# CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS

**Course:** BUS 499, Capstone: Global Strategic Simulation, Section 02, #1167

**Time/Location:** Manzanita Hall 1101, MW 12:00pm – 1:15pm

**Instructor:** Jeffrey D. Stone, PhD

**Contact:** (805) 660-8483 (mobile and text); email: Jeffrey.Stone@csuci.edu

**Office Hours:** Wednesdays 11:00am – 12:00pm and by appointment, Professional Building.

**Required Texts:** Dess, H; 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>

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*.

**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 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 make and implement business decisions via a simulation exercise produce analyses and present analyses orally and in writing to their peers and to a larger audience create effective business plans and clearly describe strategies, goal and objectives summarize orally and in writing the performance of businesses demonstrate skills to work with peers in small groups to produce timely decisions and excellent oral and written reports

**Course Topics:** 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. 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 - 89 = B

70 - 79 = C

60 - 69 = D

< 60 = No Pass

**Grading:** Business Strategy 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%

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Total 100%

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

There will be a short quiz at the beginning of each class that will contribute to your attendance/participation grade.

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.

There are no extra credit 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, 2001: Publication Manual of the American Psychological Association).

**Business Strategy Game:**

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) 20%

Game Score 50%

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 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 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 the Sears/Kmart merger (Case 9). You are to make a recommendation to the Sears Holding Company (SHC) 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 SHC undertake from March 24, 2005 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 SHC update case analysis.

Critical Thinking – based on your SHC 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 (REVISED 8/30/09)

# All decisions are to be submitted online by 11:59 pm on the decision due dates. No exceptions will be allowed.

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| **Week** | **Date** | **Assignments** |
| 2 | 2-Sep-09 | Review BSG info and form teams. |
| 3 | 8-Sep-09 | Submit Year 11 Practice Decision 1 |
| 4 | 15-Sep-09 | Submit Year 12 Practice Decision 2 Complete online individual Quiz 1 |
| 5 | 22-Sep-09 | Beginning of Competition  Submit Year 11 Decision |
| 6 | 29-Sep-09 | Submit Year 12 Decision |
| 7 | 6-Oct-09 | Submit Year 13 Decision |
| 8 | 13-Oct-09 | Submit Year 14 Decision  Submit 3-year Strategic Plan for Y14-16  Complete online individual Quiz 2 |
| 9 | 20-Oct-09 | Submit Year 15 Decision  Interim peer evaluation available |
| 10 | 27-Oct-09 | Submit Year 16 Decision  Submit interim peer evaluation |
| 11 | 3-Nov-09 | Submit Year 17 Decision  Submit 3-year Strategic Plan for Y17-20 |
| 12 | 10-Nov-09 | Submit Year 18 Decision |
| 13 | 17-Nov-09 | Submit Year 19 Decision  End-of-Game peer evaluation available |
| 14 | 24-Nov-09 | Submit Year 20 Decision  Submit online End-of-Game peer evaluation form |

**Class Schedule** (subject to change during the semester)

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| **Week** | **Date** | **Topic** | **Assignments** |
| 1 | 8/24  8/26 | Introduction to Course  Strategic Management | Read Ch. 1 |
| 2 | 8/31  9/2 | BSG Overview and Team Formation  The External Environment | Read BSG Student Guide (online)  Read Ch. 2, Quiz on Ch. 2 |
| 3 | 9/7  9/9 | *No Class*  The Internal Environment | Read Ch. 3, Quiz on Ch. 3 |
| 4 | 9/14  9/16 | Case Analysis, Discuss Robin Hood Case (Case 1)  Intellectual Assets | Read Case 1 and Ch. 13, Quiz on Ch. 13 (ratios)  Read Ch. 4, Quiz on Ch. 4 |
| 5 | 9/21  9/23 | BSG team meetings  Discuss The Casino Industry case (Case 25) | Read Case 25 |
| 6 | 9/28  9/30 | *Exam 1* Covering Chapters 1 -4, 13  Business Level Strategy | Bring Scantron to class  Read Ch. 5, Quiz on Ch. 5 |
| 7 | 10/5  10/7 | Corporate Level Strategy  Discuss the Wal-Mart case (Case 31) | Read Ch. 6, Quiz on Ch. 6  Turn in Wal-Mart Case Brief |
| 8 | 10/12  10/14 | Online company research tools    International Strategy | Start research for SHC Case    Read Ch. 7, Quiz on Ch. 7 |
| 9 | 10/19  10/21 | BSG team meetings  Discuss the Apple Inc. case (Case 30) | Turn in Apple Inc. Case Brief |
| 10 | 10/26  10/28 | Entrepreneurship and Strategy  Discuss the Heineken case (Case 21) | Read Ch. 8, Quiz on Ch. 8  Turn in Heineken Case Brief (Case 21) |
| 11 | 11/2  11/4 | Strategic Control and Corporate Governance  Discuss The Skeleton in the Corporate Closet – Case 3 | Read Ch. 9, Quiz on Ch. 9  Case 3 |
| 12 | 11/9  11/11 | Strategic Leadership  *No Class* | Read Ch. 11 |
| 13 | 11/16  11/18 | Best-Laid Incentive Plans – Case 4  *Exam 2* covering Ch 5-9, 11 | Case 4 |
| 14 | 11/23  11/25 | *No Class, University Furlough Day*  *No Class, University Furlough Day* |  |
| 15 | 11/30  12/2 | Discuss SHC Case 38  BSG Final Presentations | Turn in SHC Case Analysis Update |
| 16 |  | BSG Final Presentations | Turn in Final Case Analysis |

**Course Standards:** 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 before class on their due date. Late submissions will not be accepted.

All students commit to maintaining and upholding intellectual integrity. The faculty, departments, divisions, or campuses of the University may impose sanctions on students who commit the following academic integrity violations: cheating, plagiarism, forgery of transcripts, and other related acts. Sanctions may include a failing grade on the assignment, a failing grade for the course, suspension, or dismissal from the University.

Students with Disabilities needing accommodation, make requests to Dr. Terri Goldstein, Disability Accommodation Services, East Bell Tower, 1796 (805-437-8528, terri.goldstein@csuci.edu). Please discuss approved accommodations with the instructor.