

Field Session EBGN 402A Summer, 2007

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Office hours: Tuesday 1:00 pm – 3:00 pm

Classroom: EH 211

Prerequisites: Either (a) EBGN 411 Intermediate Microeconomics, EBGN 412 Intermediate Macroeconomics, and at least junior-class standing or (b) permission of the instructor.

Course Description

This field session is about the issues and challenges of running a firm in a competitive environment. To build on, and integrate, the content of the courses you have taken as part of your economics degree program, you will participate in the Capstone® simulation as part of the senior executive team of a company. You will be responsible, along with your other team members, for coming up with and executing your strategy with on-going decisions on everything from new product development, to marketing, to finance and accounting functions of your company. In the simulation you will run this company for seven fiscal years. During this experience, you will act as you would if you were a senior executive—you will be rewarded in alignment with your firm's performance, you will be giving periodic presentations to your Board of Directors and shareholders, and you will be assessing your strategy and performance relative to that of your competitors.

Required Readings and Materials

Capstone® on-line management simulation. Available on-line at www.capsim.com (\$39.99)

Grading Criteria and Method

Written, oral, individual and team skills are used within the context of this course. The purpose of multidimensional grading criteria is to provide opportunities to exercise each category of skills, all of which are central to the general manager. Specifically, course grades are determined as follows:

1.	Team Participation	20%
2.	Initial Board of Directors presentation / report	15%
3.	Intermediate Shareholder presentation	10%
4.	Final Shareholder Presentation / report	15%
5.	Capstone simulation result	40%

Course Organization

Each person will be assigned to a team and run a company within the Capstone® simulation. You will compete against other teams in the field session, who will also be running a company within the same industry in the Capstone® simulation. The project is designed to give you an opportunity to apply insights gained from courses you have taken to effectively make strategic decisions for a company. This is an excellent means for you to formulate and implement the strategy for a company.

You will be evaluated in three components:

- 1) You will receive points for your level of individual engagement in the simulation as evidenced by individual exercises prior to the live “game”, and your teammate’s assessment of your participation in the simulation.

20 total possible points

- 2) You will make three formal presentations during the course of the semester. The first one will be immediately preceding your first set of decisions for Capstone. This presentation will be made to your Board of Directors and should focus on the strategy you have developed and intend to follow throughout Capstone. Prior to your presentation you will also need to submit an outline (max 4 pages) of your companies intended strategy. In your outline and presentation some things to consider include:

What position do you seek in the marketplace?

What will differentiate your company? How will this lead to superior performance?

What is your plan for getting there? How will you reach that position, and under what timetable?

What trade-offs are you making? What are you deciding not to do?

How will you create fit among your whole system of functional activities (e.g., marketing, finance, production, R&D, and HR).

How are you organizing your top management team? What roles is each person performing?

The second presentation will be to your Board of Directors as well as your shareholders. This presentation will take place after the first four rounds of the Capstone simulation have been completed. You should present an analysis of what your starting strategy was, how it is evolving, how effectively you think you are executing your strategy, and how your strategy and tactics compared to those of your competitors.

The third and final presentation is at the end of the simulation. You should present an analysis of your initial strategy compared to your strategy at the end of Round 8, comment on how your strategy and tactics evolved over the course of Capstone, assess the strengths and weaknesses of your strategy and execution abilities over the course of the game, and comment on what you would do moving forward if you were

to continue running your company. At the time of this presentation you must submit a written report (max 6 pages) that provides supporting details for your presentation. This report should make sense to someone who has not attended your presentation. It serves as a written record of what you learned during the game.

All presentations will be evaluated based on the level of detailed understanding you demonstrate about the Capstone simulation as well as your ability to integrate economic concepts into your actions

40 total possible points (15 points for the first and third presentations/reports and 10 points for the second presentation)

- 3) You will also be evaluated based on your actual performance in Capstone. You and your team will select which financial performance criteria your company wants to be evaluated on (e.g, ROS, ROA, stock price, market capitalization). You will be ranked on the dimensions you choose relative to the other teams competing in your industry.

40 possible points

Non-performance of a team member:

If one or more of your team members is not participating fully in Capstone, don't wait until the end of the field session to let us know. Please advise me of any problems *during* the field session. If there is consensus that a team member is not doing their fair share of the work load, this individual may be required to repeat the field session requirement. In order to do this, any final decisions on inadequate team participation must be made no later than **July 9**. So don't wait too long to talk to me if you experience team problems!

Formal Class Meetings

There will be five formal class meeting where attendance is required. These are as follows:

Introduction and Overview of the Capstone Simulation - Tuesday, June 26 - EH 211 (9:30 am - 12:30 pm)

Situation Analysis and Competitive Strategy Tuesday, July 3 - EH 211 (9:30 am - 12:30 pm).

Presentation to the Board of Directors Tuesday, July 10 - EH 211 (9:30 am - 12:30 pm).

Intermediate Shareholder Presentation Tuesday, July 24 - EH 211 (9:30 am - 12:30 pm).

Final Shareholder Presentation Thursday, August 9 - EH 211 (9:30 am - 12:30 pm).

In addition, you and your teammates will be responsible for making the Capstone decisions by the date and time enumerated in the following schedule.

Tentative Decision Schedule

<u>Session</u>	<u>Date</u>	<u>Topic and Assignment</u>
1	Tue June 26	Introduction and Overview of the Capstone Simulation Team organization Reading Assignment: Capstone Managers Guide Assignment: Complete Capstone on-line introductory lesson rehearsal simulation by Tuesday night (June 26 th) by midnight. Individuals who do not complete the rehearsal simulation on time will have their participation score reduced by 50% and will be assigned to the same team! Team assignments will be announced on Thursday, June 28 th .
2	Mon July 2	Due: PRACTICE Round 1 Capstone decisions must be uploaded by Monday (7/2) at 5pm Mountain Time.
3	Tue July 3	Situation Analysis and Competitive Strategy. Reading Assignment: Capstone handout on "Situational Analysis"
4	Fri July 6	Due: PRACTICE Round 2 Capstone decisions must be uploaded by Friday (7/6) at 5pm Mountain Time. Also completed Individual Situation Analysis Worksheet should be handed in by 5:00 pm in EH 310.
5	Mon July 9	Due: PRACTICE Round 3 Capstone decisions must be uploaded by Monday (7/9) at 5pm Mountain Time.
6	Tue July 10	Companies present their strategy to their Board of Directors. Note the outline is due by 5:00 pm on July 9.
7	Thur July 12	Due: Round 1 Capstone decisions must be uploaded by Thursday (7/12) at 5pm Mountain Time.
8	Sun July 15	Due: Round 2 Capstone decisions must be uploaded by Sunday (7/15) at 5pm Mountain Time. Also please complete the first evaluations of your team members.
9	Wed July 18	Due: Round 3 Capstone decisions must be uploaded by Wednesday (7/18) at 5pm Mountain Time.
10	Sat July 21	Due: Round 4 Capstone decisions must be uploaded by Saturday (7/21) at 5pm Mountain Time.
11	Tues July 24	Capstone Presentations: companies present their performance, assessment of competitor actions, any strategic changes to their Board of Directors
12	Fri July 27	Due: Round 5 Capstone decisions must be uploaded by Friday (7/27) at 5pm Mountain Time. Also please complete the second evaluations of your team members.
13	Mon July 30	Due: Round 6 Capstone decisions must be uploaded by Monday (7/30) at 5pm Mountain Time.
14	Wed Aug 1	Due: Round 7 Capstone decisions must be uploaded by Wednesday (8/1) at 5pm Mountain Time.
15	Fri Aug 3	Due: Round 8 Final Capstone decisions must be uploaded by Friday (8/3) at 5pm Mountain Time. Also please complete the final evaluations of your team members.
16	Thur Aug 9	Final Capstone Presentations. Final report due.