

George Mason University
College of Education and Human Development
School of Recreation, Health, and Tourism

SPMT 420: Section 001 – Economics & Finance in the Sport Industry
3 Credits, Spring 2018
Tuesdays, 7:20-10:00pm in Robinson Hall A106 - Fairfax

Faculty

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Prerequisites/Corequisites

See GMU catalog: “Completion of 60 hours, including SPMT 201, or permission of instructor; Prerequisite enforced by registration system.” (Please obtain your advisor’s approval for any exceptions.)

University Catalog Course Description

This course examines the principles of economics budgeting, and finance as it applies to the sport industry.

Course Overview

The learning experiences in this course are afforded through assignments, class participation, lecture, notes, discussion, team/group activities, technology, assisted activities, and a variety of additional instructional approaches that will offer opportunities to meet the course objectives.

Course content includes, but is not limited to, the following:

Application of micro and macro-economic principles in sport, including: Economic growth of the sport industry; Concepts of competitive strategy (supply and demand) in sport; Economic impact principles in sport; Economic theory applied to sport manufacturing and service industries; Economic theory applied to sports; Economic perspectives in labor relations in sports; Economic theory applied to sport stadiums and arenas; Economic theory applied to intercollegiate sports; Impact of the television industry on professional and intercollegiate sports; Economic impact of sport venues and events; Infrastructure importance to competitive strategies in sport manufacturing and service industries.

Application of finance, accounting and budgeting principles in sport, including: Use of financial statements in sport; Sources of revenue for financing in sport (e.g., public sector vs. private sector,

governments, membership, fees, PLS, taxes, bonds, etc.); Principles of budgeting in sport; Budgets as a method of control, organization, and reallocation in sport; Budget development in sport; Financial management of sport facilities; Present financial status of the sports industry - collegiate, professional, private, manufacturers; Concessions and merchandising in sport - trademark licensing, inventory, cost control, cash management; For profit and not-for-profit budgeting in sport; Development and sport fund-raising principles and methodology (campaigns, alumni, auctions); Development and presentation of business plans in sport.

Course Delivery Method

This course will be delivered using a lecture format.

Learner Outcomes or Objectives

This course is designed to enable students to do the following:

1. Apply economic principles in sport, including competitive strategy (supply and demand), and economic theory to sport industries, labor and stadiums/ arenas.
2. Identify the application of economic theory across professional and intercollegiate sports.
3. Identify sources of revenue for financing sport, including public sector and private sector.
4. Apply knowledge of key financial principles and promising practices for building and advocating strategic plans and business cases in sport.
5. Recognize key financial principles applicable to sport organizations.
6. Describe principles of budgeting, including types, development, for-profit and not-for-profit and use as a method of control, organization, and reallocation.
7. Develop an appreciation of financial planning and management for sport facilities.
8. Assess the financial status of the sports industry and the role of television in sports.
9. Develop an appreciation of the interrelation of business strategic planning, financial management, and economics in the sport industry.
10. Describe the economic growth of the sport industry, including the economic impact of sport venues and events, at the professional and collegiate levels.

Professional Standards Upon completion of this course, students will have met the following professional standards: Not Applicable.

Required Texts

Class Preparation: Readings will include assigned chapters within the text and/or current articles and news in sport management to be determined by instructor. Students may be required to be prepared each week with a reading (article, internet item, etc.) directly related to the course content for class discussion.

Required Texts (library reserve copies available for 2hr. check-out at Johnson Center):

Leeds, M.A. & Allmen, P. (2014). *The Economics of Sports, 5th Ed.* Upper Saddle River, NJ: Pearson.

Howard, D.R. & Crompton, J.L. (2014). *Financing Sport, 3rd Ed.* Morgantown, WV: West Virginia University.

Instruction notice: Guest speakers and class presentations may be utilized to expand upon topics covered in the assigned readings and class lectures. Professor may assign supplemental readings.

Course Performance Evaluation

Students are expected to submit all assignments on time in the manner outlined by the instructor (e.g., Blackboard, Tk20, hard copy).

- **Class Assignments and Class Participation – 20% of final grade**
 - Class assignments and participation may include short class assignments for submission and class discussion.
- **Current Event Presentation – 10% of final grade**
 - Student will orally present on a recent news topic that relates to the financial and economical world of sports and lead a brief class discussion
- **Mid-Term – 25% of final grade**
 - A mid-term paper will be assigned to complete at home and due on class 7 – March 6. The paper will primarily be based on the Economics topics covered in the first half of the semester.
- **Research Presentation – 20% of final grade**
 - Projects will be assigned on March 6 and presented in class on April 3 and 10. They will be oral presentations with accompanying visual aids.
- **Final Exam – 25% of final grade**
 - A final examination will be given on May 15 for assigned materials and topics covered in class. The exam will primarily cover topics covered in class after the Mid-term. The test will include 100 multiple choice and True/False questions.

Grading

A = 94-100	A- = 90-3	B+ = 88-9	B = 84-7	B- = 80-3	C+ = 78-9
C = 74-7	C- = 70-3	D = 60-9	F = 0-59		

Professional Dispositions

See <https://cehd.gmu.edu/students/policies-procedures/>

Class Schedule

Readings:	<u>Economics text</u>	<u>Finance text</u>
Class 1 (Jan 23)	Ch. 1-2	
Class 2 (Jan 30)	Ch. 3-5	
Class 3 (Feb 6)	Ch. 6-7	
Class 4 (Feb 13)	Ch. 8-9	
Class 5 (Feb 20) (<i>Assign Midterm</i>)	Ch. 10-11	
Class 6 (Feb 27)		Ch. 1 and 4
Class 7 (Mar 6) (<u>Mid-term paper due</u>)(<i>explain Presentations</i>)		Ch. 5-6
<i>NO CLASS on March 13 for Spring Break</i>		
Class 8 (Mar 20)		Ch. 7-8
Class 9 (Mar 27) (<u>Online class this week – follow BlackBoard assignment</u>)	Ch. 2-3	
Class 10 (Apr 3) (Presentation Day 1)		
Class 11 (Apr 10) (Presentation Day 2)		
Class 12 (Apr 17)		Ch. 11-12
Class 13 (Apr 24) (<u>Online class this week – follow BlackBoard assignment</u>)	Ch. 9-10	
Class 14 (May 1) (<i>Final exam review</i>)		Ch. 13-14
<i>NO CLASS on May 8 for Reading Day</i>		
<u>FINAL EXAM (May 15 @ 7:30)</u>		

Note: Faculty reserves the right to alter the schedule as necessary, with notification to students.

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: <http://cehd.gmu.edu/values/>.

GMU Policies and Resources for Students

Policies

- Students must adhere to the guidelines of the Mason Honor Code (see <http://oai.gmu.edu/the-mason-honor-code/>).
- Students must follow the university policy for Responsible Use of Computing (see <http://universitypolicy.gmu.edu/policies/responsible-use-of-computing/>).

- Students are responsible for the content of university communications sent to their Mason 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 with disabilities who seek accommodations in a course must be registered with George Mason University Disability Services. Approved accommodations will begin at the time the written letter from Disability Services is received by the instructor (see <http://ods.gmu.edu/>).
- Students must follow the university policy stating that all sound emitting devices shall be silenced during class unless otherwise authorized by the instructor.

Campus Resources

- Support for submission of assignments to Tk20 should be directed to tk20help@gmu.edu or <https://cehd.gmu.edu/aero/tk20>. Questions or concerns regarding use of Blackboard should be directed to <http://coursesupport.gmu.edu/>.
- For information on student support resources on campus, see <https://ctfe.gmu.edu/teaching/student-support-resources-on-campus>

For additional information on the College of Education and Human Development, please visit our website <https://cehd.gmu.edu/students/> .