

General Course Information

Instructor:	Scott McRoberts
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<i>Office Location</i>	Mitchell Building #218
<i>Office Hours</i>	TBD
<i>Department/School</i>	Gordon S Lang School of Business and Economics -MCKN 223
Class Schedule:	Tuesdays 7:00 pm – 9:45 pm
Pre-requisites:	ECON*2560 and HTM*2020
Classroom:	Macdonald Stewart Hall (MACS) 209

Course Description

To understand the role of a sports manager, students will apply financial decision-making concepts to evaluate the continually evolving sports industry. Students will explore how globalization trends, technological advancements, and demographic changes are impacting the sports industry and their effect on supply, demand, pricing, commercialization, labour policy, and revenue in the sports industry.

This applied economics course explores various aspects of the economics of sports and sports leagues, with an emphasis on market structures, labour issues, and the factors that affect those areas. Specific topics will be deeply assessed and supported by case study, research and expert contribution.

It is important to note that this outline may change during the term as guests may be added to some classes. You will be updated by email of this.

We will consider a number of topics, including:

- The business and economics of professional team sports and sports broadcasting,
- Analysis of leagues' competitive balance policies,
- Player relations issues including analysis of the drivers of players' salaries,
- Analysis of stock portfolios
- Revenue and expenses categories for professional and collegiate sport teams
- Sources of capital and financial management in the complex industry of professional and college sports.
- Business environment of professional and college sports.

Course Learning Outcomes

Upon successfully completing this course, you will:

Upon successfully completing this course, you will be able to:

1. **Identify** and **critically reflect** microeconomic theories to understand current financial issues in sport
2. **Compare** financial reports to identify a sports business' strengths and weaknesses and/or problems faced
3. **Explain** and use economic techniques, requirements and financial influences as they relate to business organizations and enterprises in sports markets
4. **Demonstrate** a clear understanding of financial terminology and theories, and apply this business framework to the sport industry
5. **Synthesize** financial management methods associated with professional or non-for profit sport organization.

Knowledge and Understanding:

- 1) Understand economic concepts as they relate to sport, including definitions of economics, costs and benefits, supply and demand, and the theory of the firm.
- 2) Application of the concepts of demand, supply, pricing, and revenue to the sport industry.
- 3) Recognize several basic market structures, from perfect competition to monopolies and the distinguishing features associated to each of them.
- 4) To identify the critical importance of labour in the production of any form of economic activity, with particular emphasis on labour issues in the sport industry.
- 5) To understand the economics of the sports industry, the financial health of sports-related firms, and the factors that affect those areas.

Discipline/Professional and Transferable Skills:

- 1) Apply the concepts of and assess financial systems, markets, and basic business organizational structures in the sport context.
- 2) Analyze financial statements, formulas, and ratios pertinent to proper financial management.
- 3) Ability to present a budget proposal to an audience from a business context.
- 4) Utilize financial troubleshooting mechanisms for healthy strategic financial management.

Attitudes and Values

- 1) Demonstrated a critical understanding of how globalization efforts, technological advancements, and demographic changes are impacting the sport industry.

Summary of Course Content and Materials

Written Assignment (15%) Presentation (5%) & Peer Evaluation (5%)

Event Case Study – Written Assignment (15%)

The purpose of this group assignment is to conduct a case study for one of the following Department of Athletics events: Fall Face-Off – (Oct 24), She’s Got Game Enchanted (Oct 26), or Volleyball – Stuff the Seats (Nov 8). You must develop a forecasted event budget to enhance next years event and provide a critical analysis to the questions outlined below. The investigation and analysis should demonstrate an understanding of The Impact on Business of Sport Industry concepts presented throughout this course.

The professor will assign everyone a group via course link before **September 17th, 2019**. If necessary, extra members will be assigned to groups by the professor. Each group must sign up for one of the events by the end of class on **September 17th, 2019 via the signup sheet located at the front of the class**. A maximum of 3 groups per event will be allowed.

Students will think of themselves as consultants to the Department of Athletics who have the authority to conduct an event analysis for the organizer(s). Each group must attend a 30-minute pre-event meeting with the event organizer(s) to collect any information (documents, insights, interviews) that may be essential to fulfil this assignment. To set up your group meeting please email Michelle Pino, Supervisor Marketing & Communication (mpino@uoguelph.ca) who will coordinate your teams meeting with the event organizers.

The final report will be approximately 20 typed (12-point font), double spaced pages with 1-inch margins. Exhibits are not considered in the 20-page count and are regarded as additional support within the final report. A maximum of 10 pages of high-quality displays will be accepted. All material must be referenced appropriately, using the APA 6th Edition Style Manual. Your report should include the following sections: **(1)** Introduction to the study (purpose, method) (2 marks); **(2)** Overview of the event (event history, products/services, sector, size, etc. (3 marks); **(3)** A literature review from 5 concepts from the course (one from each weeks topic) (5 X 5 marks); **(4)** A section on each of the questions, a corresponding analysis of the findings, and implications/recommended modifications (5 X 5 marks); **(5)** A forecasted future event budget (be sure to analyze projected sales, direct and fixed costs, income, expenses and any other performance indicators relative to the budget (3 marks); and **(6)** Concluding comments about the case (2 marks). **Total 60 marks**

All written assignments must be **submitted via Courselink Dropbox** and hard copy to the professor at the beginning of the class period on the day the assignment is due.

Presentation (5%)

Each group will prepare a 20-minute presentation of their case study. The evaluation will be based on the completeness of the case study, quality of the presentation, ability to effectively

communicate the information to the class members, and competency in answering any questions. Each group should include an introduction to the event and how they collected the data (who you talked to, whether visited the events, etc.) and their insights/analysis/recommendations to each question for the event organizer. Given the size of the class and content we must cover, groups will be randomly selected, and presentations will be limited in time. All presentations will take place on **Nov 28th, 2019** and each group member must orally contribute to the presentation.

Note, it is not necessary to discuss your literature during your oral presentation

Peer Evaluations (5%)

Each student will complete a peer evaluation of their own group members. The evaluation will be based on attending group meetings regularly and on time, contributes meaningfully to group discussions, completes group assignments on time, prepares work in a quality manner, demonstrates a cooperative and supportive attitude and contributes significantly to the success of the project. Peer evaluations will be submitted in class with your paper at the commencement of your presentation **Nov 28th, 2019**.

Questions

(Please only select 5 question from the 10 questions outlined below for your project)

1. Based on your research, what are the top priorities for the event? What functions of the event are given less emphasis?
2. How useful was the event? To what extent did the event impact the target audience in the desired manner?
3. What does the event do particularly well? What opportunities are available for improvement? What was learned that will help improve future events?
4. Did the event change the targeted audience in unexpected ways, where desirable or undesirable? How do you know? i.e. informal survey? Pre/past event focus groups?
5. Did the event sponsor(s) receive substantial coverage among the targeted audience? How can sponsors be better utilized during events?
6. Who attended the event? In what ways does the event appeal to a particular audience or audiences? How do we attract more attendees to come to this event?
7. What were the different components of the event, and how did the contribute to its official purposes(s)?
8. What is the best way to spend advertising dollars to promote events and/or games? How would you measure the return on investment (ROI)?
9. what key metrics and key performance indicators (KPIs) should be captured in this event? Why?
10. What were the primary objectives for the event leading sponsor (general awareness, lead generation, networking) and did they meet their goals? Were the event attendees aware of the lead sponsors? Why or why not?

Stock Portfolio Analysis (20%)

- For all written assignments must be submitted via Course link Dropbox and hard copy to the professor at the beginning of the class period on the day the assignment is due.

- See attached page at back of syllabus for more information
- **Date: Paper #1 due October 1st, 2019 (10%)**
 - **Paper #2 due November 26st, 2019 (10%)**

Hot Topics (5%)

- Starting in week 2 - 12, four students will be selected to present on a topic of their choice or related to the theme of the week. Students will have 3 minutes to summarize their findings and lead the class in a group discussion with an analytical question. Students will be assessed in 5 areas: Introduction of topic, development of topic, ability to engage and involve audience, sustainability of presentation for purpose and audience and Voice: clarity, pace, and fluency.

Midterm Exam (25%)

- Students will be required to write one mid-term exam. Knowledge of course materials including lecture notes, reading, case studies, videos, and guest speakers will provide the focus for these exams. The format of the exam will be multiple-choice, short answers, and a case study.
- **Date: Mid Term #1 – October 22nd, 2019**
- **Location – In Class**

Final Exams (25%)

- The final exam will be comprehensive in that it will test the student's knowledge of course materials including lecture notes, readings, and guest speaker materials Only material past Week 8 and on will be considered for the final.
- **Exam Date: 11:30 am – 1:30 pm**
- **Location: TBD**

Course Assessment

			Associated Learning Outcomes	Due Date/ location
Assessment 1:	25%	Project (15%) & Presentation (5%), Peer Evaluation (5%)	LO 1 – 5	<i>Nov 28th, 2019</i>
Assessment 2:	20%	Stock Portfolio Analysis (2 x 10%)	LO 1 – 3	<i>Oct 1st and Nov 26th, 2019</i>
Assessment 3:	5%	Hot Topics	LO 1	<i>Sept 17 – Nov 26th, 2019</i>

Assessment 4:	25%	Mid-term Exam	LO 1-5	Oct 22 nd , 2019
Assessment 5:	25%	Final Exam	LO 1-5	Dec 9 th , 2019
Total	100%			

Teaching and Learning Practices

Lectures Case Studies, Guest Lecture, Mini Presentations, Stock Portfolio Analysis, Group Projects

Course Resources

Required Text: Note: This course does not use a specific textbook, but will include a weekly reading posted by the instructor

Recommended Text: TBA

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|--------------------------------------|---------------------------------------|
| Journal of Sport Management | Sport Management Review |
| European Sport Management Quarterly | Athletic Administration |
| Journal of Business Strategy | International Sports Journal |
| Journal of Applied Psychology | Business Quarterly |
| Group and Organizational Studies | Administrative Science Quarterly |
| Academy of Management Review | Journal of Management |
| California Management Review | Journal of Management Studies |
| Canadian Business Review | Harvard Business Review |
| Human Resource Management | The Journal of Management Development |
| Academy of Management Journal | Recreational Sports Journal |
| Journal of Intercollegiate Athletics | Sport Management Education Journal |

Other Resources: Various readings will be posted on Courselink site.

Tentative Course Calendar - (Topics and Reading Schedule):

Note that this schedule is subject to change at the discretion of the Instructor.

DATE	LECTURE TOPIC
WEEK 1 Sept 10, 2019	Welcome / Introduction <ul style="list-style-type: none"> • Who’s your instructor • Review of syllabus • Stock Portfolio, Group Project and Hot Topics Overview • Introduction to Sport Economics
WEEK 2 Sept 17, 2019	Economic Impact of Sport <ul style="list-style-type: none"> • Guest Speaker – Chris Charlebois – President & CEO, C2C Sports & Entertainment Inc. • Hot Topics Start

WEEK 3 Sept 24, 2019	The Public Finance of Sports: The Market for Teams
WEEK 4 Oct 1, 2019	Market Structure in Sport <ul style="list-style-type: none"> • Stock Portfolio Paper #1 • Project Synopsis Due • Guest Speaker – David Vander Voet, RBC Wealth Management, Private Banker & Luana Harris – Director, Global High Net Worth & Ultra High Net Worth Marketing
WEEK 5 Oct 8, 2019	Sport Industry Delivery <ul style="list-style-type: none"> • Mid Term Review
WEEK 6 Oct 15, 2019	READING WEEK – NO CLASSES
WEEK 7 Oct 22, 2019	Mid Term Exam (weeks 1-5)
WEEK 8 Oct 29, 2019	Labour Markets and Sport
WEEK 9 Nov 5, 2019	Regulation of Sports
WEEK 10 Nov 12, 2019	Future Direction of the Sport Industry
WEEK 11 Nov 19, 2019	Raptors Nation + Pro Sport <ul style="list-style-type: none"> • Guest Speaker – Matt Gergely – Manager, Sponsorship and Marketing, OHL
WEEK 12 Nov 26, 2019	Basics of Economic Analysis <ul style="list-style-type: none"> • Paper #2 Stock Portfolio Analysis & Hot Topics End
WEEK 13 Nov 28 th , 2019	Make Up Class- Group Presentation <ul style="list-style-type: none"> • Review – Project Presentation/ Last Day • Final Exam Review
Nov 29th, 2019	Last day to drop the Fall 2019 semester
Final Exam Dec 9th, 2019	11:30 am - 1:30 pm Room - TBD

Stock Portfolio Analysis

Purpose

1. The goal of this project is to familiarize yourself with one of the financing options (equity financing) available to sport enterprises (plus this may come in handy one day for your own personal finance). Moreover, the objective is to understand the economics of the sports industry, the financial health of sports-related firms, and the factors that affect those areas.
2. If you managed a mutual fund of sports related stocks, what stocks would you pick to be in your portfolio? Through careful analysis, you will learn how the stock market works and what are the important financial characteristics of a firm.

Procedure

1. Each student must defend their choices as if you were a mutual fund manager, by **writing a 2 page paper (text is 2 pages, relevant tables are expected and are additional pages, 1.5 spacing) analyzing their decision using financial analysis to be turned in on September 24th.** We will discuss the areas to cover in class. All papers must contain the names of the three stocks chosen, their ticker symbol, and the amount of the \$1 million to be invested in each stock.
2. Beginning on **September 10th, 2019**, students must track their stock portfolio via **Virtual Stock Exchange**. This will allow us all to track each other AND you can even make trades during the time period. The end of the on-line stock tracking is **November 26th, 2019**. This is the day that I will record how everyone did.

Information on registration for Virtual Stock Exchange (VSE)

Go to www.virtualstockexchange.com. Unfortunately, you now must sign up for CBSMarketwatch before using VSE. Click "Register Now" in the upper middle part of the page. **Go through the registration process to create a username and password.** Once you have registered, click "Competitions" tab at the top of the page, click "find a new competition" and enter the competition ID and password. **(please make sure you read carefully caps and spaces below when logging in).**

Game Link: <https://www.marketwatch.com/game/fall-2019-htm-3020>

Game Name: Fall 2019 HTM 3020

Password: Guelph3020

The companies in your portfolio must either derive more than half of their revenues from the sports industry **or** be a significant enterprise within the sports industry. For instance, Anheuser-Busch spends upwards of \$100 million per year on sports-related sponsorship; hence it is a significant enterprise within sports.

Potential sources include, but are not limited to, Compact Disclosure, financial magazines (Fortune, Money, etc.), trade publications (Athletic Business, etc.), financial publications

(Standard & Poor's, Moody's, Dunn & Bradstreet, etc.), WWW financial pages, company annual reports, www.yahoo.com (click finance), www.marketwatch.com, <http://www.msn.com/en-us/money/markets>, www.fool.com, www.morningstar.com.

Tip 1: Go to Yahoo.com, click Finance, type in a company stock. On that page on the left there is Key Statistics, Profile, Industry, Competitors.

At the end of the course, I will determine the net gains for each student.

Due **November 26th**, each student **will hand in a re-evaluation paper (2 pages, relevant tables are expected and are additional pages, 1.5 spacing)** examining the short history of their portfolio: (1) how did the portfolio perform? (2) Was your reasoning given in the first paper sound? (3) What would you have done differently, and (4) what would you do now if you were to continue with this project?

Grading

Grading will be 10 percentage points based on the 1st paper, 10 percentage points based on the 2nd paper (total is 20%). Writing quality is important

Course Policies

Grading Policies

Unless you have discussed an extension well ahead of the due date with the instructor, late penalties of 5% of the total grade earned per day (including weekends) will be assigned to any assessment (i.e. deducted from the total mark). Extensions will only be granted on the basis of valid medical or personal reasons, and need to be requested via email to the instructor as soon as possible. Late assignments will not be accepted once graded assignments have been returned officially to the class at large, unless circumstances permit and alternative arrangements have been made.

Students who find themselves unable to meet course requirements by the deadlines or the criteria expected because of medical or personal reasons, should review the regulations on academic consideration in the Academic Calendar and discuss their situation with the instructor, program counselor or other academic counselor as appropriate.

<http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-grds.shtml>

Missed Assignments:

A grade of zero will be assigned if you fail to submit an assignment, unless you are ill or have other compassionate reasons. Please read your Undergraduate Calendar for the regulations regarding illness and compassionate grounds. Please note, vacation travel, moving house, or outside work commitments will not be accepted as valid reasons for missing deadlines.

If you have religious observances which conflict with the course schedule or if you are registered with Student Accessibility Services, please contact the course instructor in order to make arrangements for your assessment if appropriate.

Mid-term Exam

The mid-term exam will be held during scheduled class time. The exam will consist of multiple choice and short answer questions based on the assigned readings and class content.

Final Exam

The final examination will consist of short-answer and multiple choice questions covering the course material following week 5: all assigned readings, lectures, and guest speakers. . It is important that you attend all lectures and participate in and take advantage of all the learning opportunities associated with this course.

Course Policy regarding use of electronic devices and recording of lectures

Electronic recording of classes is expressly forbidden without consent of the instructor. When recordings are permitted they are solely for the use of the authorized student and may not be reproduced, or transmitted to others, without the express written consent of the instructor.

Laptops and other electronic devices. The use of personal electronic devices in a constrained environment such as the lecture hall is intrusive and disturbing to others in the group. While you are permitted to use computers in the class, please do so only for note-taking purposes. The use of computers in class for playing games, web-surfing, or for social networking, or the use of cell-phones will not be tolerated and you will be asked to leave the class if you are caught doing so. This is in attempt to maintain a focused learning environment, and of course good-practice for when you enter the work force.

Please note: cell-phones, computers and other electronic devices will not be allowed in any examination rooms. Any student caught using such a device in the exam room (without express prior written consent from the instructor) will be referred to the Associate Dean (Academic) for academic misconduct.

Late Assignments/Missed Exams:

All assignments must be handed in on the due date. If assignments are handed in late, a 4% of the total grade for the assignment will be deducted for every day they are late (including the weekend). No extensions without late penalty will be offered and no exceptions will be made. You must make arrangements with the instructor on how to submit the assignment if you are submitting the assignment late. Students who miss a test or assignment for reasons entirely beyond their control (e.g. illness) may submit a request for special consideration. Provided that notification and documentation are provided in a timely manner, and that the request is subsequently approved, no academic penalty will be applied. In such cases, students must notify the instructor on the date of the missed test (or due date in the case of course work) and submit supporting documentation (e.g. a medical certificate) to the Instructor within one week of the originally scheduled test or due date. Students who do not provide or the instructor with appropriate or sufficient supporting documentation will be given a grade of 0 (zero). Note that the physician's report must establish that the patient was examined and diagnosed at the time of illness, not after the fact. The instructor will not accept a statement that merely confirms a report of illness made by the student and documented by the physician. Upon recovering from the illness the student should immediately contact the professor via email and set up a time to submit the assignment or arrangements for the missed text regardless of whether the medical documentation has been approved.

Guest Speakers

There will be professionals from the industry who have demonstrated exceptional success and challenges in their careers in relevant fields of study. Questions about guest speakers' presentations will be on the exam and list of speakers are subject to change.

University Policies

Academic Consideration

When you find yourself unable to meet an in-course requirement because of illness or compassionate reasons, please advise the course instructor in writing, with your name, id#, and e-mail contact. See the academic calendar for information on regulations and procedures for Academic Consideration:

<http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-ac.shtml>

Academic Misconduct

The University of Guelph is committed to upholding the highest standards of academic integrity and it is the responsibility of all members of the University community, faculty, staff, and students to be aware of what constitutes academic misconduct and to do as much as possible to prevent academic offences from occurring.

University of Guelph students have the responsibility of abiding by the University's policy on academic misconduct regardless of their location of study; faculty, staff and students have the responsibility of supporting an environment that discourages misconduct. Students need to remain aware that instructors have access to and the right to use electronic and other means of detection. Please note: Whether or not a student intended to commit academic misconduct is not relevant for a finding of guilt. Hurried or careless submission of assignments does not excuse students from responsibility for verifying the academic integrity of their work before submitting it. Students who are in any doubt as to whether an action on their part could be construed as an academic offence should consult with a faculty member or faculty advisor.

The Academic Misconduct Policy is detailed in the Undergraduate Calendar:

<https://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-amisconduct.shtml>

Accessibility

The University of Guelph is committed to creating a barrier-free environment. Providing services for students is a shared responsibility among students, faculty and administrators. This relationship is based on respect of individual rights, the dignity of the individual and the University community's shared commitment to an open and supportive learning environment. Students requiring service or accommodation, whether due to an identified, ongoing disability or a short-term disability should contact Student Accessibility Services as soon as possible.

For more information, contact SAS at 519-824-4120 ext. 56208 or email sas@uoguelph.ca or see the website: <https://wellness.uoguelph.ca/accessibility/>

Course Evaluation Information

Please refer to the [Course and Instructor Evaluation Website](#)

Recording of Materials

Presentations which are made in relation to course work—including lectures—cannot be recorded or copied without the permission of the presenter, whether the instructor, a classmate or guest lecturer. Material recorded with permission is restricted to use for that course unless further permission is granted.

Drop date

The last date to drop one-semester courses, without academic penalty, is XXXXX, 20XX. For regulations and procedures for Dropping Courses, see the Academic Calendar:

<https://www.uoguelph.ca/registrar/calendars/graduate/current/>

Date Submitted to Chair:	
Chair Signature (Approval):	
Date Approved by Chair:	