BRANDEIS UNIVERSITY

Spring Semester 2017
Functions of the Capitalist Enterprise
BUS 10A- Section 3

Tuesdays & Fridays
9:30 – 10:50 am
Lemberg 54

Instructor: Sharon Thomas
Office: Sachar 17
Hours: Tuesdays and Fridays from 11:00-noon, 2-3 pm and by appointment
Phone: 617.970.9144
Email: sathomas@brandeis.edu
TA: Bryan Baratian, baratian@brandeis.edu
Prerequisite: BUS 6A, which may be taken concurrently

Course Materials

Course Description
This course is an integral part of the Business major. We will use readings, lectures and case studies to understand and build a framework for addressing key management issues. We’ll review the key functions of managers: marketing, operations, finance, corporate strategy and organizational behavior. Then we’ll apply this learning in three general areas: global business, entrepreneurship and business ethics.

Learning Goals & Outcomes
(1) to understand the fundamental concepts and functions in business management
(2) to recognize the interrelationships among these functions
(3) to learn how to apply the language and tools of the course to analyze a variety of business issues in the US and abroad
(4) to learn how to read, analyze, and discuss business school case studies
(5) to develop oral presentation skills for business

Workload Expectation
As this is a four-credit course, you are expected to spend a minimum of 9 hours of study time per week in preparation for class (readings, cases, discussion questions, homework, research, etc.).
Course Approach
This class uses readings, case studies, EXCEL exercises and lectures to explore key business issues. Given the nature of these topics, class participation is extremely important. Preparing before class, asking questions and contributing to discussions is the only way to truly engage in the material and learn. In some sessions I will present new concepts and unless you have read the material assigned for that day, you will not benefit from my viewpoint and examples. In other sessions we will analyze and solve business problems from an assigned case study and we will use our time together in the classroom to build a framework to understand the business problem and to hear and challenge others’ viewpoints.

Special Accommodation
If you are a student with a documented disability on record at Brandeis University and wish to have a reasonable accommodation made for you in this class, please see me at the start of the term.

Academic Integrity
You are expected to be honest in all of your academic work. Please consult Brandeis University Rights and Responsibilities for all policies and procedures related to academic integrity. Students may be required to submit work to TurnItIn.com software to verify originality. Allegations of alleged academic dishonesty will be forwarded to the Director of Academic Integrity. Sanctions for academic dishonesty can include failing grades and/or suspension from the university. Citation and research assistance can be found at LTS - Library guides

Grading Components
For the purpose of grading, participation and assignments will be weighted as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Class Participation</td>
<td>22.5%</td>
</tr>
<tr>
<td>EXCEL self-teaching assignment</td>
<td>2%</td>
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<tr>
<td>Clean Edge Razor assignment*</td>
<td>7.5%</td>
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<tr>
<td>Cafeteria Day assignment*</td>
<td>7.5%</td>
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<tr>
<td>EXCEL/Clarkson homework assignment</td>
<td>3%</td>
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<tr>
<td>Midterm Exam</td>
<td>22.5%</td>
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<tr>
<td>Globalization Presentation*</td>
<td>10%</td>
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<tr>
<td>Ethics homework assignment</td>
<td>5%</td>
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<tr>
<td>Final Paper*</td>
<td>20%</td>
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<tr>
<td>TOTAL</td>
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*done as a member of a team

A Note on Class Participation:
Students are expected to attend every class and participate on a regular basis. Less value will be placed on the quantity of your contributions than on their quality. I keep a record of class performance for each student and determine a grade based on the quality and
frequency of in-class comments. I will be happy to meet with you at any point to discuss how you are doing and ways to improve. If you have perfect attendance but rarely participate in class discussions, your participation grade will be C.

For some students speaking out can be difficult. If you are hesitant to participate in class, please come to see me and I will work with you.

Please select your seat for the semester by the start of the second class, and use a name card, at least for the first several sessions.

**Written Assignments:**
Most of your written assignments will be submitted using Turn It In. I am new to this tool and may also ask for paper copies of things (especially presentations). Details for each assignment will be posted on LATTE. Any items received late will be marked down a full letter grade. Planning ahead is an important part of meeting deliverables and good business practice.
Calendar & Assignments

Class #1: Introduction/Business Management  Tues, 1/17

Assignment: Go to www.kelloggs.com. Look at the home page for about 20 seconds and write down your immediate reactions. Then click on “Who We Are” (upper right) and “Marketplace Commitment”. Record your reactions to their “Promise to You”.

Discussion:
- Review of course, syllabus and assignments
- Introductions
- Discussion of Kellogg’s

Class #2: Business Management  Fri, 1/20

Reading: Chapter 2, Managing the Business

Assignment: Go to www.netflix.com. Compare it to the Kellogg’s site in terms of look and feel. How do your first impressions differ? Scroll to the bottom and visit the section titled “Investor Relations”. Select “Long-term View.” What does Netflix see as their long-term objectives?

Discussion:
- Chapter reading and Netflix

Class #3: Marketing  Tues, 1/24

Reading: Chapter 5, Marketing Processes and Consumer Behavior

Assignment: See LATTE for EXCEL self-learning assignment. Familiarize yourself with the site.

Discussion:
- Chapter reading. Also, what is the marketing mix at Kellogg’s? Netflix? Which element of the Four P’s is most/least important to each company?

Class #4: Marketing  Fri, 1/27

Case: Reebok International Limited (page 257)

Discussion:
- How do consumers buy athletic footwear? How is the market segmented?
- Why has Reebok been successful? Where is the company weak?
- What do you like or dislike about the proposed 1988 communications program?
Class #5: Marketing Tues, 1/31

Readings: - Chapter 6, Developing and Pricing Products
- Chapter 7, Distributing and Promoting Products

Discussion:
- Describe the four stages of the product life cycle and the marketing mix that is used in each. Give me an example of a product in each stage (not using the examples in the reading)?
- Choose a product and analyze pricing objectives for it. What information would you want if you were going to adopt a profit-maximizing objective? Market share objective?
- Give me an example of companies that sell through the four distribution channels (not using the examples in the reading).

Class #6: Marketing Fri, 2/3

Case: Clean Edge Razor (page 283)

DUE: Clean Edge Razor assignment (see LATTE)

Discussion:
- What changes are occurring in the nondisposable razor category? What are the strategic life cycle challenges for Paramount’s current products as well as for Clean Edge?
- How is the nondisposable razor market segmented? Examine consumer behavior for nondisposable razors.
- What are the arguments for launching Clean Edge as (a) a niche product and (b) a mainstream brand? Which would you recommend and why?
- What brand name and marketing budget allocations would you recommend?

Class #7: Operations Tues, 2/7

Reading: Chapter 3, Operations Management and Quality

DUE: Teams for Cafeteria Assignment and your choice of cafeteria or store (see LATTE for all of the other details of this assignment)

Discussion:
- Think about assembly lines or processes you encounter every day. What is an example of a simple operation? More complex?
- Imagine you are on a factory work floor. What issues do you think you would encounter that can be planned for but not controlled?
Class #8: Operations  Fri, 2/10

Case: Benihana of Tokyo (page 293)

DUE: EXCEL self-learning assignment

Discussion:
- What is the Benihana concept and what attracts customers to its restaurant?
- How does Benihana’s cost structure differ from that of a typical sit-down restaurant?
- Draw a process flow diagram: how do customers pass through the system, where are key food operations done, how is food handled, etc. Which major design choices generate operating efficiencies?

Class #9: Operations  Fri, 2/12

DUE: Cafeteria Day Presentations

Class #10 Financial Databases, Guest Lecturer  Fri, 2/17

Topic: Jason Bernard is Associate Director of Academic Technology, IBS and he will teach you about the various financial databases available here at Brandeis. You will need to use them in your projects and final paper.

**NO CLASS on Tuesday, 2/21 and Friday, 2/24, Midterm Recess, enjoy!**

Class #11: Financial Statement Analysis  Tues, 2/28


In the "View" box, change "All Filings" to "Annual". Now, download the EXCEL file for the 2015 "10-K/annual report"

Get data from the Income Statement and Balance Sheet which appear after Table 15.

Create a new 3-tab EXCEL file comprised of the I/S, B/S and a chart using formulas to compare 2013 and 2014 for three items, which we define for you:

- **Operating Margin** as "Operating Profit/Sales"
- **Current Ratio** as "Current Assets/Current Liabilities"
• Leverage as "Total Liabilities/Total Equity"

Hint: Every cell should not have numbers entered manually. It may be helpful to create a data section at the top of your calculations sheet that is referenced for ratio calculations.

Please bring your laptop to class or at the very least a copy of your file.

Class #12: Financial Statement Analysis  Fri, 3/3

Case: Clarkson Lumber Company (page 311)

DUE: EXCEL/Clarkson homework assignment (see LATTE)

Discussion:
• Why does this profitable company need to borrow money?
• How has Clarkson met the financing needs of the company over the past few years?
• During this period, has the financial strength of the company improved or deteriorated?

Class #13: Corporate Strategy  Tues, 3/17

Reading: The Five Competitive Forces that Shape Strategy (page 339)

DUE: Teams and topics (one page summary) for the Final Paper (See LATTE)

Discussion:
• Why can’t competition be defined simply by the direct contest between rival companies? Think of an example of a different type of competition.
• The threat of new entrants is dependent on barriers to entry. What are some of those barriers?
• For each of the five forces, when the force is strong, the profitability of the industry is reduced. Why is that? What are the two things effected and do they go up or down? (This is not a trick question. But it is essential to understanding that this framework is not designed to assess competition but rather to assess industry attractiveness.)

Class #14  Corporate Strategy  Fri, 3/10

Case: Crown Cork & Seal in 1989 (page 317)

Discussion:
• How well did Crown Cork & Seal do under Connelly? What were the keys to the company’s success?
• Analyze the metal container industry using Porter’s Five Forces model.
• What strategic issues does Avery need to consider? What are his options?

**Class #15: Organizational Behavior** Fri, 3/11

**Reading:** Chapter 4, Leadership and Decision Making

**Case:** Kyocera Corporation (page 363)

**Discussion:**
- Think of a great leader you have known personally (not necessarily in a business setting) and what makes him/her effective. Think of a world leader and compare the two.
- How would you describe the culture at Kyocera? What is the amoeba system? Is it effective?

**Class #16: Exam Review** Fri, 3/17

**Prep:** Please come with questions and areas for clarification and your calculator.

**Class #17: Mid Term Exam** Tues, 3/21

**Prep:** Exam is open book so please bring your book, your notes and a calculator. (You may not use a phone, laptop or other electronic devise.)

**Class #18: Global** Fri, 3/24

**Reading:** See LATTE

**Discussion:**
- How would you define a global company?
- What unique challenges do you think global firms face?
- Provide an example of a global firm you interact with often.

**Class #19: Global** Tues, 3/28

**Case:** Taran Swan at Nickelodeon Latin America (A) (page 395)

**DUE:** Teams and topics for the Globalization Presentations (see LATTE)

**Discussion:**
- Describe the culture at Nickelodeon Latin America.
• How did Swan go about building that culture? (Consider the interrelationships among Nickelodeon Latin America’s context, design factors, culture and outcomes.)
• What would you do now if you were Swan?

Class #20: Global  Fri, 3/31

Case: Levendary Café: The China Challenge (page 421)

Discussion:
• What is your evaluation of the way Levendary Café has entered the China market?
• What changes should Foster make, what should she do about Chen and what can she change at HQ? How can she deal with the need for continued growth?

Class #21: Global  Tues, 4/4

DUE: Global Presentations: a paper copy of ALL slides is due at the start of class, in addition to you having already posted it on Turn It In.

Class #22: Ethics & Social Responsibility  Fri, 4/7

Readings: -Chapter 1, Understanding Business Ethics and Social Responsibility
-Ethics article (see LATTE)

Discussion:
• Think of a current day company that incorporates social responsibility into their business. How do they do it? How does it impact their financials? How does it influence you and consumer behavior more generally?
• Make sure you understand the article and bring any questions you have to class.

NO CLASS on 4/11, 4/14 or 4/18

Class #23: Ethics & Social Responsibility  Fri, 4/21

Case: From Harvard Business Press: Details TBD

DUE: Ethics assignment (see LATTE)
Class #24: Ethics & Social Responsibility  Tues, 4/25

Case: Parable of the Sadhu (page 505)

Discussion:
- Why does McCoy now feel the way he does? What responsibilities did he have?
- Did he do the right thing? Why do you think he acted the way he did?

Class #25: Guest Speaker on Entrepreneurship  Fri, 4/28

Class #26: Entrepreneurship  Tues, 5/2

Case: Zipcar: Refining the Business Model (page 375)

DUE: Final papers

Discussion:
- What is the business model, and how has it changed between December 1999 and May 2000?
- What do the data from actual operations in September say about how the business model is playing out in practice? Does this data give you comfort or concern?
- What actions should Chase take as a result of the September operating results?
- What is the strongest argument Chase could make to a potential investor about the attractiveness of the venture and what, specifically, should her elevator pitch be?