

Syllabus: Summer 2006

Carlos J. Menéndez

Course Objective: Five sessions explaining the underlying framework of business operations and decisions. Includes the review of some generally accepted business theory and practical daily examples/case studies from familiar industries and companies.

I. Day One: Measuring Risk

- A. Definition of business actions as optimizing Risk versus Rewards trade-off
 - 1. Defining Risk
 - 2. Accurately measure risk
 - 3. Case Exercise (Fashion Industry)
- B. Three major types of risk
 - 1. Geographical Risk (Walmart Case)
 - 2. External Risk (Market Forces)
 - 3. Internal Risk (Parmalait Case)

II. Day Two: Key Elements of a Marketing/Business Plan

- A. Advertising versus Marketing
 - 1. Measuring Effective Advertising
 - 2. David Ogilvy's theory on marketing
 - 3. Case Study (Reviewing contemporary print ads)
- B. Michael Porter and the Five Forces
 - 1. Review of each Force and how addressed in a business plan
 - 2. North America Re-Launch Case Study
- C. Writing a sample business plan
 - 1. Students will each chose a target business about which to write.
Student is to pick the company based on an article in a recent Business Week magazine

III. Day Three: Building (and managing) a Team

- A. Sugar Cube Exercise
 - 1. Communication and Team Dynamics
- B. Organizational Theory
 - 1. Review of Max Weber's organizational theory
 - 2. Current Global Company's Matrix Management
 - 3. Review of Balanced Scorecard Theory
- C. Case Study: McDonald's restructuring to face a new competitive environment

IV. Day Four: Understanding Financials (Reading a P&L)

- A. Brief overview of Accounting
 - 1. Cash versus Accrual
 - 2. Net Present Value Calculations
- B. Building an income statement for an individual (case study)
- C. Building a balance sheet for an individual (case study)
- D. How do you measure the strength of the company?
 - 1. Basic Business Ratios

V. Day Five: Negotiating a Contract

- A. Traditional versus Modern Negotiation
 - 1. Prisoner's dilemma
 - 2. Problem of the commons
- B. Orange Group Exercise and Discussion
- C. Discussion of Negotiation Theory
 - 1. Integrative versus Distributive Theory
- D. Case Discussion: What solution can we suggest?
 - 1. Practical tips to facilitating negotiations

Suggested Reading Source List:

- John Downes, Jordan Elliot Goodman, Dictionary of Finance and Investment Terms, Barron's Educational Series, 2002.
- Roger Fisher, William Ury, Bruce Patton, Getting to Yes: Negotiating Agreement Without Giving In, Penguin Books, 1991. Negotiating
- Robert Kaplan & David Norton, Balanced Scorecard: Translating Strategy into Action, 1996
- David Ogilvy, Ogilvy on Advertising, First Vintage Books Edition, 1983.
- Michael Porter, Competitive Strategy: Techniques for Analyzing Industries and Competitors, 1998.
- Gene Siciliano, Finance for Non-Financial Managers, McGraw Hill Companies, 2003.
- Business Week Magazine. McGraw Hill Companies, Recent Editions.