

University of Wisconsin Oshkosh, Strategic Management 28-794 online (Fall 2018)

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Office: Clow Faculty 222, Office Hours: 12:00p.m.-3:00p.m. T & Th (And by Appointment) **Required Material:** Strategic Management by Frank Rothaermel (Concepts AND Cases) first ed. McGraw-Hill Irwin. (available at the book store). **Additional readings/cases will be provided by the instructor in D2L or via email.**

Optional Material: Business material such as Wall Street Journal, Business Week, or Fortune.

Prerequisites: *FOR STUDENTS WHO HAVE COMPLETED ATLEAST 18 DEGREE CREDITS.*

Course Description:

This course is intended to be a capstone experience which provides students the opportunity to apply the concepts and techniques they have learned throughout the MBA program. It is also intended to expose students to new thinking on strategy formulation and special contexts for strategic choice and implementation. There will be a heavy emphasis on case related discussion and activities. The need to effectively integrate material from a variety of courses will be critical to success in this course.

This course is about general management - the practice of managing a business from the perspective of the general manager. By nature it is integrative as it deals with the organization as a holistic entity. As such it integrates the functions, concepts and techniques developed in first year and other courses. In the first half of the course, we will combine micro economic tools and concepts--scarcity, choice, incentives, supply and demand, profit maximization, etc. along with choice making processes in organizations such as strategic planning, SWOT analysis, resource allocation--to understand these competitive dynamics. It emphasizes how decision-makers make choices that determine the direction of the organization and its future. It will cover the importance of creating organizational value, the determination of corporate long-term objectives and goals, and the process of making strategic choices.

Strategy Implementation (Latter part of most class sessions) focuses on the implementation of strategies once they are developed. Specific topics include implementing strategy, strategy and organization, leadership, corporate culture, and the management of strategic change in organizations. Students are exposed to a wide variety of organizations through case studies and have the opportunity to examine a single organization in detail each week. These case studies, which are completed in small groups, put students in the role of consultants to actual organizations addressing strategic and operating issues of concern to them.

Course Objectives:

This course is designed to help you acquire and practice general management competence, whether your work is in a traditional corporate setting, a small company, a start-up firm, or a non-profit entity. Although the key aspects of strategy implementation differ with respect to the kind of organization and its relevant environment, the skills practiced in this course generalize to a wide variety of organizational settings. The objectives of this course include the following:

1. To develop an understanding of the complex and dynamic conditions, challenging questions, and conflicting responsibilities in strategic decision making
2. To develop your capacity to think strategically about a company, its business position, how it can gain sustainable competitive advantage, and how its strategy can be implemented and executed successfully.
3. To develop your powers of managerial judgment, help you learn how to assess business risk, and improve your ability to create results-oriented action plans.

4. To develop an appreciation for how resources within the firm can be used to create competitive advantages.
5. To improve your thinking, written presentation skills through analysis and reporting of case situations.

This course addresses the following College of Business Goals for the MBA: Managing

Organizational strategy

Develop, manage, and execute strategy to achieve organizational objectives

Communicating organizational issues

Communicate complex business issues in a precise and succinct manner for the purpose of informing, persuading and/or engaging the communication recipient

Solving organizational problems

Make effective resource allocation decisions to solve complex problems

Managing organizational resources

Develop and work within a systems view of the organization and its areas of functional expertise

Course Format:

The course will consist of a series of lectures (powerpoint slides available on the course-site), followed by discussion of issues (discussion area) and case analyses. The course will be interesting (and, I trust, more informative), if you intersperse with many comments and questions. **Please note there is a high level of discussion in this course.**

My Philosophy of Teaching:

Learning should be an enjoyable experience for both the students and the instructor. The learning process is greatly facilitated by active involvement of both the students and the instructor. I expect you to help me create a positive learning atmosphere by coming to class ready to participate in the discussion.

A lot of the learning in this class will be generated from student's ideas, discussions, and justifications. Often, many answers to the same problems can be correct. This makes it crucial that you thoroughly explain and justify your answers so that other students can form their own arguments for or against your solutions. This creates a synergistic learning atmosphere. Therefore, it is vital to your development and success to attend class regularly. **Always include the WHY or HOW with your answers.**

For a positive learning environment to exist, an atmosphere of acceptance and openness is vital. We should all try to keep an open mind about ideas, which our peers present before others. Before we criticize what appears to be a "silly, stupid or weird" idea, we must remember that the person who introduced the pet rock made good money not to mention some of the current pop or rock performers.

Preparation:

I expect you to read the assigned readings before and to prepare cases (when assigned) thoroughly before each session. However, regardless of your level of preparation, I urge you attend all class sessions. The case portion of your work requires a team effort. Team assignments simulate business situations that demand interactive and cooperative participation. All members need to give full participation. An important part of the learning process involves developing a cohesive group. Additionally, I will post the assignments well in advance and provide ample time for online meetings. I expect students to demonstrate their strategic thinking through written assignments and participation in class discussion.

Attendance Policy:

Regular class login is required and expected. However, just logging on does not constitute class participation. Each student is expected to actively participate in class discussions (**read all postings and contribute with their own**). If a person misses a class session, there will be a proportional drop in attendance grade. I would appreciate you letting me and your group members know in advance of any absence, if possible.

Any act of academic irregularity in accordance with university policy will result in penalties ranging from a minimum grade of F to dismissal. This includes not properly referencing works consulted, handing in work previously prepared for another class, and copying work verbatim from another source. Continued enrollment in this course constitutes unconditional acceptance by the student of these policies.

Course Assignments:

1. Class Participation

Class participation includes (but is not limited to) activity in the class and occasional bursts of creativity which are not rewarded directly by other parameters in the syllabus. Students submitting thoughtful questions, insightful comments, relevant examples, and pertinent clippings will earn higher grades in this category (See Position paper description). Active contribution in class will result in point augmentation. Typically, I use three levels for evaluation:

Level 1 (highest) consists of detailed description of events related to the topic, or a contribution consisting of insightful comments which could form the basis of that week's discussion. Ideas offered are always substantive and provide one or more key insights as well as direction for the class. (See examples in content section)

Level 2 may consist of critiques of level 1 contributions, replies to other people's critiques etc. Ideas offered are sometimes substantive and provide generally useful insights but seldom offer a major new direction for discussion. (See examples in content section)

Level 3 consists of saying little or nothing in class to date. Contribution at best may have been questions asking others to elaborate their views, one or two line replies, etc. Hence, there is inadequate basis for evaluation. If this person were not a member of the class, the quality of the discussions would not be changed. (See examples in content section)

For Class discussion (PER QUESTION)

A minimum of one level 1 comment and one level 2 comment will be considered a base A- (89%) performance. The instructor reserves the right to make final subjective evaluation.

For Group discussion (PER QUESTION)

A minimum of one level 1 comment OR two level 2 comments AND a couple of level 3 comments would be considered a base A- (89%) performance. The instructor reserves the right to make final subjective evaluation.

I will evaluate the overall contribution towards the end of the semester.

While the basis for the discussion will be the assigned material for the week, this entry **will not be** an outline, a summary, or a copy of the reading material for the week. The student should discuss what the major topic or a couple of topics are for the week and what they learned from the reading material. The majority of the discussion will involve reflection and application of the concepts or ideas to situations beyond the classroom. In essence, the student is required to discuss the readings in relation to their work or other experiences.

2. Group Case analysis

Case analysis is an important vehicle for integrating and applying theory to specific business situations, as well as for visualizing the complexity of strategic management processes. Case studies reflect the integration of managerial principles and strategies in situations confronting a variety of firms, ranging from small businesses to large multinationals.

Cases to be analyzed will be assigned early in the semester. Students will form groups of 5-6 persons. Once the choice of group is made, it will not be changed for the semester. Individuals will have opportunities to present their analysis and discuss their views (within groups) online (Desire2learn). The group will then submit a written case analysis on the day it is scheduled. This "Group submission" should clearly respond to the questions or issues raised in the case. Details of each case and the focus of analysis and discussion will be provided well in advance. Typically, such written assignments should not be more than **7-8 pages for integrative cases and 4-5 pages for regular cases**. In order to get the highest grade for case analysis, the analysis should be in-depth and unique. Uses of charts, diagrams, tables, financial analysis is **strongly** encouraged. Simple answering of questions will yield a grade equivalent to a B+. **Please note I place a premium on presentation of the material.**

The case-method requires students to be cooperative in sharing their views in classroom discussion. Debate and challenge are important activities that help in the learning process, and I appreciate the willingness of individuals to engage in such activities with their classmates and with me. The case analysis for a particular week must be submitted to the instructor via the Dropbox in D2L by **8.00 pm Sunday** at the latest.

3. Individual Comprehensive Case analysis

The final exam will consist of a comprehensive case analysis. This is due on the last week of class. Due date and details will be provided in course-website. **Please note I place a premium on presentation of the material.**

NOTE: Assignments are due at the time agreed and **WILL NOT BE ACCEPTED LATE** unless there is a solid reason. Cases and other written material will be graded on the basis of depth of analysis and clarity of content as well as format, grammar, spelling, and professionalism.

4. PEER EVALUATION

Group members are encouraged to develop clear guidelines and norms for their groups. At the end of the semester, each team member will evaluate the other members of the team, based on their contributions. The obvious purpose of these evaluations is to assist the professor in determining an individual's contribution to the case analyses and contribution towards group discussion. Evaluation may be based on timeliness of submissions

and quality of contribution. These evaluations will be held in strictest confidence and individual evaluations will not be disclosed. Only aggregate numbers will be discussed with students. Please use a ranking method. If all members contributed equally, then provide a ranking of equals. Please note that this constitutes a large part of the grade.

GRADING

Comprehensive case 100 points x 1 = 100 points

Short Case analysis 35 points x 2 = 70 points

Integrative cases 50 points x 3 = 150 points

Contribution (Peer evaluation) 100 points

Weekly Discussion 150 points (10 weeks x 15)

ETS exam 50 points (*More information will be provided in class*)

Total Possible 620 points

Generally, final letter grades will be assigned on the following basis:

A=92+ A-=89-91.9 B+=86-88.9 B=83-85.9 B-=80-82.9 C+=77-79.9 C=74-76.9 C- = 71 - 73.9

TENTATIVE SCHEDULE OF ACTIVITIES

Overview (Aug28- Sept 3rd)

Introduction, Plan of the Course, and Formation of groups

Week 1 (Sept 4) Mission and values

Readings: (*All articles will be uploaded on the course-site*)

Chapter 1. What is Strategy and why is it important? & Chapter 2. The Strategic management process

How to design a winning business model?- by R. Cassadesus- Masanell and Joan Ricart, HBR, Jan- Feb 2011

Charting your company's future -- by C. Kim and R. Mauborgne, HBR, June 2002

When one business model is not enough -- Ramon Casadesus-Masanell and Jorge Tarziján, HBR Jan- Feb 2012

Week 2 (Sept 10) Corporate governance

Chapter 12 Corporate Governance (pg 343-351)

Boards now and then—by Spencer Stuart, HBR, Nov 2011

Boards missing link -- by C. Montgomery and R. Kaufman, HBR, March 2003

What good are shareholders?—Justin Fox and Jay Lorsch, HBR, Aug, 2012

Holes at the top: Why CEO firings can backfire -- by M. Wiersema, HBR, Dec. 2002

What CEOs really think of their boards – J. Sonnenfeld, M. Kusun and E. Walton, HBR, April 2013

Week 3 (Sept 17) Corporate Social responsibility and Creating Value

Readings: Chapter 12. Corporate Governance, Business Ethics and Strategic leadership (pg 331-343 and 351 onward)

The competitive advantage of corporate philanthropy -- by M. Porter and M. Kramer, HBR, Dec. 2002

Serving the world's poor profitably -- by C.K. Prahalad and Allen Hammond, HBR, Sept. 2002

It's hard to be good—by Allison Bear and Richard Hornik, HBR, Nov 2011.

Saving the planet: A tale of two strategies -- Roger Martin and Alison Kemper, HBR Apr 2012

Short Case 1: Better World Books (Case 4 In the Text)

Week 4 (Sept 24) External analysis

Readings: Chapter 3 External Analysis: Industry Structure, Competitive Forces, and Strategic Groups

Bring Science to the art of strategy—by A. Lafley, Roger martin, Jan Rivkin, and N. Siggelkov, HBR, Sept 2012

Competing on Analytics – Thomas Davenport, HBR, Jan 2006.

Predicting your competitor's reaction—K. Coyne and J. Horn, HBR, April 2009.

Week 5 (Oct 1) Internal and analysis

Chapter 4 Internal Analysis: Resources, Capabilities, and Activities & Chapter 5 Competitive Advantage and Firm Performance When you have got to cut costs now By Kevin Coyne, Shawn Coyne and Edward Coyne, HBR, May 2010.

Curveball strategies to fool the competition—George Stalk, HBR, Sept, 2006.

Do You Know Your Cost Of Capital? -- by Michael T. Jacobs and Anil Shivdasani, HBR, Juy Aug 2012

Week 6 (Oct 8) Application of Analysis's results and positioning

Chapter 6 Business Strategy: Differentiation, Cost Leadership, and Integration

How to fight a price war – by A. Rao, M.Bergen, S. Davis, HBR, Mar-Apr 2002

Pricing to create a shared model- by Marco Bertini and John Gourville, HBR, June 2012

The Great repeatable Business Model- By Chris Zook and James Allen, HBR, Nov 2011

Should you launch a fighter brand? – Mark Ritson, HBR, Oct, 2009

Week 7 (Oct 15)

Integrative case 1 Movie Industry A and B (Cases 2 &3 in the Text)

ETS EXAM and Dean's exit interview (Sat Oct 13th *8.45- 1.00)

Week 8 (Oct 22) Understanding Diversification profiles

Readings: Chapter 8 Corporate Strategy: Vertical Integration and Diversification

Corporate strategy: The quest for parenting advantage -- by A. Campbell, M. Goold, and M. Alexander, HBR, 95(2): 120-132. (March – April, 1995)

How CEOs manage growth agendas – by Ranjay Gulati, HBR, July-Aug 2004.

Divestiture: strategy's missing link -- by L. Dranikoff, T. Koller, and A. Schneider, HBR, May 2002

Week 9 (Oct 29) Managing Acquisitions

Chapter 9 Corporate Strategy: Acquisitions (up to page 243)

Not all M&A's are alike - and that matters -- by J. Bower, HBR, March 2001

When to walk away from a deal - - by G. Cullinan, J. Le Roux, R. Weddigen, HBR April 2004 96—104.

Don't integrate your acquisitions, partner with them—by P. Kale, H. Singh, and A. Raman, HBR, Dec 2009.

Week 10 (Nov 5)

Integrative Case 2 Cemex (Case 22 in the text)

Week 11 (Nov 12) Managing relationships (Vertical integration, Alliances, Co-operative strategies)

Chapter 9 Corporate Strategy: Alliances, and Networks (pg 244 onward).

Strategic sourcing: From periphery to the core – Mark Gottfredson, Rudy Puryear HBR, Feb 2005.

Connect and Develop—Larry Houston and Nabil Sakkab, HBR, Mar 2006.

Simple rules for making Alliances work—by Jonathan Huges and Jeff Weiss, HBR, Nov 2007

Managing Alliances with the Balance Scorecard-- R. Kaplan, D. Norton, and R. Rugelsjoen, HBR, Jan- Feb 2010.

Short case 2: Lego Group: An outsourcing journey (Case 18 in the text)

Thanks giving break 19-25 Nov

Week 12 (Nov 26) Managing Organizational Structure and Policies

Readings: Chapter 11 Organizational Design: Structure, Culture, and Control

Why hierarchies thrive -- by H. Leavitt, HBR, March 2003

How Hierarchy hurts strategy execution, HBR, Aug 2010

The Multi Unit Enterprise—by D. Garvin and Lynne Levesque, HBR, June 2008.

The decision driven organization- M. Blenko, M. Mankins, and P. Rogers, HBR, June 2010.

Week 13 (Dec 3)

Integrative Case 3: Warner Lambert (will be added to D2L)

Week 14 (Dec10) Final Comprehensive case: CASE A (Tesla) OR CASE B (Rogers Chocolates) (Both in the Text. You get to choose based on your cravings for chocolates/sweets or fast cars!!) (due date FRIDAY 14th Dec)