

GEORGE MASON UNIVERSITY
College of Education and Human Development
School of Sport, Recreation and Tourism Management

SPMT 420 002: Economics & Finance in the Sport Industry
3 Credits, Spring 2022
Tuesdays, 7:20-10:00pm in Thompson 1020 - 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, online class participation, reading, notes, online discussion boards, 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., & Matheson, V.A. (2018). *The Economics of Sports, 6th Ed.* Upper Saddle River, NJ: Pearson.

Howard, D.R. & Crompton, J.L. (2018). *Financing Sport, 4th Ed.* Morgantown, WV: West Virginia University.

Instruction notice: Professor may assign supplemental readings.

Course Performance Evaluation

Students are expected to submit all assignments on time in the manner outlined by the instructor by the due date (i.e. hard copy, Blackboard, oral presentation, etc). All late work will be penalized 10% for if turned in past the due date.

- **Class Assignments – 35% of final grade**
 - Class assignments will include all assignments that do not fall under the other gradebook categories and will be completed during the in-person class period. Will also include assignments completed electronically during virtual class weeks.
- **Current Event Presentation – 10% of final grade**
 - Student will report on a recent news topic that relates to a finance/economics topic in the sports world and lead a classroom discussion.
- **THIS or THAT Debate – 10% of final grade**
 - Student will create a persuasive presentation that is supported by research on a financial or economic topic provided to them.
- **Mid-Term – 15% of final grade**
 - A mid-term paper will be due on March 8. The paper will primarily be based on the Economics topics covered in the first half of the semester.
- **Start Up Business Plan – 15% of final grade**
 - A sales pitch presentation of a new sports/recreation-related business plan will be due on May 3.
- **Final Exam – 15% of final grade**
 - A final examination will be given electronically for assigned materials and topics covered in class. The exam will cover the full Finance Textbook as well as chapters 1&2 from the Economics Textbook. The test will include 100 multiple choice and True/False questions.

Grading

A+ = 98-100 A = 94-97 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/polices-procedures/>

Class Schedule

This class begins on Tuesday January 25 and ends on May 3. The final exam is on Tuesday May 17 from 7:30-10:00pm.

Although this is an in-person course, there may be a prescheduled week or two where students will meet virtually instead of in-person.

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/exams unless otherwise authorized by the instructor.

Campus Resources

- Questions or concerns regarding use of Blackboard should be directed to <http://coursessupport.gmu.edu/>.
- For information on student support resources on campus, see <https://ctfe.gmu.edu/teaching/student-support-resources-on-campus>
- **Notice of mandatory reporting of sexual assault, sexual harassment, interpersonal violence, and stalking:** As a faculty member, I am designated as a “Non-Confidential Employee,” and must report all disclosures of sexual assault, sexual harassment, interpersonal violence, and stalking to Mason’s Title IX Coordinator per [University Policy 1202](#). If you wish to speak with someone confidentially, please contact one of Mason’s confidential resources, such as [Student Support and Advocacy Center](#) (SSAC) at 703-380-

1434 or [Counseling and Psychological Services \(CAPS\)](#) at 703-993-2380. You may also seek assistance or support measures from Mason's Title IX Coordinator by calling 703-993-8730, or emailing titleix@gmu.edu.

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

Campus Closure or Emergency Class Cancellation/Adjustment Policy

- *If the campus closes, or if a class meeting needs to be canceled or adjusted due to weather or other concern, students should check Blackboard [or other instruction as appropriate] for updates on how to continue learning and for information about any changes to events or assignments.*