Introduction to Business (660.105.11 - 660.105.12)  
Spring 2015  
(4 credits)

Description
This course is designed as an introduction to the terms, concepts, and values of business and management. The course comprises three broad categories: the economic, financial, and corporate context of business activities; the organization and management of business enterprises; and, the marketing and production of goods and services. Topic specific readings, short case studies and financial exercises all focus on the bases for managerial decisions as well as the long and short-term implications of those decisions in a global environment. No audits.

Prerequisite
None

Instructor
Mary Beth Furst, Lecturer, mfurst4@jhu.edu  
Office: Maryland 16  
Office Hours: Thursday 10:30 – 11:30 a.m.  Please schedule an appointment by email.

Course Assistants
Section 11  CA Elizabeth Bagdorf  | TA Qian "Linda" Liu  Monday 03:00 PM - 03:50 PM  Hodson 305  
Section 12  CA Matthew Auran  | TA Mercedes Valero  Wednesday 03:00 PM - 03:50 PM  Mattin Center 162

Meetings:
Tuesday, Thursday 9:00 a.m. – 10:15 a.m. Shaffer 202

Required Materials:
Fooled by Randomness by Nassim Taleb  (ISBN-10: 0812975219)  
The Halo Effect by Phil Rosenzweig  (ISBN-10: 0743291263)
The Tipping Point by Malcolm Gladwell (ISBN-10: 0316346624)
Harvard Business school cases (see section syllabus)

Online Resources
Please log in to Blackboard for all materials related to this course.

Supplemental Readings on electronic reserve at:
http://reserves.library.jhu.edu/access/reserves/findit/articles/aronhime/aronhime.php
Password: ARO105

Course Objectives:
This course seeks to provide the undergraduate student with a foundation in business and management. A student who successfully completes this course should be able to

- analyze basic financial statements,
- interpret economic and financial information as presented in the Wall Street Journal,
- understand the workings of the stock and bond markets,
- understand the language of business,
- understand basic managerial decision making,
- understand how businesses are organized,
- understand how businesses deliver goods and services,
- understand how business strategy determines structure,
- place management ideas in a conceptual framework,
- think about the business world and his/her eventual place in it

Course Expectations and Grading
This is a rigorous course. It is imperative that all assignments and readings be completed prior to class.

Students are expected to take all examinations and to complete all assignments on the required dates. All assignments must be submitted in hard copy on time. No emails will be accepted. Make-up exams may be completed only at the discretion of the instructor and the department.

It is the responsibility of the student to obtain notes and assignments from colleagues for any classes that are missed.
The instructor reserves the right to change topics, readings, cases, and assignments in order to further appropriate course outcomes.

**Evaluations:**

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<thead>
<tr>
<th>Grade</th>
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<td>A</td>
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Plusses and minuses will be used at the discretion of the instructor.

**Assignments:**

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Midterm Examination 1</td>
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<td>Midterm Examination 2</td>
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<td>Final Examination</td>
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<td>Case Studies</td>
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<td>Entrepreneurship Paper</td>
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<tr>
<td>Section Assignments</td>
<td>10%</td>
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<td>Business Plan</td>
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<tr>
<td>Reading quizzes (and section participation)</td>
<td>10%</td>
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<tr>
<td>Stock Market Paper and Competition</td>
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Section material will be covered on the final exam only.

One double-sided 8.5x11 piece of paper with *handwritten* notes is allowed per exam.

**Readings on electronic reserve are marked with a dot.**

**Ethics**

The strength of the university depends on academic and personal integrity. In this course, you must be honest and truthful. Ethical violations include cheating on exams, plagiarism, reuse of assignments, improper use of the Internet and electronic devices, unauthorized collaboration, alteration of graded assignments, forgery and falsification, lying, facilitating academic dishonesty, and unfair competition.

Report any violations you witness to the instructor.

You can find more information about university misconduct policies on the web at these sites:

- For undergraduates: [http://e-catalog.jhu.edu/undergrad-students/student-life-policies/](http://e-catalog.jhu.edu/undergrad-students/student-life-policies/)
- For graduate students: [http://e-catalog.jhu.edu/grad-students/graduate-specific-policies/](http://e-catalog.jhu.edu/grad-students/graduate-specific-policies/)
Students with Disabilities
Any student with a disability who may need accommodations in this class must obtain an accommodation letter from Student Disability Services, 385 Garland, (410) 516-4720, studentdisabilityservices@jhu.edu.

ABET Outcomes
- Ability to function on multidisciplinary teams (d).
- Ability to communicate effectively (g).
- Recognition of the need for and an ability to engage in life-long learning (i).
- Knowledge of contemporary issues (j).
Key Dates  
Readings on electronic reserve are marked with a dot. Dates for assignments shown below this table are available in section meetings.

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Day</th>
<th>Topic</th>
<th>Readings Due</th>
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<tr>
<td>1</td>
<td>1/27</td>
<td>T</td>
<td>Introduction</td>
<td>• Howard Means - Money and Power</td>
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<td>• David Shipler – A Poor Cousin of the Middle Class</td>
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<td>• Molly O’ Neill – The Viking Invasion</td>
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<td>1/29</td>
<td>TH</td>
<td>Economic Background</td>
<td>• Diane Coyle – Sex, Drugs and Economics</td>
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<td>• Ian Parker – The Poverty Lab</td>
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<td>• Stephen Dubner – Monkey Business</td>
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<td>2</td>
<td>2/3</td>
<td>T</td>
<td>Economic Background</td>
<td>• Patrick Radden Keefe – Buzzkill</td>
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<td>• Eric Schlosser – Reefer Madness</td>
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<td>2/5</td>
<td>TH</td>
<td>Securities Markets</td>
<td><strong>A Short History of Financial Euphoria</strong></td>
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<td>3</td>
<td>2/10</td>
<td>T</td>
<td>Securities Markets</td>
<td>• John Colapinto – Hot Grease</td>
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<td>• Malcolm Gladwell – Blowing Up</td>
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<td>2/12</td>
<td>TH</td>
<td>Accounting</td>
<td><strong>Fooled by Randomness</strong></td>
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<td>4</td>
<td>2/17</td>
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<td>Accounting</td>
<td>• Ed Caesar – What is the Value of Stolen Art?</td>
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<td>2/19</td>
<td>TH</td>
<td>The Corporate Context</td>
<td>• Sarah Stillman – Get Out of Jail, Inc.</td>
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<td>5</td>
<td>2/24</td>
<td>T</td>
<td>The Corporate Context</td>
<td>• Rebecca Mead – You’re Getting Married</td>
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<td>• Eric Schlosser – In the Strawberry Fields</td>
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<td>2/26</td>
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<td>MIDTERM 1</td>
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<td>6</td>
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<td>T</td>
<td>The Global Context</td>
<td>• Matthew Brzezinski – Reengineering the Drug Business</td>
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<td>• George Packer – The Megacity</td>
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<td>The Global Context</td>
<td>• Akash Kapur – Rush</td>
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<td>• Simon Schama – The Unloved American</td>
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| 7    | 3/10 | T   | Ethics and Social Responsibility | • Stephen Dubner – What the Bagel Man Saw  
      |      |     |       | • Bartlett and Steele – Monsanto’s Harvest of Fear |
|      | 3/12 | TH  | Introduction to Management     | • Malcolm Gladwell – The Talent Myth  
      |      |     |       | • Nathan Heller – Naked Launch |
| 8    | 3/17 | T   | Spring Vacation                 | |
|      | 3/19 | TH  | Spring Vacation                 | |
| 9    | 3/24 | T   | Introduction to Management      | **The Halo Effect** |
|      | 3/26 | TH  | Organizational Structure        | • James B. Stewart – The Collapse  
      |      |     |       | • William Poundstone – How to Ace a Google Interview |
| 10   | 3/31 | T   | Organizational Structure        | • Jonah Lehrer – Groupthink  
      |      |     |       | • Malcolm Gladwell – The Televisionary |
|      | 4/2  | TH  | Organizational Development      | • Malcolm Gladwell – Personality Plus  
      |      |     |       | • Barbara Ehrenreich – Nickled and Dimed |
| 11   | 4/7  | T   | Organizational Development      | • Lisa Belkin – The Opt-Out Revolution  
      |      |     |       | • John Bowe – Nobodies  
      |      |     |       | • Malcolm Gladwell – Designs for Working |
|      | 4/9  | TH  | Midterm 2                       | |
| 12   | 4/14 | T   | Introduction to Marketing       | • Rob Walker – The Brand Underground  
      |      |     |       | • Rob Walker – Can a Dead Brand Live Again? |
|      | 4/16 | TH  | The Four P’s: Product           | **The Tipping Point** |
| 13   | 4/21 | T   | The Four P’s: Product (con’t)    | • Malcolm Gladwell – Creation Myth  
      |      |     | The Four P’s: Place and Price   | • Rebecca Mead – Just Add Sugar  
<pre><code>  |      |     |       | • Malcolm Gladwell – The Science of Shopping |
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<td>TH</td>
<td>The Four P’s: Promotion</td>
<td>• Tad Friend – This is Going To Be Big</td>
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<td>• Malcolm Gladwell – The Science of the Sleeper</td>
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<td>14</td>
<td>4/28</td>
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<td>Producing Goods and Services</td>
<td>• Malcolm Gladwell – The Bakeoff</td>
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<td>• Michael Pollan – Power Steer</td>
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<td>• Eric Schlosser – Meat and Potatoes</td>
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<td>4/30</td>
<td>TH</td>
<td>Summation</td>
<td>• Jonathan Mahler – Commute to Nowhere</td>
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<td>• Adam Davidson – Making it in America</td>
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<td>• Duhigg and Bradsher – How the U.S. Lost Out on iPhone Work</td>
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<td><strong>Final Exam TBD</strong></td>
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Assignments

**Mini-Cases**
Assignments are to be written in proper business form, with a length not to exceed 2 pages (single spaced, space between paragraphs, headers and sub-headers, bullet points as appropriate):
1. State the fundamental problem or issue, including background, how and why it arose, and the threats and opportunities presented by the issue.
2. Describe alternatives for addressing the issue, including the implications of those alternatives for management and the future of the company.
3. State your suggested resolution and the reason why it is the best approach.

**Stock Market Paper and Game**
At the start of the game, each student will allocate $1 million to a portfolio comprising any combination of publicly held equity securities. You will have opportunities to change your allocation, and you must include proof of the price of the securities purchased. At the conclusion of the game, each student will submit a five-page paper analyzing the performance of the portfolio. Your paper should include:
1. Financial outcomes and trends of the portfolio
2. Summary of your investment strategy
3. Reasons for choosing the particular securities that you chose
4. Variance between actual performance and expected performance
5. Impact of the general economy on investment results
6. Overall stock market performance and impact on the group’s portfolio
7. Planned changes to strategy and your portfolio for the future
8. What would you do differently in the future?

The URL for the Stock Market Game is here: [www.marketwatch.com/game/introduction-to-business-fall-2014](http://www.marketwatch.com/game/introduction-to-business-fall-2014)
Password: Aronhime
Please register with a MarketWatch account and join the game by **Tuesday, February 3rd**.
Entrepreneurship Paper

Each student will submit a detailed interview with an entrepreneur, an individual who has started a new business venture. The format should be question and answer. Each interview will consist of the following data elements, as appropriate and available:

1. The entrepreneur
   - Full name
   - Year of birth
   - City, state, and country of birth
   - Ethnic background and parents’ land of birth
   - Parents’ occupation
   - Education
   - Work experience, including prior entrepreneurial ventures

2. The business
   - Name of business
   - Location
   - Description of business
   - Industry category
   - Revenues and profits for the last five years
   - Number of employees over the last five years
   - Number of product or service offerings over the past five years
   - Major customers
   - Major competitors

3. Background of the new business venture
   - What were the steps that led the interview subject to becoming an entrepreneur
   - How did the entrepreneur start the new venture
   - Where did the idea come from
   - How important were prior work experiences, education, family background
   - What specific elements in his background allowed him to start the new venture
   - What specific elements in his background gave him the confidence to start the new venture
   - Did the entrepreneur develop a business plan
   - How much initial capital was required and where did it come from
   - How much personal risk was involved and how much personal risk is still involved
   - Where did the initial customers come from
   - What would the entrepreneur have done differently looking back on the beginning

4. Competitive advantage
   - Describe the competitive advantage of the business
   - Is success a function of the entrepreneur’s skill, luck, new technology, business contacts

5. Growing the business
   - How did the entrepreneur grow the business (or fail to grow the business)
• What factors contributed to growth and impeded it
• What role did diversification of products and services play in growing the business
• Identify future plans – what does the entrepreneur plan to do with the business
• Is harvest being considered

6. Ethics
• Is ethical behavior critical to success as an entrepreneur
• What were some of the ethical challenges faced

7. Management
• Describe the entrepreneur’s management style
• Has it changed over time, and why

8. Organization
• Describe the organizational structure of the business
• Has it changed over time, and why

9. Human resources
• Are there any employees, and why or why not
• Who were the first employees hired and how were they found
• Are they still with the new venture, and why or why not

10. Motivation
• How does the entrepreneur motivate his employees
• Has it changed over time, and why

11. Marketing
• How did the entrepreneur go about marketing his initial product or service
• Has it changed over time, and why

12. The product or service
• Was the initial product or service standardized or customized
• Has it changed over time, and why
• How are customer requirements and demands handled
• Has it changed over time, and why

13. Advice
• What advice does the interview subject have for the young entrepreneur

14. Conclusions
• Summarize the entrepreneur’s career
• Identify critical factors for success as an entrepreneur, whether situational or personal