Course: BUS 499, Thursdays 6:00pm to 8:50am
Course Number 4038

Title: Capstone: Global Strategic Simulation

ISBN: 978-13-254634-8

The Business Strategy Game: A Global Simulation, 2014 Edition. [http://www.bsg-online.com](http://www.bsg-online.com) (all students must purchase at $44.95)


Instructor: Jeffrey D. Stone, Ph.D.

Contact: email: jeffrey.stone@csuci.edu

Office Hours: Mondays 8am - 9am and 2pm to 3pm
Thursdays 5pm - 6pm
and by appointment

Location: Bell Tower 1602

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:*

Make and implement business decisions via a simulation exercise( 1,5,6),
Produce and present business analyses orally and in writing (1,2,3,5,6),
Create effective business plans and clearly describe strategies, goal and objectives (1,2,3,5,6)
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 to implement plans.

The course uses a web-based business simulation to provide students with an experience in business-decision making under uncertainty. Students form teams to 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:


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

Operations Management: Aggregate planning, production capacity, inventory management, quality control.

Economics & Statistics: Statistical analysis and quantitative forecasting methods including industry- and macro-environment factors

Management: Planning, organization, motivation, and communication.

Information Systems: Forecasting and financial simulation models.

Course Components

<table>
<thead>
<tr>
<th>Component</th>
<th>Weightage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Strategy Game (BSG)</td>
<td>20%</td>
</tr>
<tr>
<td>Final BSG Report and Presentation</td>
<td>5</td>
</tr>
<tr>
<td>In-class exams from textbook (10% and 10%)</td>
<td>20</td>
</tr>
<tr>
<td>Weekly challenge questions</td>
<td>10</td>
</tr>
<tr>
<td>Industry Analysis (team and individual research paper)</td>
<td>10</td>
</tr>
<tr>
<td>Case Analyses (3 at 5%)</td>
<td>15</td>
</tr>
<tr>
<td>Comprehensive Case Analysis and Update</td>
<td>10</td>
</tr>
<tr>
<td>Attendance/Participation/Instructor Evaluation</td>
<td>10</td>
</tr>
<tr>
<td><strong>-------</strong></td>
<td><strong>Total 100%</strong></td>
</tr>
</tbody>
</table>
Grading Scale

> 89 = A  
80 - 89 = B  
70 - 79 = C  
60 - 69 = D  
< 60 = F

Grading Criteria

**Plus/Minus grading will not be used in this course.** 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. Presentations and Papers will be graded on the following criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Content</td>
<td>70%</td>
</tr>
<tr>
<td>Format and Presentation</td>
<td>15</td>
</tr>
<tr>
<td>Style, Grammar and Usage</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

All documents are to be typed using Arial or Times font, 12-points, double-spaced pages with one inch margins all around, spell-checked and grammar-checked and conform to MLA Stylesheet format.

Business Strategy Game (20% 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 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 BSG website is: [http://www.bsg-online.com](http://www.bsg-online.com).

<table>
<thead>
<tr>
<th>BSG Grading</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quiz 1 Score (online)</td>
<td>3%</td>
</tr>
<tr>
<td>Quiz 2 Score (online)</td>
<td>7%</td>
</tr>
<tr>
<td>3-year Strategic Plan (2 plans online)</td>
<td>20%</td>
</tr>
<tr>
<td>Game Score</td>
<td>70%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
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</table>
Final BSG Report and Presentation (5% of course grade - Team Assignment)

All members must contribute to the report and presentation. Participation in this activity will be evaluated by each teammate and will contribute to the student’s attendance/participation grade. Presentations will be graded by the students in the audience.

The final report and presentation is a critical analysis of the company performance against its strategic and operational plans. Each team will prepare a final written report and prepare an online presentation to the class. These presentations must be narrated and presented. All members must contribute to the report and presentation. Participation in this activity will be evaluated by each teammate and will contribute to the student’s attendance/participation grade.

The final written report must include all of the following nine elements, with a target length of approximately ten pages. Online presentations should focus on elements 6-9.

1. 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.
2. Analysis of company’s Pricing Strategy (one page)
3. Analysis of the company’s Production Strategy and Work Force Compensation Strategy (one page)
4. Analysis of the company’s Marketing Strategy (one to two pages).
5. Analysis of the company’s Financial Strategy (one page)
6. Analysis of the two companies that the team considers to be its strongest/closest competitors including detailing the actions the firm would take to out-compete these close rivals in the next two years. (one page)
7. Analysis of “lessons learned” about crafting a winning strategy and what managers of a company should or should not do. (one page)
8. What strategic moves were successful? What changes were made during the game in response to competitive forces? (two pages)
9. What are the plans to continue the company in the next two years? What would you do differently if you were to play the game again? (two pages)

Weekly Challenge Questions (10% of course grade — Individual Assignment)

There are a number of specific questions at the end of each chapter which require students to apply their knowledge of the reading. Answers to these questions must be prepared prior to the class lecture on the topic. Answers are to be typed. The length of each answer is dependent on the complexity of the question. You will use your prepared answers to contribute to the class discussion. Four sets of challenge questions will be typed and turned in for a grade. Other sets of questions should be prepared to guide discussion, but are not required to be typed and turned in.
Exams (20% of course grade – Individual Assignment)

There are two multiple-choice exams. The content of the exams is noted in the class schedule below. There are no make-up exams without medical or legal documentation.

Industry and Company Analysis Research Paper (10% of course grade)

Each team will prepare an industry analysis research paper using the material from the External Analysis chapter (Chapter 2). Industries must be approved by the instructor. The grade on this aspect of the paper is awarded to the team. However, based on peer-evaluations of the work performed, individuals may receive a higher or lower grade than that assigned to the industry analysis The team paper is weighted at 5% of the course grade.

Each member of the team will prepare an individual analysis of one of the firms within the industry. This paper is weighted at 5% of the course grade. Detailed instruction will be available in a separate document.

Case Analyses (15% of course grade – Individual Assignment)

You will analyze three Harvard Business School cases during the semester. Each individual case will be worth 5% of your course grade. Submissions after the class discusses the case will not be accepted.

For each case, you will be given instructions to guide the class discussion. The instructions typically will provide a list of questions for which you must prepare written answers and turn in at the time of the class discussion. You will use your written answers to guide your class contribution.

You must purchase the cases at the following link:

https://cb.hbsp.harvard.edu/cbmp/access/32231818

Comprehensive Case Analysis and Update (10% of course grade – Individual Assignment)

You will perform a comprehensive analysis of a selected major case. The analysis must include an evaluation of the relevant external forces and an internal analysis leading to a SWOT analysis. From the facts of the case, you will derive a strategic recommendation and implementation plan as of the end of the case timeline.

Following your recommendation, you will update the case with current information on the firm which is the target of the case. The length of this case analysis should be between ten and fifteen typed pages. In addition to the case analysis, you must
provide a minimum of six references dated after the end of the case. Additional details will be available in a separate document.

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

You may miss two classes during the term, although these missed classes will lower your attendance and class participation grade. **If you miss three classes, however, you will receive an F in the course.**

You are expected to complete the weekly assignments before the beginning of the next class meeting. These weekly assignments include preparation of Challenge Questions and strategic management Problem Sets at the end of each chapter. 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. Participation grades are based on quality, not on quantity of participation.

Participation is also evaluated as student contribution to the BSG game and other team-focused activities. Students will evaluate each other’s contribution, and these peer evaluations will be a part of this component of the course.

**Course Standards and Academic Honesty**

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 unpunished, 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

California State University 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.
<table>
<thead>
<tr>
<th>Wk</th>
<th>Date</th>
<th>BUS 499, Thu.,6pm -8:50pm Schedule</th>
</tr>
</thead>
</table>
| 1  | 1/22 | • **Assignments Due**  
None  
• **Class Activities**  
Orientation, Course Overview  
• **For Next Week**  
• Read Ch.1 |
| 2  | 1/29 | • **Assignments Due**  
None  
• **Class Activities**  
Ch. 1: Strategy and Strategic Management.  
• **For Next Week**  
• Read BSG Players’ Guide  
• Read Appendix, p. 343 |
| 3  | 2/5  | • **Assignments Due**  
None  
• **Class Activities**  
• BSG Overview  
• Practice on the BSG interface  
• Case Analysis and Financial Ratios.  
• Discuss *sample case* distributed in class.  
• **For Next Week**  
• Read Ch. 2, External Analysis  
• Prepare Challenge Questions 1,3 and 6 from Chapter 2 |
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<th>Wk</th>
<th>Date</th>
<th>BUS 499, Thu., 6pm - 8:50pm Schedule</th>
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</table>
| 4  | 2/12 | **Assignments Due**<br>Turn in answers to Challenge Questions 1, 3 and 6 from Chapter 2  
**Class Activities**<br>- Ch. 2, External Analysis  
- Discuss Challenge Questions 1, 3 and 6 from Chapter 2  
- Complete Problem Set 1 from Chapter 2  
**For Next Week**<br>- Read Ch. 3: Internal Analysis  
- Prepare Challenge Questions 1, 2, 4, 5 from Chapter 3  
- Teams to determine industry and firms for Industry Analysis paper. |
| 5  | 2/19 | **Assignments Due**<br>- Turn in proposed firms and industries for Industry Analysis paper  
- Turn in answers to Challenge Questions 1, 2, 4, 5 from Chapter 3  
**Class Activities**<br>- Ch. 3: Internal Analysis  
- Discuss Challenge Questions 1, 2, 4, 5 from Chapter 3  
- Complete Problem Set 1 from Chapter 3  
**For Next Week**<br>- Read Ch. 4, Business-level Strategies: Cost Leadership  
- Prepare Challenge Questions 1 and 4 from Chapter 4  
- Begin working on team Industry Analysis paper. |
| 6  | 2/26 | **Assignments Due**<br>Turn in answers to Challenge Questions 1 and 4 from Chapter 4  
**Class Activities**<br>- Ch. 4: Cost leadership as a business-level strategy  
- Discuss Challenge Questions 1 and 4 from Chapter 4  
- Submit BSG Practice Round for Y11 in class  
**For Next Week**<br>- Read Ch. 5, Business-level Strategies: Differentiation  
- Prepare Challenge Questions 1, 2, 6 from Chapter 5  
- Complete analysis for *Smartphone Industry* case |
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<tr>
<th>Wk</th>
<th>Date</th>
<th>BUS 499, Thu. 6pm - 8:50pm Schedule</th>
</tr>
</thead>
</table>
| 7  | 3/5  | • **Assignments Due**  
     |      | Turn in analysis for *Smartphone Industry* case  
     |      | • **Class Activities**  
     |      |   • Discuss *Smartphone Industry* case  
     |      |   • Ch. 5: Differentiation as a business-level strategy  
     |      |   • Discuss Challenge Questions 1, 2, 6 from Chapter 5  
     |      |   • Complete Problem Sets 1 and 4 from Chapter 5  
     |      | • **For Next Week**  
     |      |   • Study for the midterm  
| 8  | 3/12 | • **Midterm Exam**, covering Chapters 1 through 5  
     |      | • **For Next Week**  
     |      |   • Read Ch. 6: Corporate strategy: vertical integration  
     |      |   • Prepare Challenge Questions 1, 2, 5 from Chapter 6  
| 9  | 3/26 | • **Assignments Due**  
     |      | Turn in Challenge Questions 1, 2, 5 from Chapter 6  
     |      | • **Class Activities**  
     |      |   • Ch. 6: Vertical integration  
     |      |   • Discuss Challenge Questions 1, 2, 5 from Chapter 6  
     |      |   • Complete Problem Set 3 from Chapter 6  
     |      | • **For Next Week**  
     |      |   • Read Ch. 7: Corporate strategy: diversification  
     |      |   • Prepare Challenge Questions 1 and 2 from Chapter 7  
<pre><code> |      |   • Complete analysis for *Starbucks* case |
</code></pre>
<table>
<thead>
<tr>
<th>Wk</th>
<th>Date</th>
<th>BUS 499, Thu., 6pm - 8:50pm Schedule</th>
</tr>
</thead>
</table>
| 10 | 4/2  | - **Assignments Due**<br>Turn in case analysis for *Starbucks* case  
- **Class Activities**<br>- Discuss *Starbucks* case  
- Ch 7: Diversification  
- Discuss Challenge Questions 1 and 2 from Chapter 7  
- Complete Problem Set 1 from Chapter 7  
- **For Next Week**<br>- Submit BSG Year 13 by Sunday at midnight.  
- Submit BSG Year 14 by Thursday at midnight.  
- Prepare Challenge Question 2 from Chapter 9  
- Read Ch. 9: Strategic Alliances  
- Complete team Industry Analysis Part 1: The Industry |
| 11 | 4/9  | - **Assignments Due**<br>- Turn in answers to Challenge Question 2 from Chapter 9  
- Turn in team Industry Analysis Part 1: The Industry  
- **Class Activities**<br>- Ch 9: Strategic Alliances  
- Discuss Challenge Question 2 from Chapter 9  
- Complete Problem Sets 1 and 2 from Chapter 9  
- **For Next Week**<br>- Read Ch. 10: Mergers and Acquisitions  
- Prepare Challenge Questions 1 and 2 from Chapter 10  
- Complete analysis for *Newell* case |
| 12 | 4/16 | - **Assignments Due**<br>Turn in analysis for *Newell* case  
- **Class Activities**<br>- Discuss *Newell* case  
- Ch. 10: Mergers and Acquisitions  
- Discuss Challenge Questions 1 and 2 from Chapter 10  
- Complete Problem Set 1 from Chapter 10  
- **For Next Week**<br>- Read Ch. 11: International Strategy  
- Prepare Challenge Questions 2, 3, 4 from Chapter 11 |
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<tr>
<th>Wk</th>
<th>Date</th>
<th>BUS 499, Thu.,6pm -8:50pm Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>4/23</td>
<td>• <strong>Assignments Due</strong>&lt;br&gt;Turn in Challenge Questions 2,3,4 from Chapter 11&lt;br&gt;• <strong>Class Activities</strong>&lt;br&gt;  • Ch. 11: International Strategies  • Discuss Challenge Questions 2,3,4 from Chapter 11&lt;br&gt;• <strong>For Next Week</strong>&lt;br&gt;  Complete analysis for <em>Apple in 2013</em> comprehensive case</td>
</tr>
<tr>
<td>14</td>
<td>4/30</td>
<td>• <strong>Assignments Due</strong>&lt;br&gt;Turn in comprehensive analysis for <em>Apple in 2013</em> case&lt;br&gt;• <strong>Class Activities</strong>&lt;br&gt;Discuss <em>Apple in 2013</em> comprehensive case&lt;br&gt;• <strong>For Next Week</strong>&lt;br&gt;  • Prepare BSG Presentation and BSG Final Report  • Finish Industry Analysis Paper: Company Analysis</td>
</tr>
<tr>
<td>15</td>
<td>5/7</td>
<td>• <strong>Assignments Due</strong>&lt;br&gt;Turn in Industry Analysis Paper: Company Analysis&lt;br&gt;• <strong>Class Activities</strong>&lt;br&gt;BSG Presentations&lt;br&gt;• <strong>For Next Week</strong>&lt;br&gt;Study for the final exam</td>
</tr>
<tr>
<td>16</td>
<td>5/14</td>
<td><strong>Final Exam</strong>, 7pm to 9pm covering Chapters 6,7,9,10,11</td>
</tr>
</tbody>
</table>
**Business Strategy Game (BSG) Schedule (Monday Schedule)**

All decisions are to be submitted online by **11:59 pm** on the decision due dates unless otherwise noted below. No exceptions will be allowed.

<table>
<thead>
<tr>
<th>Date</th>
<th>Assignments</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-Feb, 11:59pm</td>
<td>Individual Quiz 1 available</td>
</tr>
<tr>
<td>19-Feb, 11:59pm</td>
<td>Complete online individual Quiz 1</td>
</tr>
<tr>
<td>263-Feb, 9pm</td>
<td>Submit Year 11 Practice Decision 1 in class by 9pm</td>
</tr>
<tr>
<td>7-Mar, 11:59pm</td>
<td>Submit Year 12 Practice Decision 2</td>
</tr>
<tr>
<td>7-Mar, 11:59pm</td>
<td>Individual Quiz 2 available</td>
</tr>
<tr>
<td>28-Mar, 11:59pm</td>
<td>Reset the Game. Begin Competition</td>
</tr>
<tr>
<td>31-Mar, 11:59pm</td>
<td>Complete online individual Quiz 2</td>
</tr>
<tr>
<td>31-Mar, 11:59pm</td>
<td>Submit Year 11 Decision</td>
</tr>
<tr>
<td>4-Apr, 11:59pm</td>
<td>Submit Year 12 Decision</td>
</tr>
<tr>
<td>7-Apr, 11:59pm</td>
<td>Submit Year 13 Decision</td>
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<tr>
<td>11-Apr, 11:59pm</td>
<td>Submit Year 14 Decision</td>
</tr>
<tr>
<td>14-Apr, 11:59pm</td>
<td>Submit 3-year Strategic Plan for Y15-17</td>
</tr>
<tr>
<td>18-Apr, 11:59pm</td>
<td>Submit Year 15 Decision</td>
</tr>
<tr>
<td>21-Apr, 11:59pm</td>
<td>Submit Year 17 Decision</td>
</tr>
<tr>
<td>25-Apr, 11:59pm</td>
<td>Submit Year 18 Decision</td>
</tr>
<tr>
<td>7-May, 11:59pm</td>
<td>End-of-Game peer evaluation available</td>
</tr>
<tr>
<td>14-May, 11:59pm</td>
<td>Deadline to submit online End-of-Game peer evaluation form</td>
</tr>
</tbody>
</table>