



A Bitter Pill to Take

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Business Administration

**PBL problem for Basics of Business
(Freshman course for Business majors)**

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Class Context:

This case is used throughout the semester to get the students thinking about a business problem and how this problem impacts all areas of the firm.

Each functional area of business that is discussed in the class will be introduced through this problem (what are the issues for Operations, Management, Accounting, and Marketing based on this problem?)

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- Part A - August 15, 2004
 - forecast sales of Vioxx for next quarter
 - write memo and group paper (1-2 pgs.)
- Part B - September 15, 2004
 - look at clinical trial data (data analysis)
 - group paper on data analysis
 - report to class on acceptable risk/ethics

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- Part C
 - Fast forward past the recall
 - what is the effect on Marketing?
 - What information would your customers need to have if you were Pfizer (Celebrex)?
 - Develop ad for customers (TV ad and magazine ad).

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- Part D – what is the effect of pulling Vioxx on Operations function (manufacturing, capacity, layoffs, plant closures)?
 - Write memo on effects of decision on other OM areas (quality, aggregate planning, inventory)

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Part E – focus on Management

- research the career of Ed Scolnick (Head of Research when Vioxx was recalled) and determine what type of leader he was (group project)
- select another exemplary leader and discuss why this person is a good leader (individual short paper)
- Present your leader to the class

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- Part F – Accounting/Finance
 - Compare Financial statements and selected financial ratios for Merck from 2003 and 2005 to determine effect of recall on bottom line
 - Group report on effects of recall on financials

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- Grading rubric for assignments

Technical aspects – several methods researched and applied correctly?
Interpreted correctly?

Writing aspects – written clearly and in appropriate style? Comparisons and arguments made clearly? Grammar and spelling errors?

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- Student reaction (used 3 semesters)
 - Students complain “bitterly” about weekly case assignment
 - But often mentioned in final reflective papers as a positive part of the course
 - Students like following one company throughout the course
 - Could easily change/modify case for another company and/or event