

17<sup>th</sup> February 2023

## Syllabus for the course " Business Simulation INTOP "

### 1 Course Description

#### 1.1 Lecturers:

- Prof. Dr. Christoph Watrin
- Till Schüssler, M.Sc.

#### 1.2 Course Syllabus Number:

Nr. 042231

#### 1.3 Type of course:

Business Simulation

#### 1.4 Summary and Content

INTOP is a simulation that deals with the specific problems of multinational companies and global corporate operations. The seminar is intended for bachelor and master students and is usually taught in English. The particular relevance of INTOP is that internationalization in business is steadily advancing and has become a crucial element of business decisions. In INTOP, a market with a supply oligopoly and a polypolistic demand structure is simulated. Participants act as the board of directors of various listed INTOP-IV companies. In doing so, they have the capital of the shareholders at their disposal and must therefore consider the interests of the investors in their objectives. Consequently, they have the task of maximizing the cumulative profit of their companies through entrepreneurial decisions in the various business areas, while maintaining a minimum equity ratio at all times.

The particular advantage of INTOP is the interdisciplinary aspect of the simulation: the decision-making process requires a series of managerial and strategic choices in terms of business objectives and operations. By providing participants with a comprehensive set of data, the simulation emphasizes strategic, tactical, and operational problems. For example, students must determine the size of the company, corporate structure, target markets, marketing, and production programs, and make investment and financing decisions. The focus is always on the special problems of international operations in general and multinational companies in particular. The simulation is designed to enhance participants' understanding of both general business administration and international management. To solve international business problems, the realism of the simulation requires a high degree of analytical thinking, conceptual skills, and imagination.

#### 1.5 Concept and objectives of the business simulation

The business simulation INTOP (**I**nternational **O**perations Simulation) aims at promoting the understanding of problems of internationally operating companies. The participants, organized in small groups, are required to have analytical thinking skills and conceptual creativity. They have to organize themselves in teams and confront the dynamic complexity with structures that are capable of action and adaptation.

The various teams each manage an electrical engineering company at the strategic and operational level in a supply oligopoly with a polypolistic demand structure. The two different product types can be offered in up to ten different quality levels in Europe, the USA, and Brazil. Various company fields such as production, investment, financing, or marketing have to be considered and manifested in the

individual quarters by entering them into the online mask of the simulation. In addition to the decisions of the competitors, seasonal and cyclical influences are taken into account in this market simulation.

Based on the computer simulation, each company board receives a quarterly or annual report, which is used to continue, reconsider or even revise decisions made so far. The business claim of the simulation is to make consistent corporate decisions in the sense of the predefined overall strategy. This allows students to combine the individual components of their studies and to apply their theoretical knowledge in practical decision-making.

### *1.6 Competencies, learning objectives, and key qualification*

Students will become familiar with the various forms of corporate finance and the different systems of corporate accounting. They will be able to think in business terms and assess the interdependencies of management decisions. The INTOP business simulation has several objectives: Students must determine financial goals, develop appropriate strategies, and make decisions based on their long-term strategy in each quarter of the simulation. In the process, students recognize the connections between their decisions and their consequences and further decisions. The learning-by-doing effect allows participants to apply their prior knowledge.

Students are encouraged to reduce the time spent on decision-making, which helps to focus on the most important decision criteria. Based on their experiences during the simulation, students learn to assess the importance of relevant tools in the business. To solve the international business problems, the simulation requires a high degree of analytical thinking, conceptual skills as well as imagination. Within the groups, the participants should also demonstrate their ability to cooperate productively and coordinate their work with fellow students. In addition, students will learn to solve complex problems in a team environment, thereby practicing their communication, presentation, and conflict resolution skills.

Students will also learn to apply the following content:

- Financing: Participants learn how to handle short-term bank loans, government bonds, supplier credits, and interest-free receivables and payables.
- Business organization: each participant team (company) must assign individual responsibilities to each student.
- Marketing: students acquire the following skills: pricing policy, advertising policy, product design, assortment of goods, distribution, and market research.
- Production: students learn how to determine a reasonable production program and calculate production costs.
- Taxation: The learning objective is to best reduce tax expense through the following options: transfer pricing, licensing, and interest policy.

### *1.7 Procedure*

The business simulation takes place in groups of 4-6 students each. The business simulation begins with an introductory session in which the basic contents of the business simulation as well as details about the organization are explained. All information about the business simulation is summarized in a detailed handbook. Subsequently, the students work out a corporate strategy and a business plan in a two-week familiarization phase. The following simulation round offers an opportunity to test the strategy, assumptions as well as the first decisions. The business game takes place during the semester in individual and block sessions in which individual quarterly rounds are played and discussed. In the course of the semester, a total of 6 - 10 quarterly rounds are played. After completion of the simulation, the individual groups will present, critically evaluate and defend their strategy, results and decisions in

the individual quarters at a "shareholders' meeting". During the shareholders' meeting, the members of the other groups act as shareholders and critically question the presented strategies and results. After completing the business simulation, the participants evaluate their learning objectives, results achieved and any problems potentially encountered during the business game in a short paper.

### *1.8 Dates*

The course "Business Simulation INTOP" will take place in the summer semester of 2023 mostly in presence and some digital events via Zoom.

- Introductory Event on 02.05.2023 from 18:00 – 20:00 hrs.
- Simulation round on 08.05.2023 from 16:00 – 18:00 hrs.
- Results Quarter 1 on 15.05.2023 from 16:00 – 18:00 hrs.
- Results Quartal 2 on 22.05.2023 from 16:00 – 18:00 hrs.
- Block event 1 on 15.06.2023 from 08:00 – 18:00 hrs.
- Block event 2 on 16.06.2023 from 08:00 – 14:00 hrs.
- Shareholder Meeting on 06.07.2022 from 09:00 to 13:00 hrs.
- Deadline for elaboration at 04.09.2023 at 24:00 hrs.

## **2 Examination**

### *2.1 Credit points*

6 ECTS in the course Finance & Accounting Seminar (BWL-S1) or Integrated Management Seminar (BWL S-2) in the Bachelor.

6 ECTS in the course Advanced Accounting on specific topics I (ACM 09), Advanced Accounting on specific topics II (ACM 12) or Elective on Accounting (ACM 15) (Major or/and Minor Accounting) in the Bachelor Master.

### *2.2 Examination results*

The overall grade for the module is made up of the following sub-grades:

- 40 % Performance in the business game (Group grade: criterion cumulative profit in the individual quarters in compliance with selected financial covenants),
- 20 % Presentation and discussion during the "Shareholder Meeting" (individual grade),
- 40 % Written paper of a maximum of 8-10 pages (individual grade). The written paper consists of two parts and is not a scientific seminar paper in the strict sense. In the first part of the paper (max. 2.5 pages), students should demonstrate that they are able to apply theoretical knowledge from their previous studies in the context of the business game. In this part, concrete decisions, calculations or analyses from the course of the business game should be taken up and explained using learned theories. In the second part of the paper, decisions made or problems encountered in the group's own area of responsibility are to be critically evaluated and potential for improvement identified (max. 2.5 pages). The slides presented in the shareholder meeting form the basis of this reflection. The presented slides are part of the written elaboration and have to be attached to the elaboration (max. 5 pages).

### 3 Application and Requirements

#### 3.1 Application:

- Information for new Master students (Major or/and Minor Accounting): Participation in INTOP is explicitly possible already in the first semester. A semester abroad in WS 2021/2022 would possibly prevent a later participation in the business simulation.
- An application is possible until 14.04.2023, 18:00 (application deadline). To apply, please use the application form on the homepage. The announcement of the participants will then be made by 15.04.2023, 09:00.
- In addition to the application via the institute homepage, an early registration at the examination office is mandatory.
- The submission for a preference (=1 person) regarding the group assignment is possible in the registration tool.

#### 3.2 Prerequisites :

- For application: for Bachelor students, the first year of study (semesters 1 and 2) must be fully completed. Master students can apply at any time.
- For participation: commitment to apply for participation (will be announced on 15.04.2023). INTOP is limited in the number of participants.

### 4 Contact Person

For further questions regarding the INTOP business simulation event, please contact Mr. Till Schüssler ([till.schuessler@wiwi.uni-muenster.de](mailto:till.schuessler@wiwi.uni-muenster.de)).

### 5 Learnweb link:

- All further important information (incl. the handbook for the enterprise simulation) can be found on Learnweb in due course.
- The enrollment key will be announced in the first event.

*Only the information provided by the examination office is legally binding.*