

GEORGE MASON UNIVERSITY
School of Recreation, Health, and Tourism

SPMT 612 Economics and Financial Management in the Sport Industry
Fall 2011

DAY/TIME:	W 4:30 p.m. – 7:10 p.m.	LOCATION:	Bull Run Hall 253
PROFESSOR:	Maurice W. Scherrens, J.D., Ed.D.	EMAIL ADDRESS:	mscherre@gmu.edu
OFFICE LOCATION:	D103F Mason Hall	PHONE NUMBER:	703-993-8750
OFFICE HOURS:	By appointment	FAX NUMBER:	703-993-8772
CREDITS:	3		

PREREQUISITES

Graduate standing or permission of instructor

COURSE DESCRIPTION

Examines principles of economics, budgeting, and finance as they apply to the sport industry.

COURSE OBJECTIVES

Students will be able to:

1. Interpret financial statements, spreadsheets, and principles of accountability in sport organizations
2. Identify sources of revenue for financing sport, including public sector vs. private sector, etc
3. Describe principles of budgeting, including types, development, for-profit and not-for-profit and use as a method of control, organization, and reallocation.
4. Understand financial management for sport entities.
5. Assess the present economic status of the sports industry and the role of television in sports.
6. Apply economic impact principles, competitive strategy (supply and demand), and economic theory in sport manufacturing and service industries, labor relations, stadiums and arenas.
7. Identify the application of economic theory across amateur, professional, intercollegiate sports and the sport-club industry.
8. Synthesize and apply knowledge of economic and financial principles in sport.
9. Comprehend and apply the interrelation of development activities, financial management, and economics in the sport industry.
10. Describe the economic growth of the sport industry in the 20th century.
11. Assess the economic impact of sport venues and events.

COURSE OVERVIEW

The learning experiences in this course are afforded through assignments, class participation, lecture, notes, discussion, group activities, technology, assisted activities, and a variety of additional instructional approaches that will offer ample opportunities to meet the course objectives. Course content includes, but is not limited to, the following: Principles of budgeting - types, purpose of budgeting, how designed, for-profit vs. not for profit, advantages and disadvantages of each type; Practical budgeting -design of budget types by component categories, event, facilities, professional, university/college athletic, university recreation, etc.; Economic principles - scarcity, equilibrium, demand curve, supply curve, utility, law of diminishing marginal utility, etc; Sources of revenue - public, private, government; Fund raising methods - licensing, sponsorship, concessions, admissions (ticketing), private donors; Theories and methods of financial planning - short term vs. long term investments, liquidity, risk, maximizing profits, treasuries, CDs; Computer program/internet - familiarization with Internet as a research tool; Spreadsheet utilization as financial management tool (e.g., Excel, Lotus, Quattro Pro, Quicken Quickbooks); Economic impact - its use and abuse, multipliers and coefficients, case studies; Economic impact of venues and events; Methods of financing venues - bonds, public taxation, corporate naming rights, and personal seat licenses; Basic accounting principles - assumptions, balance sheets, income statements, depreciation; and Economic

relationships between sport and the media.

ATTENDANCE AND HONOR CODE:

Students are held to the standards of the George Mason University Honor Code. You are expected to attend all class sections, actively participate in class discussions, complete in-class exercises and fulfill all assignments. Assignments must be turned in at the beginning of class on the specified date due or **no credit will be given**. All assigned reading for each class is to be completed prior to coming to class. Regular attendance and participation is expected.

Further, upon completion of this course, students will meet the following professional accreditation standards:

SMPRC: NASSM-NASPE Standards

STANDARD 8: FINANCIAL MANAGEMENT IN SPORT	REQUIRED CONTENT (All topics must be addressed)	Primary or Secondary
8	Principles of budgeting - types, purpose of budgeting, how designed, for-profit vs. not for profit, advantages and disadvantages of each type	P
8	Practical budgeting -design of budget types by component categories, event, facilities, professional, university/college athletic, university recreation, etc.	P
8	Economic principles - scarcity, equilibrium, demand curve, supply curve, utility, law of diminishing marginal utility, etc.	P
8	Sources of revenue - public, private, government	P
8	Fund raising methods - licensing, sponsorship, concessions, admissions (ticketing), private donors	P
8	Theories and methods of financial planning - short term vs. long term investments, liquidity, risk, maximizing profits, treasuries, CDs	P
8	Computer program/internet - familiarization with Internet as a research tool	P
8	Spreadsheet utilization as financial management tool (e.g. Excel, Lotus, Quattro Pro, Quicken Quickbooks)	P
8	Economic impact - its use and abuse, multipliers and coefficients, case studies	P
8	Economic impact of venues and events	P
8	Methods of financing venues - bonds, public taxation, corporate naming rights, and personal seat licenses	P
	RECOMMENDED CONTENT (50% must be addressed)	
8	Basic accounting principles - assumptions, balance sheets, income statements, depreciation	P
8	Economic relationships between sport and the media	P

REQUIRED READINGS

Howard, D., & Crompton, J. (1995). *Financing sport*. Morgantown, WV: Fitness Information Technologies.

Additional readings may include current articles and news in sport management (e.g., *Sport Business Journal*, *Journal of Sports Economics*, *Athletic Business*, *International Journal of Sport Management*)

EVALUATION

Assessment Activities:

Exams	40%
Course assignments	20%
Project and Presentation	20%
Participation	20%

Grading Scale

A = 94 – 100	B+ = 88 – 89	C = 70 – 79
A- = 90 – 93	B = 84 – 87	F = 0 – 69
	B- = 80 – 83	

Note: Although a B- is an acceptable grade for a graduate class, students are reminded that a 3.0 average is required for graduation.

TENTATIVE COURSE SCHEDULE:

DATE		TOPIC	READINGS/ASSIGNMENT DUE
	Week 1	Principles of budgeting - types, purpose of budgeting, how designed, for-profit vs. not for	varied
	Week 2	Practical budgeting -design of budget types by component categories, event, facilities, professional,	
	Week 3	Basic accounting principles - assumptions, balance sheets, income statements, depreciation	
	Week 4	Spreadsheet utilization as financial management tool (e.g. Excel, Quickbooks, Lotus, QuattroPro)	
	Week 5	Economic principles - scarcity, equilibrium, demand curve, supply curve, utility, law of diminishing	
	Week 6	Economic principles - scarcity, equilibrium, demand curve, supply curve, utility, law of diminishing	
	Week 7	Sources of revenue - public, private, government	
	Week 8	Fund raising methods - licensing, sponsorship, concessions, admissions (ticketing), private donors	
	Week 9	Theories and methods of financial planning - short term vs. long term investments, liquidity, risk,	
	Week 10	Computer program/internet - familiarization with Internet as a research tool	
	Week 11	Economic impact - its use and abuse, multipliers and coefficients, case studies	
	Week 12	Economic impact - its use and abuse, multipliers and coefficients, case studies	
	Week 13	Economic impact of venues and events	
	Week 14	Methods of financing venues - bonds, public taxation, corporate naming rights, and personal seat	
	Week 15	Economic relationships between sport and the media	

Note: Faculty reserves the right to alter the schedule as necessary.

Student Expectations

- Students must adhere to the guidelines of the George Mason University Honor Code [See <http://academicintegrity.gmu.edu/honorcode/>].
- Students with disabilities who seek accommodations in a course must be registered with the George Mason University Office of Disability Services (ODS) and inform their instructor, in writing, at the beginning of the semester [See <http://ods.gmu.edu/>].
- Students must follow the university policy for Responsible Use of Computing [See <http://universitypolicy.gmu.edu/1301gen.html>].
- Students are responsible for the content of university communications sent to their George Mason University email account and are required to activate their account and check it regularly. All communication from the university, college, school, and program will be sent to students solely through their Mason email account.
- Students must follow the university policy stating that all sound emitting devices shall be turned off during class unless otherwise authorized by the instructor.
- Students are expected to exhibit professional behaviors and dispositions at all times.

Campus Resources

- The George Mason University Counseling and Psychological Services (CAPS) staff consists of professional counseling and clinical psychologists, social workers, and counselors who offer a wide range of services (e.g., individual and group counseling, workshops and outreach programs) to enhance students' personal experience and academic performance [See <http://caps.gmu.edu/>].
- The George Mason University Writing Center staff provides a variety of resources and services (e.g., tutoring, workshops, writing guides, handbooks) intended to support students as they work to construct and share knowledge through writing [See <http://writingcenter.gmu.edu/>].
- For additional information on the College of Education and Human Development, School of Recreation, Health, and Tourism, please visit our website [See <http://rht.gmu.edu>].

