

Note that this syllabus is from an earlier semester. The current syllabus may differ in all areas except the course description and course objectives.

GEORGE MASON UNIVERSITY
School of Recreation, Health, and Tourism
SPMT 420- Economics & Finance in the Sport Industry
Semester Year

DAY/TIME: LOCATION:
PROFESSOR: *INSTRUCTOR* EMAIL ADDRESS:
OFFICE LOCATION: BRH PHONE NUMBER: 703-993-
OFFICE HOURS: FAX NUMBER: 703-993-
CREDITS: 3 hours

PREREQUISITES: SPMT 201, STAT 250, 60 hours

COURSE DESCRIPTION

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

COURSE OBJECTIVES

The student will be able to:

1. Recognize 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. Develop an appreciation of financial management for sport facilities
5. Assess the present financial status of the sports industry and the role of television in sports.
6. Apply economic impact principles on sport, 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. Recognize the application of economic principles in sport.
9. Apply knowledge of financial principles in sport.
10. Develop an appreciation of 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. Reflect on 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: Basic accounting principles - types of accounting in sport; Use of financial statements in sport; Sources of revenue for financing for sport - public sector vs. private sector, governments, membership, fees, PSLs, taxes, bonds, etc.; Principles of budgeting in sport - types (capital master, departmental, line item, zero-based); Budgets as a method of control, organization, and reallocation in sport; Budget development in sport; Spreadsheet utilization 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 mgmt; For profit and not-for-profit budgeting in sport; Development and sport fund-raising principles and methodology (campaigns, alumni, auctions); Application of micro and macro economic principles in sport; Economic growth of the sport industry in the 20th century; 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 professional sports; Economic perspectives in labor relations in professional sports; Economic theory applied to sport stadiums and arenas; Economic theory applied to intercollegiate sports; Impact of the television industry on professional sports; Impact of the television industry on intercollegiate sports; Economic impact of sport venues and events; Economic theory applied to the sport club industry; Relating infrastructure to competitive strategies in the manufacturing and service industries in sport.

HONOR CODE:

George Mason shares in the tradition of an honor system that has existed in Virginia since 1842. The Honor Code is an integral part of university life. On the application for admission, students sign a statement agreeing to conform to and uphold the Honor Code. Students are responsible, therefore, for understanding the code's provisions. In the spirit of the code, a student's word is a declaration of good faith acceptable as truth in all academic matters. Cheating and attempted cheating, plagiarism, lying, and stealing of academic work and related materials constitute Honor Code violations. To maintain an academic community according to these standards, students and faculty must report all alleged violations to the Honor Committee. Any student who has knowledge of, but does not report, a violation may be accused of lying under the Honor Code. With this in mind, all students in this course are held to the strictest standards of the George Mason University Honor Code.

STUDENT SUPPORT:

Any eligible student with an exceptionality documented through George Mason University's Disability Resource Center must notify the instructor so that suitable accommodations can be implemented. The notification should take place during the first week of classes.

Expectations:

1. All assigned reading for each class is to be completed prior to coming to class.
2. All written assignments must be typed (computer word processing is recommended).
3. Regular attendance and participation is expected. If you miss a class, it is your responsibility to obtain class materials from sources other than the instructor.
4. Students must abide by the Honor Code, guided by the spirit of academic integrity.

Class Attendance:

It enhances your academic success to be in class; therefore, you should attend ALL scheduled class meetings in accordance with George Mason policy: Students are expected to attend the class periods of the courses for which they register. In-class participation is important not only to the individual student, but to the class as a whole. Because class participation may be a factor in grading, instructors may use absence, tardiness, or early departure as de facto evidence of nonparticipation. Students who miss an exam with an acceptable excuse may be penalized according to the individual instructor's grading policy, as stated in the course syllabus.

Participation:

Respect the free exchange of thought in an academic environment and the participants therein. For example: a) do not have any sound emitting devices turned on; b) wait until the teacher/guest speaker has finished prior to gathering your belongings; and c) do not smoke, chew tobacco, eat, sleep, disrupt others by inappropriate talking, or disrespect the class schedule by being tardy. You are encouraged to a) feel free to openly and respectfully contribute your thoughts; b) listen actively to the comments of others; c) be punctual; d) ask any and all appropriate questions that you have; and e) maintain civility in your interpersonal communications. Class discussions will be conducted in a civil, informed fashion wherein disruptive students will be asked to leave the class. Your contributions are not only welcomed, they are essential.

Alternative Work:

There is NO make-up work. Only those excused absences supported by documentation will be addressed at the instructor's discretion on an individual basis (e.g. a physician's note for an illness). Alternative work due to intercollegiate athletic competitions or other legitimate university activity must be arranged PRIOR to due date. A grade of '0' will be assigned to all missed work unless otherwise determined by the instructor. ***There will be NO extra credit!!!***

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

SMPRC: NASSM-NASPE Standards

Standard	Content
4	Budgeting process
8	Basic accounting principles - types of accounting
	Financial statements
	Sources of revenue for financing - public sector vs. private sector, governments, membership, fees, PSLs, taxes, bonds, etc.
	Principles of budgeting - types (capital master, departmental, line item, zero-based, PPBES)

	Budgets as a method of control, organization, and reallocation
	Budget development
	Spreadsheet utilization (Lotus, Excel, or Quicken's Quickbooks) - basic laboratory experiences
	Financial management of facilities
	Present financial status of the sports industry - collegiate, professional, private, manufacturers
	Concessions and merchandising - trademark licensing, inventory, cost control, cash management
	For profit and not-for-profit budgeting
	Development and fund-raising principles and methodology (campaigns, alumni, auctions)
	Financing facilities
10	Delineation of micro and macro economic principles
	Economic growth of the sport industry in the 20th century
	Concepts of competitive strategy (supply and demand)
	Economic impact principles
	Economic theory applied to sport manufacturing and service industries
	Economic theory applied to professional sports
	Economic perspectives in labor relations in professional sports
	Economic theory applied to stadiums and arenas
	Economic theory applied to intercollegiate sports
	Relating infrastructure to competitive strategies in the manufacturing and service industries
	Impact of the television industry on professional sports
	Impact of the television industry on intercollegiate athletics
	Economic theory applied to the sport club industry
	Economic impact of venues and events

REQUIRED READINGS

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.)

Possible Texts Include:

Sawyer, T.H., Hypes, M.G., & Hypes, J.A. (2004). *Financing the sport enterprise*. Champaign, IL: Sagamore Publishing.

Fried, G., Shapiro, S., & Deschraver, T. (2003). *Sport finance*. Champaign, IL: Human Kinetics Publishers.

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

Brayley, R., & McLean, D. (1999). *Managing financial resources in sport and leisure service organizations*. Champaign, IL: Sagamore Publishing.

Graham, P. (1994). *Sport business*. Madison, WI: Brown & Benchmark Publishers.

Fort, R. (2003). *Sport economics*. Upper Saddle River, NJ: Prentice Hall.

EVALUATION

Assessment Activities:

Assessment of student objectives could include, but is not limited to, successful completion of a combination of quizzes, exams, written and/or oral projects/presentations, and regular in-class and/or out-of-class assignments.

Grading Scale

A = 94 – 100	B+ = 88 – 89	C+ = 78 – 79	D = 60 – 69
A- = 90 – 93	B = 84 – 87	C = 74 – 77	F = 0 – 59
	B- = 80 – 83	C- = 70 – 73	

TENTATIVE COURSE SCHEDULE:

DATE	TOPIC	READINGS/ASSIGNMENT DUE
Week 1	Introduction to Sport Finance & Economics	varied
Week 2	Economic Principles and the Sport Industry	
Week 3	Competitive Economic Strategies in the Sport Industry	
Week 4	Economic impact principles	
Week 5	Applications of Economic Theory	
Week 6	Financial Accountability, Budgets & Financial Planning in Sport	
Week 7	Purchasing in Sport Enterprises	
Week 8	Revenue Streams in Sport	
Week 9	Sport Sponsorships, Licensing, Franchising in Sport	
Week 10	Box Office, Ticket Sales & Retail Operations in Sport	
Week 11	Customer Retention in Sport	
Week 12	Outsourcing in the Sport Industry	
Week 13	Development, Fundraising, Grant Funding & Booster Clubs in Sport	
Week 14	Insurance & Risk Management in Sport Businesses	
Week 15	Volunteers in the Sport Enterprise	

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



- ❖ All students are held to the standards of the George Mason University Honor Code [See <http://www.gmu.edu/catalog/apolicies/#Anchor12>]
- ❖ University policy states that all sound emitting devices shall be turned off during class unless otherwise authorized by the professor
- ❖ Students with disabilities who seek accommodations in a course must be registered with the Disability Resource Center (DRC) and inform the instructor, in writing, at the beginning of the semester [See www.gmu.edu/student/drc]
- ❖ For additional School of Recreation, Health, and Tourism information, please visit the website at <http://rht.gmu.edu>