | Submit Y16 DecisionSubmit 3-year Strategic PlanComplete online interim peer evaluation form |
| 11 | Tue. | 4/7 | Submit Y17 Decision |
| 11 | Sat. | 4/11 | Submit Y18 Decision |
| 12 | Tue. | 4/14 | Submit Y19 Decision |
| 12 | Sat. | 4/18 | Submit Y20 Decision |
| 13 | Tue. | 4/21 | Submit Y21 DecisionComplete online final peer evaluation form |
| 15 | Mon. | 5/4 | BSG Team meetings in class  |
| 15 | Wed. | 5/6 | BSG Team presentations in class |
| Finals | Mon. | 5/11 | 4:00pm – 6:00pm: BSG Team presentations in class |

**Class Schedule – Mon., Wed, 3:00 pm - 4:15 pm**

**This schedule is subject to change during the semester**

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| Wk | Date | Written Assignment | ClassDiscussion | Text Reading | Comment |
| 1 | Mon 1/19 |  |  |  | MLK HolidayNO CLASS |
| Wed1/21 |  | Strategic Management | Ch. 1 |  |
| 2 | Mon1/26 |  | The External Environment.  | Ch. 2 |  |
| Wed1/28 |  | The Internal Environment | Ch. 3 |  |
| 3 | Mon2/2 |  | Case AnalysisRobin Hood | Ch. 13Case 1 |  |
| Wed2/4 |  | The Casino Industry | Case 25 |  |
| 4 | Mon2/9 |  | Intellectual Assets | Ch. 4 |  |
| Wed2/11 |  | BSG Overview and Team Formation |  |  |
| 5 | Mon2/16 |  | EXAM 1 coveringCh 1-4, 13 |  |  |
| Wed2/18 |  | Business-Level Strategy | Ch. 5 |  |
| 6 | Mon2/23 | Case BriefWal-Mart | Wal-Mart | Case 31 |  |
| Wed2/25 |  | Corporate-Level Strategy | Ch. 6 |  |
| 7 | Mon3/2 |  | Researching a company using online resources |  | Start research for Ford Update case due 5/4 |
| Wed3/4 |  | BSG discussion andBSG team meetings  |  | BSG online QUIZ 1 by Sat. |
| 8 | Mon 3/9 |  | Apple Inc. | Case 30 |  |
| Wed3/11 |  | International Strategy | Ch. 7 |  |
| 9 | Mon3/16 | Case BriefeBay | eBay | Case 29 | BSG online QUIZ 2 by Tue. |
| Wed3/18 |  | Entrepreneurship and Strategy | Ch. 8 |  |
|  | Mon3/23 |  |  |  | Spring Break |
|  | Wed3/25 |  |  |  | Spring Break |
| 10 | Mon3/30 |  |  |  | No ClassChavez Holiday |
| Wed4/1 |  | BSG team meetings |  | BSG 3-year plan by Sat. |
| 11 | Mon4/6 |  | Strategic Control and Corporate Governance | Ch. 9 |  |
| Wed4/8 |  | The Skeleton in the Corporate Closet | Case 3 |  |
| 12 | Mon4/13 |  | Strategic Leadership | Ch. 11 |  |
| Wed4/15 |  | Best-Laid Incentive Plans | Case 4 |  |
| 13 | Mon4/20 |  | Innovation and Entrepreneurship | Ch. 12 |  |
| Wed4/22 | Case BriefFresh Direct | Fresh Direct | Case 32 |  |
| 14 | Mon4/27 |  | Course Review and prep for Exam 2 |  | Receive Final Case for Analysis |
| Wed4/29 |  | EXAM 2 coveringCh. 5-9, 11,12 |  |  |
| 15 | Mon5/4 | Case AnalysisUpdate Ford Motors | Ford Motor Company | Case 38 |  |
| Wed5/6 |  |  |  | BSG Final Presentations |
| 16 | Mon5/11 | Final Case Analysis TBD |  |  | BSG Final Presentations |