

CALIFORNIA STATE UNIVERSITY CHANNEL ISLAND

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

Course:	BUS 499
Title:	Capstone: Global Strategic Simulation
Required Texts:	<p>Dess, H; Gregory G.; Lumpkin, G. T. and Alan B. Eisner. <u>Strategic Management: Text and Cases</u>, 5th Ed. Boston: McGraw-Hill Irwin, 2010: ISBN 978-0-07-353041-3</p> <p>The Business Strategy Game: A Global Simulation, 2012 Edition. http://www.bsg-online.com (all students must purchase at \$42.95)</p>
Recommended:	Wall Street Journal, Business Week, Fortune, The Economist.
Instructor:	Jeffrey D. Stone, Ph.D.
Contact:	(805) 660-8483; email: jeffrey.stone@csuci.edu
Office Hours:	Monday and Wednesday 11:00am to 12:00pm and by appointment
Location:	Section 1: Manzanita 1142, MW 12:00pm to 1:15pm Section 2: Solano 1228, MW 1:30pm to 2:45pm
Course Overview:	<p>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.</p>
Learning Objectives:	<p>Students who successfully complete this course will be able to:</p> <ol style="list-style-type: none">1. make and implement business decisions via a simulation exercise (1,5,6),2. produce and present business analyses orally and in writing (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) <p>*Aligns with Program Learning Goals for: 1)critical thinking, 2) oral communication, 3) written communication, 4) conduct (ethics), 5) competencies in discipline, 6) collaboration</p>
Course Topics:	<p>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.</p> <p>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</p>

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:

Grading Scale:

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

Course Components:	Business Strategic Game	25%
	Final BSG Presentation	5%
	In-class exams from textbook and lecture (2 at 10% each)	20%
	Business Plan (Paper)	10%
	Case Briefs (3)	5%
	US Economic Research Paper	15%
	Berkshire Hathaway Strategy Analysis	10%
	Attendance/Participation/Instructor Evaluation	10%

		100%

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. Students are graded on achievement, rather than effort. It is the responsibility of each student to come to class prepared.

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.

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 MLA Stylesheet format.

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%

	Total 100%

Company Registration Codes for 12:00pm class

<u>Company</u>	<u>Registration Code</u>
Company A	28183-JSE-A
Company B	28183-JSE-B
Company C	28183-JSE-C
Company D	28183-JSE-D
Company E	28183-JSE-E
Company F	28183-JSE-F
Company G	28183-JSE-G
Company H	28183-JSE-H

Company Registration Codes for 1:30pm class

<u>Company</u>	<u>Registration Code</u>
Company A	28187-JSE-A
Company B	28187-JSE-B
Company C	28187-JSE-C
Company D	28187-JSE-D
Company E	28187-JSE-E
Company F	28187-JSE-F
Company G	28187-JSE-G
Company H	28187-JSE-H

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. **There are no make-up exams without medical or legal documentation.**

Business Plan (10% of course grade – Team Assignment)

Each team has to prepare a business plan for their company it manages in the Business Strategic Game. The Business Plan should discuss the following areas:

1. Products & Services
2. Marketing Plan
3. Operational Plan
4. Financial Plan
5. Management Plan

The paper should be between ten and fifteen pages in length, double-spaced typed. A cover page, a table of contents and references are required.

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 such as:

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
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. An outline must be approved before you start on the paper. The paper must include footnotes and a complete biography of sources referenced.

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

Students are expected to complete the weekly assignments before the beginning of the next class meeting. 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 before class.

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.

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

Go to www.berkshirehathaway.com/letters.html and select one of the shareholder letters between the year 2000 and 2010 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

Weekly Case Briefs (5% of course grade – Individual Assignment)

We will discuss seven cases during the semester. Case analysis 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 seven 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.

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:

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:

California 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.

Class Schedule subject to change during the semester

Week	Date	Topic	Assignments
1	1/23	Introduction to Course	
	1/25	BSG Overview and Team Formation	Read the BSG Student Guide (online)
2	1/30	Strategic Management	Read Ch. 1
	2/1	Case Analysis Methods Discuss the <i>Robin Hood</i> Case 1	Read Ch. 13
3	2/6	Financial Analysis	
	2/8	The External Environment	Read Ch. 2
4	2/13	The External Environment	
	2/15	Discuss the <i>Horror Show at the Cinemaplex</i> Case 31	Read Case 31 Turn in Business Plan
5	2/20	The Internal Environment	Read Ch. 3
	2/22	The Internal Environment	
6	2/27	Intellectual Assets	Read Ch. 4
	2/29	Discuss the <i>Pixar</i> Case 17	Turn in Case Brief for Case 17
7	3/5	Exam 1 covering Chapters 1-4, 13	Bring Scantron to class
	3/7	Review Exam 1	Turn in Berkshire Hathaway Analysis
8	3/12	Business Level Strategy	Read Ch. 5
	3/14	Business Level Strategy	
9	3/19	Spring Break	
	3/21		
10	3/26	Discuss the <i>Apple, Inc.</i> Case 23	Turn in Case Brief for Case 23
	3/28	Corporate Level Strategy	Read Ch. 6
11	4/2	Discuss the <i>eBay</i> Case 38	Read Case 38
	4/4	Discuss the <i>Johnson & Johnson</i> Case 18	Read Case 18
12	4/9	International Strategy	Read Ch. 7
	4/11	Discuss the <i>Geely Automotive</i> Case 25	Read Case 25

13	4/16	Entrepreneurial Strategy	Read Ch. 8
	4/18	Discuss <i>Keurig Coffe</i> Case 29	Read Case 29 Turn in Economic Research Paper
14	4/23	Competitive Dynamics	
	4/25	Discuss <i>McDonalds</i> Case 14	Turn in Case Brief for Case 14
15	4/30	Exam 2 covering Chapters 5-8	
	5/2	Review Exam 2	Turn in <i>HBS Economics</i> Case Analysis
16	5/7	BSG Game Presentation Skills	
	5/9	BSG Presentations	
17			

Business Strategy Game (BSG) Schedule

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

Week	Date	Assignments
1	Wed, 1/25	Review BSG info and form teams in class
3	Wed, 2/8	Submit Year 11 Practice Decision 1
4	Wed, 2/15	Submit Year 12 Practice Decision 2 Complete online individual Quiz 1
4	Fri, 2/17	Reset the Game. Begin Competition
5	Wed, 2/22	Submit Year 11 Decision
6	Wed, 2/29	Submit Year 12 Decision
7	Wed, 3/7	Submit Year 13 Decision
8	Wed, 3/14	Submit 3-year Strategic Plan for Y14-16 Submit Year 14 Decision Complete online individual Quiz 2
9		Spring Break
10	Wed, 3/28	Submit Year 15 Decision
11	Wed, 4/4	Submit Year 16 Decision Deadline to submit interim peer evaluation
12	Wed, 4/11	Submit 3-year Strategic Plan for Y17-19 Submit Year 17 Decision
13	Wed, 4/18	Submit Year 18 Decision
14	Wed, 4/25	Submit Year 19 Decision End-of-Game peer evaluation available
17	Mon, 5/14	Deadline to submit online End-of-Game peer evaluation form