

SIMON FRASER UNIVERSITY

MEMORANDUM

S.84-78

To.....Members of Senate.....

From.....Office of the Dean of Graduate Studies

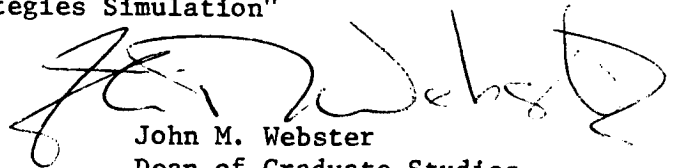
Subject.....New Graduate Courses, MBA 634-5
MBA 635-5

Date.....November 19, 1984

Action undertaken by the Executive Committee, Senate Graduate Studies Committee, at its Meeting on November 19, 1984, gives rise to the following motion:

MOTION: That Senate approve and recommend approval to the Board of Governors, as set forth in, S.84-78 , the following new Graduate Courses:

- MBA 634-5 Business Forecasting
- MBA 635-5 Business Strategies Simulation"



John M. Webster
Dean of Graduate Studies.

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SIMON FRASER UNIVERSITY

MEMORANDUM



To.....John Webster, Dean,.....
.....Graduate, Studies.....
Subject..... New Course Proposal.....

From..B..Schoner, Director, Graduate Programs
..Faculty of Business Administration....
Date..October 2, 1984.....

We are proposing two new elective courses for the Executive MBA program. These courses have both been offered in the past with success. The Business Forecasting was offered as a special section of MBA 695 and the Business Simulation some time ago under MBA 621.

We are currently offering four elective courses in the spring semester. Our intention is to maintain the same number of offerings, but to have greater variety. This is especially important since, under our revised EMBA curriculum, students take elective courses in the second and third year of their program. Previously, elective courses were taken only in the second year.

att: New course proposal
sample outline

OCT 4 1984
DEAN OF GRADUATE
STUDIES OFFICE

SIMON FRASER UNIVERSITY

New Graduate Course Proposal Form

CALENDAR INFORMATION:

Department: Faculty of Business Administration Course Number: MBA 634

Title: BUSINESS FORECASTING

Description: Modern forecasting methods applied to a variable of interest to the student and his employer. Students taking the course must have access to at least 5 years of monthly data or 12 years of quarterly data on the variable to be forecast. Generally, the paper written for this course will provide the basis for the MBA project.

Credit Hours: 5 Prerequisite(s) if any: Permission of the instructor

ENROLLMENT AND SCHEDULING:

Estimated Enrollment: 12 When will the course first be offered: 86-1

How often will the course be offered: once every other year

JUSTIFICATION:

This course has already been offered as a section of MBA 695, Research Methods in 84-1. The course was well received and will again be offered as a section of MBA 695 in 85-1. Putting the course in the calendar reflects current practise.

RESOURCES:

Which Faculty member will normally teach the course: Richard Holmes, Professor

What are the budgetary implications of mounting the course: none

Are there sufficient Library resources (append details):

- Appended: a) Outline of the Course b) An indication of the competence of the Faculty member to give the course. c) Library resources

Approved: Departmental Graduate Studies Committee: Date:

Faculty Graduate Studies Committee: [Signature] Date: Oct 3/84

Faculty: [Signature] Date:

Senate Graduate Studies Committee: [Signature] Date: 19/11/84

Senate: Date:

BUSINESS FORECASTING

COURSE OUTLINE

SPRING, 1984

R. HOLMES

291-3560

The purpose of the course is to teach the methodology involved in the development of a ~~quantitative sales or employment~~ forecast for an individual firm. Students who take this course will be expected to use the methodology developed in the course (regression and time series models) to prepare a ~~sales or employment~~ forecasting model for their employer. The major requirement for completion of the course will be a written description of the forecasting model developed. These papers may provide the basis for MBA projects. The advantage of this approach to the MBA project is in the close supervision which the instructor can provide and in the interaction with other students working on similar projects.

No technical background other than the basic statistics taught in the MBA program is prerequisite to this course. However, students should probably not take this course unless they are sufficiently interested in quantitative work to develop a forecasting model as their MBA project. The necessary methodology including the use of SFU computer programs will be taught in the course, but students must have access to sufficient data from their employer for the development of a quantitative forecasting model (at least 10 years of quarterly data or at least 5 years of monthly data on the variable to be forecast).

There is no one text that is entirely suitable for the proposed course, so the text will be supplemented by readings from various other books (photocopies to be provided) and by notes provided by the instructor. The primary purpose of the course will be the development of students' forecasting models and the issues to be discussed will be determined by that goal.

The reading list and outline of the course are as follows:

Reading List:

Granger, C.W.J., Forecasting in Business and Economics, Academic Press, 1980, Ch. 3. (G)

Jenkins, G.M., "Some Practical Aspects of Forecasting in Organizations", Journal of Forecasting, 1982, udi, pp. 3-21 (J)

McCleary, B., and R.A. Hay, Applied Time Series Analysis for the Social Sciences, Sage 1980, Ch. 2, 3, 5. (M.H.)

MTS Primer

Nelson, C.R., Applied Time Series Analysis for Managerial Forecasting, Holden Day, 1973, Ch. 7. (N)

Pindyck, R.S., and D.I. Rubinfeld, Econometric Models and Economic Forecasts, McGraw Hill, 1981, Ch. 3,4,4,5,8,9.1,11.2,16,17. (P.R.)

TROLL Primer, MIT, 1979.

Texts: MTS Primer
TROLL Primer
Pindyck and Rubinfeld op.cit.

Course Outline:

<u>Weeks</u>	<u>Topic</u>	<u>Readings</u>
1	MTS System	MTS Primer
2-3	TROLL	TROLL Primer
4-6	Univariate Time Series Models	J pp. 3-21 G ch. 3 PR ch. 16,17 N ch. 7 MH ch. 2,3
7-8	Intervention and Transfer Function Models	MH ch. 5
9-10	Classical Linear Regression Model	PR Ch. 3,4
11-12	Multicollinearity, Autocorrelated Disturbances, Heteroscedasticity, Simultaneity Problem	PR Ch. 5,6 11.2
13	Distributed Lag Models	PR ch. 9.1

SINON FRASER UNIVERSITY
New Graduate Course Proposal Form

CALENDAR INFORMATION:

Department: Faculty of Business Administration Course Number: MBA 635

Title: BUSINESS STRATEGIES SIMULATION

Description: Students will manage computer simulated companies in a generalized tool & dye industry. Each company will consist of four students comprising the management team. All decision relating to the success or failure of the firms are the responsibility of the management team, but as such, each management team is responsible to the Board of Directors of the company. Return on shareholders Equity is a significant component of the measure of success of each company.

Credit Hours: 5 Vector: 2-0-3 Prerequisite(s) if any: 3rd year of program

ENROLLMENT AND SCHEDULING:

Estimated Enrollment: 15 When will the course first be offered: 87-1

How often will the course be offered: once per year

JUSTIFICATION:

This course was previously run as part of MBA 621 in 1980, 81 and 82. The course was well received and putting the course in the calendar reflects current practise.

RESOURCES:

Which Faculty member will normally teach the course: E. Love, Associate Professor

What are the budgetary implications of mounting the course: none

Are there sufficient Library resources (append details): _____

- Appended: a) Outline of the Course
b) An indication of the competence of the Faculty member to give the course.
c) Library resources

Approved: Departmental Graduate Studies Committee: _____ Date: _____

Faculty Graduate Studies Committee: B. Selman Date: Oct 3/84

Faculty: _____ Date: _____

Senate Graduate Studies Committee: [Signature] Date: 19/11/84

Senate: _____ Date: _____

SIMON FRASER UNIVERSITY

Faculty of Business Administration

COURSE OUTLINE

COURSE: Business Administration

SEMESTER:

TITLE: Business Strategies Simulation

INSTRUCTOR: C.E. Love

Prerequisites:

TEXT: IMS' Interactive Management Simulation, C.E. Love, 1984, SFU

Reference Material: (1) Readings in Strategic Management, Thompson et al,
Business Publications, Plano, Texas, 75075

(2) Selected current material from Business Week, Globe
and Mail etc.

Course Objectives:

The participants will be divided into groups of four. Each team (of 4) will take up the management of an independent company, operating in the Automobile Parts Supply Industry. The firms in the industry are in competition with each other for the sale of their products to the Automotive Industry. This is a two-tiered industry. Thus some of the firms are in the Primary Parts Sector supplying raw materials (in competition) to firms in the Secondary Parts Sector.

Each team will be required to make all decisions relating to the control and operation of their firm. These include over-all strategic decisions relating to the success of the firm, all decisions relating to the financial planning and control of the firm (ie: stock flotations, debt financing, etc.) all decisions relating to the marketing of the firms products (advertising, product quality, salesmen, etc.), production planning and control, inventory control, product distribution, quality control and personnel planning.

Each team will elect from it's four members, a President, a Vice-President of Finance, a Vice-President of Marketing and a Vice-President of Production and Personnel. Other officers can be added to the company at the discretion of Management team (or the Board of Directors).

Each firm, is initially capitalized with 48,000 shares of common stock, held by the general public. Voting control for all 48,000 shares is held equally, via proxy, by the course instructor and the course T.A. Any further issues of common stock to the public are also under proxy in the same way. Furthermore, the instructor or his designate (T.A.) holds the title of Chairman of the Board on each company. The management of each firm has

initially, non-voting membership on the Board of Directors of their firm. Individual members may acquire stock in any or all firms in the Industry. Thus at any time, they may become voting members on a Board of Directors. Furthermore, firms have the option of purchasing stock of both their own firm or other firms. Thus the firm may assume all the rights of an individual shareholder.

Weekly decisions for each firm must be made by the management team. These decisions are implemented via the IMS business simulation. Competitive results for each firm will be provided in the form of various managerial reports. It is expected that each firm will make 10 decisions in total over the semester, simulating two and one-half years of Company operations.

Reports Required by Each Management Team

Three reports are required by each management team. Reports are to be submitted to the firm's Board of Directors.

- (1) Initial Strategic Plan for the Firm detailing the policies to be followed. This plan is to provide a blueprint for the Board of Directors. It should be no more than 4 pages (typed, double spaced) in length, and is to be submitted at the end of the 2nd week. Note that this is regarded as a confidential document.
- (2) Interim President's Progress Report to the Board of Directors.
This report should not exceed 10 pages typed double-spaced. It should provide a summary of operating results to date. It must provide a Balance Sheet, and Income Statement and a Source and Applications and Funds report. Any new strategic plans should be included. To be submitted at the end of week 7
This report is confidential to the Board of Directors.
- (3) Final President's Progress Report.
This report, similar to the interim report, will finalize the results of the firm. It is expected that this report will include more detail, including forecasts for the future of the firm, beyond the tenure of the current management team. This report should not exceed twenty pages in length. It is expected that the Management Team of each firm, will appear in person at a final Board of Director's Meeting

to present their results. The report is to be submitted at the end of week 12.

Finally note, that a shareholder's meeting can be called at any time, provided that at least 35% of the outstanding common stock requests such a meeting. A shareholder's meeting is required to table motions regarding articles of incorporation of the firm, altering the equity structure of the firm or for voting a change in the Board of Directors. A majority of voting shares is required for any motion to be passed.

Course Evaluation:

- 15% Initial Strategic Plan for the Firm
- 15% Interim President's Report
- 25% Final President's Report
- 45% Overall Performance of the Firm. The criteria of performance will be specified by the Board of Directors in week 1 of the course. However, 'Return on Shareholder's Equity' will, no doubt be a significant component of the measure.