

## CAPSTONE COURSE

<b>Course code</b>	<i>MNG127</i>
<b>Course title</b>	<i>Capstone course</i>
<b>Type of course</b>	<i>Main</i>
<b>Level of studies</b>	<i>Undergraduate</i>
<b>Department in charge</b>	<i>Undergraduate studies</i>
<b>Semester</b>	<i>6<sup>th</sup> semester,</i>
<b>ECTS</b>	<i>6; 48 acad. hours of lectures and other in-class activities, 112 acad. hours of self-study</i>
<b>Coordinating teacher</b>	<i>Benas Adomavičius</i>
<b>Studies form</b>	<i>Full-time</i>
<b>Prerequisites</b>	-
<b>Language of instruction</b>	<i>English</i>

### Course description

Capstone course intended as a culmination of bachelor studies in International business and communication at ISM. It focuses on integrating knowledge of various functional courses throughout studies. Students will be asked to formulate effective competitive strategies for an international enterprise. Fundamental strategic management concepts and techniques are studied. The course serves as an opportunity to develop skills for strategic thinking and analysis, understanding of the major strategic problems of an international organization and formulating business level strategies.

This course requires students to utilize all the knowledge acquired from various functional courses, coupled with new strategic management techniques learned.

Course is heavily practice oriented. They will run a simulated international company in a rapidly growing industry, whereby they will directly compete with other companies managed by course participants.

The pedagogical approach includes lectures, computer simulation and individual work by students.

### Course aims

To provide students the fundamental knowledge of strategic management concepts and techniques; to enable students to identify key problems in a complex, competitive situation. The major responsibility of students in this course to make rational strategic decisions and present well supported recommendations for future action while justifying them through oral and written communication.

<b>Course learning outcomes (CLO)</b>	<b>Study methods</b>	<b>Assessment methods</b>
CLO1. To develop an understanding of the elements of the Strategic Management process, research and theories.	Lectures, Marketplace computer simulation, self-study.	Exams, Marketplace simulation results and group presentations.
CLO2. To be able to analyze micro and macro environments; implement an industry analysis and be able to apply strategic evaluation tools to understand how a business is operating	Lectures, Marketplace computer simulation, self-study.	Exams, Marketplace simulation results and group presentations.
CLO3. To be able to describe and to analyze the impact of economic, social, political, and cultural variables which affect a business operation.	Lectures, Marketplace computer simulation, self-study.	Exams, Marketplace simulation results and group presentations.
CLO4. To learn how to apply the Strategic Management process to real life business cases and develop recommendations to help firms create and sustain competitive advantage.	Lectures, Marketplace computer simulation, self-study.	Exams, Marketplace simulation results and group presentations.
CLO5. To be able to summarize the options available for the company, to defend the recommendations. Evaluate the strategic rationale for each alternative and assume the risks of an organization.	Lectures, Marketplace computer simulation, self-study.	Exams, Marketplace simulation results and group presentations.
CLO6. To be able to work in a team, to present work results in written or oral form, to be able to argue decisions	Marketplace computer simulation, group work.	Marketplace simulation results and group presentations.

## **Quality management**

The quality of the course is assured by the variety of teaching and learning methods (combination of lectures, discussions, in-class activities, case analysis, and student presentations), interim knowledge assessment, continuous discussions of individual and group work, case analysis report results, and other assignment results.

## **Cheating prevention**

Variety of assignments for individual and group work, which should be prepared in a written form (as a report) and presented in a class with the MS PowerPoint technology, reduces chances for plagiarism. During the exam, cheating possibilities are prevented by some assistance from the teaching staff (e.g. PhD students).

## **Required Readings**

1. Johnson, G., Scholes, K., Whittington, R. Exploring Strategy, 9th Edition, Prentice Hall, 2011.

## **Course Structure**

The course is structured as a combination of lectures, discussions, in-class activities, and student presentations. It requires a substantial amount of preparation by the students and active involvement during class. Self study includes four academic hours of each topic will be devoted to the theory of strategic management. In addition online videos are uploaded to facilitate self-study. Following two academic hours will be set aside for group based casework and discussion. The students will be required to discuss their case-solutions and defend them. All students participating in case discussion are required to read case material before group discussions.

Final sequence and timing of lectures will be posted on elearning.ism.lt platform. All reading and video materials are posted on the course website.

Lecture	Topic	In-class hours		Read
		Theory	Practice	
1. 02.04 14:10 – 17:20	Introduction to Capstone course	4	0	<a href="#">[1, Chapter 1]</a>
2. 02.11 14:10 – 17:20	Introduction to course and starting marketplace simulation. Formation of student teams and student registration for the simulation.	1	3	Read student guide to simulation and other provided materials
3. 02.18 14:10 – 17:20 Mantas Tursa	Strategic purpose	4	0	<a href="#">[1, Chapter 4]</a>
4. 02.25 14:10 – 17:20 Mantas Tursa	External analysis: The environment	4	0	<a href="#">[1, Chapter 2]</a>
5. 03.03 14:10 – 17:20 Mantas Tursa	Internal analysis: Strategic capability	4	0	<a href="#">[1, Chapter 3]</a>
	MARKETPLACE SIMULATION: Lecture on marketplace simulation business plan preparation (VIDEO)	-	-	<a href="#">Watch video online</a>
6. 03.10 14:10 – 17:20	Business-level (competitive) strategy	4	0	<a href="#">[1, Chapter 6]</a>

7. 03.16 8:00-22:00	MARKETPLACE SIMULATION: Business plan presentation by teams	4	0	<u>Read provided materials</u>
8. 03.24 14:10 – 17:20	Strategic directions and corporate level strategy	4	0	<u>[1, Chapter 7]</u>
9. 03.31 14:10 – 17:20	Mergers acquisitions and alliances Evaluating and choosing strategies	0	4	<u>[1, Chapter 10 and 11]</u>
10. 04.07 14:10 – 17:20	MARKETPLACE SIMULATION: Executive briefing. Teams review their performance and plans for future.	0	4	-
11. 04.27 8:00-22:00	MARKETPLACE SIMULATION: Presentation of simulation results: Report to the board of directors	0	4	-
12. 05.05 14:10 – 17:20	Marketplace results overview Review of key course concepts	4	0	0
TBA <sup>1</sup>	<b>FINAL EXAM</b>	-	-	<u>All lecture materials (excluding marketplace simulation)</u>
Total:		<b>33</b>	<b>15</b>	

### Course assignments and evaluation

Type of assignment	Topics	Total hrs.	Contribution towards final course grade, %
<b>Final exam</b> – It will consist of several multiple-choice and / or open-ended questions. The exam will focus on applying skills and knowledge learned in this course. Exam <b>will NOT</b> test marketplace simulation knowledge or materials.	ALL LECTURE MATERIALS	56	50%
<b>Marketplace simulation</b> – each student in the course will be a member of a group, which will be managing a virtual company in a global market, competing with other teams in the course. Marketplace evaluation will consist of 3 separate grades for: <ul style="list-style-type: none"> <li>• Business plan presentation</li> <li>• Final report to the board of directors</li> <li>• Team simulation performance</li> </ul>	-	56	15% 15% 20%
<b>Total:</b>		<b>112</b>	<b>100%</b>

<sup>1</sup> TBA – To be announced later



## Detailed explanation of assignments

### End-semester individual written final exam

End-semester individual written final exam is given to students to check upon the scope (theoretical and practical) and depth of knowledge gained in this course. The exam will include material covered during class sessions and reading assignments. Exam **will not** include any questions about marketplace simulation. The Exam will consist of multiple choice, crossword and open-ended questions. The accumulative weight of the Final Exam is 50%.

The final grading for the course is calculated according to the accumulative formula as indicated in the Guidelines for the Bachelor Studies at ISM. Negative grades (below 5) are not included into the accumulative grading system.

The individual and group work evaluations are of accumulative origin with respect to the final evaluation taking into account only positive evaluations of each assignment. In case of negative final grade, student is allowed to retake final exam. The weight of the retake in the final grade is 50%. Other assignments cannot be retaken, but their evaluation is not annulled.

### Marketplace simulation game

This course will employ the *Marketplace* simulation as a learning environment. The exercise is a transformational experience. You will learn what it's like to compete in the fast-paced, competitive market where customers are demanding and the competition is working hard to take away your business.

In the *Marketplace*, you start up and run your own company, struggling with business fundamentals and the interplay between marketing, distribution, operations, finance, and accounting. You are given control of a simulated business and must manage its operations through several decision cycles. Repeatedly, you must analyze the situation, plan a business strategy to improve it and then execute that strategy out into the future. You face great uncertainty from the outside environment and from your own decisions. Incrementally, you learn to skillfully adjust your strategy as you discover the nature of your real-life decisions, including the available options, linkages to other parts of the business, conflicts, tradeoffs and potential outcomes.

### Marketplace grade calculation

Your marketplace grade will consist of:

1. **Business plan presentation** - 15% of the course grade.
2. **Team simulation performance** - 20% of the course grade. A cumulative balanced scorecard for quarters 5 through 8 will be used to judge the success of each firm. A team's grade will be determined by its relative ranking on the CBSC compared to the other firms in its industry. In the game, teams of the students (as business companies) will be automatically rated by a balanced scorecard composed of various business factors that are fully explained in the game manual online. The winning team will be graded 10, the runner-up will get 9, third placed – 8, and other teams accordingly 7, 6 and 5. All teams that manage to survive (don't go bankrupt) will receive a passing grade. Teams whose companies are bankrupt **and** don't show effort in trying to turn the situation around will get a failing grade. Grades can be adjusted by instructor based on the final score of the balanced scorecard, time spent in the simulation and teammate evaluation scores.
3. **Report to the board of directors presentation** - 10% of the course grade.

Each team will deliver an oral presentation for the Business Plan and the Report to the Board of Directors. The team will be expected to make a business **professional presentation** (including attire) using an assortment of visual aids. Moreover, the details of the market analyses and strategy must be carefully laid out in appropriate handouts. There is no written Business Plan or Report to the Board. The dress code is business professional.

Guidelines for the preparation of the business plan and final report are attached. Rubrics that explain the evaluation process will be posted on elearning platform in advance.

### Peer Evaluations

A peer evaluation will be completed for each person on the team. Significant deviation in performance above or below the **norm will be used to adjust** individual student grades for the activity being evaluated (adjustment table is provided below). That is, your grade on the Business Plan, Report to the Board and Simulation performance could be adjusted up or down depending upon the feedback the instructor receives from the rest of the team on your input on team's performance.

Average Score on Peer Evaluation	Grade point adjustments
3.75 and more	0.0

<b>3.25 to 3.74</b>	-1.0
<b>3.24 to 2.75</b>	-2.0
<b>2.74 to 2.25</b>	-3.0
<b>&lt; 2.25</b>	-4.0

### You Can Be Fired

It is permissible to fire a team member who is not making a substantive contribution to the success of the team. Missed meetings, poor preparation, failure to complete assignments, etc. are all indicative of underperformance. Before a person can be fired, the team must give the student an opportunity to correct his or her deficiencies.

The team must provide the student with a written statement of the problems associated with his or her work. A peer evaluation may be used in conjunction with this statement.

When an individual receives a poor performance report, the student must respond in writing as to how he or she will correct the problems cited. A reasonable time should be given to correct problems cited. If the problems continue, the team may fire the underperforming team member with a letter of dismissal. A copy of all correspondence must be submitted to the instructor for approval.

A person who is fired will be assigned to compete in another simulation where the student is responsible for all the firm's activities, including weekly decisions and executive briefings and the preparation of a Business Plan and Report to the Board. This new simulation will begin in Quarter 1 and continue through the quarter 8.

Being fired will also limit the student's maximum potential grade by two grades. Specifically, 20% of the grade will be deducted from the student's final point score for all completed assignments. Thus, if the student earned a final score of 90 out of 100%, then the adjusted final score would be 70%. The final grade would be based upon the adjusted final score.

The same conditions will be applied if a person quits a team.

### Questions to the lecturer regarding marketplace simulation

Lecturer is available as a last resort source to answer marketplace simulation related questions. Sometimes, students prefer to ask lecturer for help rather than look in the help files. With the number of students currently playing the game, it can become a very large burden. For this reason, the lecturer will charge 10,000 to answer **any question already addressed in help files**.

### Extra assignment (up to 10% of bonus)

During this course an extra assignment may be provided for up to 10% of final grade. If such assignment is provided it will be available to ALL students. Typically it involves analysis and evaluation of real business strategies in Lithuania and/or beyond. Additional information will be provided during the course.

### Evaluation criteria

#### Individual work:

- Keeping deadlines;
- Provided questions answered fully and supported through arguments/evidence;
- Report written in professional, business manner (focused, concentrated, spell-checked and proof read)

#### Group work

- Ability to recognize and single out the key problems;
- Analytical skills;
- Creativity;
- Ability to clearly articulate and support key ideas;
- Responses to questions.

#### Exam

- Ability to identify the correct answers;



- Ability to see an issue from multiple views;
- Level of knowledge.

### **Notes**

The slides and video lectures are an intellectual property of course lecturer and may not be distributed or duplicated without written consent.