

GEORGE MASON UNIVERSITY
School of Recreation, Health, and Tourism

SPMT 612.001 Economics and Financial Management in the Sport Industry (3)
Fall 2016

DAY/TIME:	T 7:20 - 10 p.m.	LOCATION:	Robinson Hall A109
PROFESSOR:	Shawn M. Packer, Esq.	EMAIL ADDRESS:	Spacker3@gmu.edu
OFFICE LOCATION:	By appointment	PHONE NUMBER:	
OFFICE HOURS:	By appointment	FAX NUMBER:	N/A

PREREQUISITES

Graduate standing

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.
10. Comprehend and apply the interrelation of development activities, financial management, and economics in the sport industry.
11. Describe the economic growth of the sport industry in the 20th century.
12. Assess the economic impact of sport venues and events.

COURSE OVERVIEW

The learning experiences in this course are afforded through reading assignments, discussion of current event topics, and a course long project that will focus on a capital improvement project of a Division I NCAA **PUBLIC** University. The “arms race” in college athletics has been in the news and a concern of the NCAA for many years. This project is designed to take you through the many facets a university will consider in developing their programs. As we explore the course material each week, you will make a brief presentation regarding the topic. The next week’s assignment will be given at the end of each class. At the culmination of the course each student will make a final presentation regarding their chosen capital improvement project, utilizing the skills we have discussed throughout the course to highlight the benefits such a project will bring to the University and surrounding economy or the detriments.

Throughout the course, we will also have guest speakers from the sports industry who deal first hand with the topics of this course. You will be given a chance to “pick their brain” on multiple topics surrounding the course material and in general, like getting your foot in the door. You will not be tested on the discussion, but I encourage you to listen attentively and participate in any opportunity to talk with people in the industry to glean as much information as possible.

Occasionally, when something in the “real world” relevant happens surrounding the course material, we will have discussion in class or online about such topics. Though these discussions are not graded, they are intended aid in the semester project, so participation is beneficial.

NATURE OF COURSE DELIVERY

Face to face supplemented by online discussion

PROFESSIONAL ASSOCIATION PRINCIPLES

Courses offered in the Sport and Recreation Studies (SRST) graduate program are guided by the principles of the Commission of Sport Management Accreditation (COSMA). COSMA (2010, p. 1) “bases its accrediting process on principles, rather than standards.” The eight recommended principles are:

- outcomes assessment;
- strategic planning;
- curriculum;
- faculty;
- scholarly and professional activities;
- resources;
- internal and external relationships; and
- educational innovation.

For more information, please see:

Commission of Sport Management Accreditation. (2010, June). *Accreditation principles and self study preparation*. Retrieved November 23, 2013 from <http://cosmaweb.org/accredmanuals>

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. 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

Winfree, J. A., & Rosentraub, M.S. (2012). *Sports finance and management: real estate, entertainment, and the remaking of the business*. Boca Raton, FL: CRC Press

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

EVALUATION

Assessment Activities:

Weekly assignments

30%

- Students must attend all classes in order to present their weekly assignment.
- Each weekly assignment will consist of a presentation revolving around the weekly reading applied to their project.
- Students should treat the weekly assignment as a professional presentation to the board of governors or athletic director.

Project and Presentation

70%

- The final presentation is a submission of the entire semester project while also making a complete pitch to the board of governors or athletic director.
- The submission of the semester project should be put together as a professional submission, i.e. in a binder or presentation folder.
- The student has full discretion as to their presentation, but should treat it as a professional presentation to the board of governors or athletic director.
- As this is a professional presentation, please dress the part and come prepared.

Grading Scale

A = 94 – 100

B+ = 88 – 89

B = 84 – 87

A- = 90 – 93

B- = 80 – 83

C = 70 – 79

F = 0 – 69

TENTATIVE COURSE SCHEDULE:

DATE		TOPIC	READINGS/ASSIGNMENT DUE
	August 30	Introductions, syllabus review, semester project explanation, Chapter 1.	Chapter 1
	September 6	The Structures of Ownership	Chapter 2 / Class Presentation
	September 13	Financial Statements, Revenues, and Costs	Chapter 3 / Class Presentation
	September 20	Facilities: “Disneyfication” and Design	Chapter 4 / Class Presentation
	September 27	Stadium Financing	Chapter 5 / Class Presentation
	October 4	Sports Teams and Real Estate Development, or Real Estate Development Companies with Sports Teams?	Chapter 6 / Class Presentation
	October 11	No Class	
	October 18	Media and Sports Management	Chapter 7 / Class Presentation
	October 25	What are Teams Worth? Team Valuation	Chapter 8 / Class Presentation
	November 1	Demand and the Sports Business: What does the Customer Want and How does a Team Owner	Chapter 9 / Class Presentation
	November 8	Pricing Strategies	Chapter 10 / Class Presentation
	November 15	Capital Budgeting and Team Investments	Chapter 11 / Class Presentation
	November 22	League Policies, Taxes, and Profits	Chapter 12 / Class Presentation
	November 29	Open class to discuss final project	
	December 6	Final Project	Final

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

GMU POLICIES AND RESOURCES FOR STUDENTS

a. Students must adhere to the guidelines of the George Mason University Honor Code (See <http://oai.gmu.edu/the-mason-honor-code/>).

b. Students must follow the university policy for Responsible Use of Computing (See <http://universitypolicy.gmu.edu/policies/responsible-use-of-computing/>).

c. 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.

d. 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/>).

e. 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/>).

f. Students must follow the university policy stating that all sound emitting devices shall be turned off during class unless otherwise authorized by the instructor.

g. 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/>).

h. The Office of Student Support staff helps students negotiate life situations by connecting them with appropriate campus and off-campus resources. Students in need of these services may contact the office by phone (703-993-5376). Concerned students, faculty and staff may also make a referral to express concern for the safety or well-being of a Mason student or the community (<http://studentsupport.gmu.edu/>) and the staff will follow up with the student.

PROFESSIONAL BEHAVIOR

Students are expected to exhibit professional behaviors and dispositions at all times.

CORE VALUES COMMITMENT

The College of Education and Human Development is committed to collaboration, ethical leadership, innovation, research-based practice, and social justice. Students are expected to adhere to these principles.

