



MARTIN TUCHMAN SCHOOL OF MANAGEMENT

Business Policy
COURSE NUMBER: BUS 492-101

Fall 2024
Instructor: Dr. Shanthi Gopalakrishnan
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Class timings	Tuesday	6:00 to 7:20 pm
	Thursday	6:00 to 7:20 pm

Office Hours	Tuesday	4:30 to 6:00 pm
	Thursday	4:30 to 6:00 pm

Also available on email.

Course Overview

Business Policy is a senior level capstone Course. A capstone course integrates material that you have learned from other functional area courses such as Marketing, Finance, Accounting, Management Science, and Management thus far in the curriculum. The course takes the perspective of upper administrators or strategic managers within the organization and teaches you how to make decisions by evaluating conceptual tools and processes that managers use companies.

Analyses of cases should reflect the integration of managerial principles and functional disciplines. Cases are based on a wide variety of firms ranging from small businesses to large multinationals. In addition, the course uses a computer simulation game that will offer students a hands-on experience of making strategic decisions and realizing the impact of decisions in a competitive marketplace. The decisions are evaluated weekly, and feedback is provided in real time so students can use market and competitive information in formulating and implementing their strategy.

This course requires that students spend at least 2-3 hours outside of class to complete the group work required of them. The course requires not just knowledge of the material covered in the class, but also critical and creative thought regarding applying this knowledge within specific situations.

Outcomes: Upon completion of this course students should:

Analytical Skills

- (1) Be able use analytical tools like the Five Forces Analysis, Value Chain Analysis, SWOT analysis, BCG matrix and other strategy implementation models to analyze companies and create models to make better decisions.

- (2) Be able to understand ethical issues and how they apply to strategic decision making within a company
- (3) Be experienced in solving life-like business problems through a global business simulation game.

Communication Skills

- (1) Be able to make oral presentations using visual aids and answer questions pertaining to the presentations.
- (2) To develop skills to provide opinions in case solutions in an effective manner.

Interpersonal and Team Dynamics

- (1) Be able to work in groups for the simulation game and for the case presentation.
- (2) To build relationships with team members that foster cooperation and accomplishment of group goals
- (3) Be able to objectively evaluate the performance of other group members.

Ethics

- (1) To develop a sense of ethical and professional behavior
- (2) To be aware of ethical issues which as they occur within the organization.

Technology Skills

- (1) Understand and use the **CAPSIM** Simulation Game effectively
- (2) Be able to use and understand Excel Spread sheets

Globalization

- (1) To understand the impact of globalization on decision making and firm operations.
- (2) To have the knowledge to assess the needs of standardization versus local adaptation of products, practices, and systems.
- (3) To understand the cultural, social, legal, and ethical aspects of globalization

TEXTS

Strategic Management: Frank Rothaermel. 5th Edition.

Capsim Simulation: Capsim.com

Recommended Reading

Newspapers: Wall Street Journal, New York Times

Magazines: Fortune, Business Week, Forbes

Course Content

It is a course about "strategy" and about "managing for success in a competitive environment." This course is centered on the theme that a company achieves continued competitive success when (a) managers have an astute and timely strategic plan for running the company; and (b) implement and execute their plan proficiently.

The course has many interesting elements and student participation in lectures and case discussions is essential. A computer simulation game is used to provide hands-on experience about concepts that we have discussed in class. The class will be divided into groups of three to four students. These groups will work on the computer game together and present cases during class time. The cases for presentation will be assigned prior to class. All students are expected to read and prepare all cases prior to the discussion.

Articles from recent issues of popular business magazines and academic journals may be used to supplement the text. This material will be assigned prior to the class. You will be required to read the material for the class.

CAPSIM CAPSIM Simulation

This is a web-based simulation exercise that gives players hands-on experience in crafting strategies and making business decisions and being responsible for financial performance.

You will learn an enormous amount working with numbers, exploring options, and trying to unite operations, marketing, finance and product design and development into a coherent strategy.

You will need to spend about 1-2 hours every week doing the analysis and calculations needed to win the competitive battle.

To Enroll for the CAPSIM competition: Instructions for payment provided separately

Click this link, or copy and paste in web browser: https://ww5.capsim.com/registrationapp/your-account/CP110974_1

Performance Evaluation

Attendance and Participation	20 (Bonus)
Footrace and Training	50(Bonus)
3 Examinations	300 (Individual)
Case summaries (1)	50 (Individual)
Group Case presentation	100 (Individual and Group)
Board of Directors (SWOT)	100 (Group)
In class assignments	150 (Group)
Capsim Report	100 (Group)
Capsim Performance	100 (Group)
Capsim Presentation	50
Quizzes	50(Individual)

Total 1070 (Approximately 50% of the grade from group assignments and 50% from individual assignments)

Grading Policy

- 910 and over A
- 850-909 B+

➤ 800-849	B
➤ 750-799	C+
➤ 700-749	C
➤ 650-699	D
➤ Below 650	F

Note: Grades once assigned will not be changed under any circumstances unless there is a computational error. No additional or make-up assignments or exams will be given.

Attendance, Class Participation

You are required to read the cases and assigned material prior to class. Do not hesitate to ask questions about material that does not seem clear to you. Please feel free to discuss any course related material outside class. You are required to be present and prepared to participate. Participation in class requires that you can answer questions about the case asked in class. **IT IS IMPERATIVE THAT YOU ARE PREPARED FOR THE CASES.**

Examinations

You will do three exams during the semester. The exams are non-cumulative. The exams will consist of multiple-choice questions, short answers and short essays. All exams will be in class and closed book. The third exam will be in lieu of the final examination.

Case Summaries

You should be able to identify key issues, problems and opportunities facing the central protagonists, articulate and evaluate alternative approaches to problems, and select the best alternative and provide reasons for your selection. In doing your case report, you should stay true and answer all the questions raised in your syllabus under each case. Your recommendations should be feasible given the firm's resources, including their cash and their ability to raise money. Case data including financial and other quantitative data should be used wherever possible.

You are to submit two briefs during the semester. These case briefs should be submitted before the beginning of the class that we are scheduled to discuss a case. Preparation questions will be given to you before the beginning of the class. Each case summary should be at least 4-5 pages double-spaced. Even if you choose not to do a case summary, you should still read the case and come prepared to discuss the case in class. **All cases are due on or before the class time that the case is discussed.**

Group Case Presentation (Written and Oral)

Students will be assigned to groups. Each group will be required to make one case presentation to the class. This case will be a different one from the two case summaries that you have to do. Questions will be provided to guide your presentation. Your answers to the case questions should include the theory covered in the articles assigned to you and the facts and figures provided in the case. In general do not restate the information in the case. Use the information to analyze issues and recommend a course of action. Use industry information and current data from released press reports and financial statements to strengthen your recommendation. In addition to an oral presentation, you will be required to submit a written report on the day of the presentation.

Students will be required to update the cases with current information from the library databases, internet and current magazine and newspaper articles. All case presentations need to be made with transparencies. Students will need to be prepared to answer questions posed by the instructor and other students at the end of the presentation.

Board of Directors Report (SWOT)

Each group will be required to be Board members and quiz another group when they are presenting the case. In addition, the group that is the Board also needs to prepare a detailed SWOT analysis where they identify key problems and using the SWOT analysis provide solutions to the problems identified.

In Class Assignments

Groups will be required to do in class assignments based on the Business Week Readings assigned for the class. You will do 2 to 3 in class assignments during the Semester. These assignments need to be done in class time. If you are not present, you will get a "0" for the assignment. No make up assignments will be given.

Capsim Simulation Game

Students will be required to spend about a couple of hours every week in their assigned groups working on the Capsim Simulation. Students will play 1 week of the Capsim Footrace and 3 weeks trial of the Capsim Game. The grades will be determined by the comparative standing of the groups in the Capsim at the end semester. In addition, teams will be required to produce the following:

- (a) Annual Report to its Shareholders (8-10 pages plus graphs, pictures) detailing and explaining current trends, conditions and future orientation.
- (b) Team's presentation of the Annual Report to its shareholders during the Annual meeting.
- (c) A Brief Report on the team's results from the latest Rollover.

Starting early October when we play the Capsim Competition. **Your decisions need to in by Wednesday 11.00 p.m.**

Each team will consist of -5 students and each student will start with one of the following titles:

Chief Officer – Finance and New Product Development
Chief Officer – Marketing and Public Relations
Chief Officer – Information
Chief Officer – Operations

Alternatively the team members can be in charge of one of the products. The Capsim game currently has five product groups.

Peer evaluation

Students will be required to do a peer evaluation of their team members. Final scores for the game, in class assignments and case discussions will be given only after taking into consideration the peer evaluations. The peer evaluations will be done two times during the semester.

Picking your team

Good management necessitates working in teams and getting work done with others. I recommend that you pick team members that have the same grade objective as you have and are willing to put the same amount of work for the course. Ideally, I would like to work with 8 to 10 teams of three members each. Specific articles from Business Week, Fortune, and New York Times will be assigned prior to class for discussion.

Outline for the CAPSIM Report (Presentation and Written report to be submitted)

The CAPSIM Report should consist of Seven Sections. Please refer to the Annual Report of Yahoo and Amazon. Use pictures of the management team, products and Customer groups and competition to make the presentation lively, and interesting.

Section 1- Letter to the Shareholders

Identify the current situation and immediate past for the company and steps that the management is going to take to position the company in the next 3-5 years.

Section 2 – Management Analysis

Analysis of the products and the key markets where the company competes in. You have to examine the overall profitability, market growth, competition, and product strengths and weaknesses and key strengths and weaknesses overall for the firm. Key Opportunities and Threats. Outline the industry, issues in the industry and how management addressed these issues.

Section 3 – Management Mission -Ethics and Social Responsibility

Management position on ethics and corporate social responsibility. Steps that the company has taken and will take to improve its corporate social responsibility.

Section 4 – Analysis of Income Statement – All financials should be done for at least 4 years.

You have to analyze of profitability with respect to competition. Do a ratio analysis and a brief explanation of the Financials of the company. Use trend analysis and Benchmarking. You should have charts of the financials and do a ratio analysis of key ratios to position your company relative to competition.

Section 5 – Analysis of Cash Flow Statements

Brief explanation of the cash receipts and disbursements and key issues that were managed with respect to cash flows over the last 4 -5 years.

Section 6 – Analysis of Balance Sheet

Key changes in the Balance sheet and what it means to the company. Analysis of debt, Equity, and dividend structure.

Section 7 – Plans for the future and overall goals of the management in the near term and long term.

NJIT Honor Code: Students are expected to comply with the University Honor Code. Any violations to the Honor code will be brought to the immediate attention to the Dean of Students. The University Honor Code can be accessed at: <http://www.njit.edu/academics/honorcode.php>

Caveat: The instructor reserves the right to change or revise the syllabus during the term and students will be informed in advance about the change.

CLASS SCHEDULECP124765_1

Week 1 (Sept 3 to Sept 6)	Discussion of the syllabus, course requirements Ice Breaker Exercise Lecture: Chapter 1: What is Strategy
Week 2 (Sept 9 to Sept 13)	Lecture: Chapter 2: Strategic Leadership and Managing the Strategy Process Discussion - Guide to Strategic Management Case Analysis Case 1: Whitney Wolfe Herd's Dating Strategy: Pg 503-506 In Class Assignment 1
Week 3 (Sept 16 to Sept 20)	Introduction to CAPSIM Game Work on CAPSIM Training and Footrace (Groups of 3-4 to be formed by September 16th) Lecture: Chapter 3 – External Analysis: Industry Structure Competitive Forces, and Strategic Groups.
Week 4 (Sept 23 to Sept 27)	Lecture: Chapter 4- Internal Analysis, Capabilities and Core Competencies Capsim Trial Decision 1 Presentation Group 1: Microsoft: Satya Nadella hits Refresh. Pg 507-511 In Class Assignment 2
Week 5 (Sept 30 to Oct 4)	Lecture: Chapter 5: Competitive Advantage, Firm Performance and Business Models. Presentation - Group 2 Robinhood: Democratizing investing or robbing investors. Pgs. 512-515 Lecture: How to do a Financial Analysis Capsim Trial Decision 2
Week 6 (Oct 7 to Oct 11)	Lecture: Chapter 6: Business Strategy: Differentiation, Cost Leadership and Blue Oceans Exam Chapters 1, 2, 3 and 4

Capsim Trial Decision 3

Week 7 (Oct 14 to 18)

Lecture: Chapters 7. Business Strategy: Innovation, Entrepreneurship and Platforms.

Presentation Group 3: Warby Parker's Blue Ocean Strategy Pgs. 523-526.

In Class Assignment 3

Capsim Competition Week 1

Week 8 (Oct 21 to 25)

Lecture: Chapter 8: Corporate Strategy: Vertical Integration and Diversification

Presentation Group 4: Platform Strategy: How Paypal solved the chicken-or-egg problem. Pgs 527-529

Capsim Competition Week 1

Week 9 (Oct 28 to Nov 1)

Complete Chapter 8

BCG Matrix assignment

In Class Assignment 4

Capsim Competition Week 2

Week 10 (Nov 4 to Nov 8)

Lecture. Chapter 9: Corporate Strategy: Strategic Alliances, Mergers and Acquisitions

Exam 2. Chapters 5, 6, 7 and 8

Capsim Competition Week 3

Week 11 ((Nov 11 to Nov 15)

Lecture Chapter 10: Global Strategy Competing around the world

Capsim Competition Week 4

Presentation Group 5: GE Corporate Strategy gone wrong. Pgs 530-534

Week 12 (Nov 18 to Nov 22)	Lecture Chapter 11: Organizational Design: Structure, Culture and Control
	Capsim Competition Week 5
	Presentation Group 7: Chick-Fila-A's Structure, Culture and Control, Pg 545-551
Week 13 (Nov 26)	Lecture Chapter 12 Corporate Governance and Business Ethics.
	Presentation Group 8: Purdue Pharma and the opioid Addiction crisis: Pg. 552-558
	In Class Assignment 5
	Capsim Competition Week 6
November 27 to 30	Thanksgiving Break
Week 14 (Dec 2 to Dec 6)	Presentations Capsim game (until week 7)
	Capsim Competition Week 7
Week 15 (Dec 9 to 13)	Exam 3 Chapters 9, 10, 11 and 12.
	Capsim Competition Week 8
Week 16 (Dec 16 to 20)	Final CAPSIM Reports Due

Good luck. Work hard and enjoy the course. Feel free to drop in and talk during office hours. There will be no make up quizzes or exams given. **Class participation is crucial for this course.** Make sure that you read current business news. Any changes in schedule will be announced in class. The third and final exam will be on the scheduled exam day.

All Case Presentations will be on the **Thursday** of the week. **CAPSIM DECISIONS due Wednesdays 11:00 pm**