

**MBA P720
Strategic Management
Fall 2019 Course Outline**

**Strategic Management Area
DeGroot School of Business
McMaster University**

COURSE OBJECTIVE

As the capstone to McMaster’s MBA program, this course is designed to unify the functional knowledge you gained during the program. This course will also give you a working knowledge of how firms gain and sustain competitive advantage. In sum, this course will enhance your capacity to do the job of a general manager responsible for setting strategy and managing performance.

INSTRUCTOR AND CONTACT INFORMATION

Dr. Brent McKnight

Instructor

bmcknight@mcmaster.ca

TA’s Name:

Office:

Tel: (905) 525-9140 x24704

TA’s Email:

Course Website: <http://avenue.mcmaster.ca>

COURSE ELEMENTS

Avenue:	Yes	Leadership:	Yes	IT skills:	No	Global view:	Yes
Participation:	Yes	Ethics:	Yes	Numeracy:	No	Written skills:	Yes
Evidence-based:	Yes	Innovation:	Yes	Group work:	Yes	Oral skills:	Yes
Experiential:	Yes	Guest speaker:	Yes	Final Exam:	Yes		

COURSE DESCRIPTION

Strategic management focuses on the concept of strategic analysis, formulation, and implementation by exploring the functions and nature of general management. The course serves as an opportunity to develop skills for strategic thinking and analysis, leadership, communication, teamwork, and cross-functional integration. This course is taught primarily through the case-method and involves readings, lectures, videos, exercises, a simulation, and a live case exam.

What you will learn in this course has utility beyond the senior leadership of organizations. Increasingly, organizations need employees that can think strategically and understand how their actions contribute to the overall success of the firm. What you will learn is applicable to large corporations, but applies to organizations of all kinds, including start-ups, non-profits, and government organizations. The cases and concepts of the course are used to explore the strategic challenges facing such organizations today. The materials used in the course encompass a wide range of industries, businesses and issues in order to provide depth and breadth of experience.

LEARNING OUTCOMES

Upon completion of this course, students will be able to complete the following key tasks:

- Analyze industry structure and environmental trends
- Assess how a firm's resources and capabilities generate competitive advantage
- Formulate new strategies under different contexts
- Explain how firms add value to multiple businesses
- Implement strategies and organize the firm for success

REQUIRED COURSE MATERIALS AND READINGS

Course content, readings and case materials

- <http://avenue.mcmaster.ca> \$ FREE

Textbook and Reading Options

- Mastering Strategic Management (*open source*) by Ketchen and Shook \$ FREE
- available at <https://opentextbc.ca/strategicmanagement/> \$ FREE
- A collection of online readings \$ FREE
- *Optionally* Strategic Management by Frank Rothaermel, 4th Edition \$99-\$150

Custom Courseware – Cases and Readings

- purchase a copy at the bookstore \$ ~81

TopHat membership

- An email invitation should have been sent to you. See below for details. \$30

Airline Simulation

\$ 39.95 USD

- credit card required

Students can choose from a free open-source textbook or a more full-featured textbook.

- The free textbook is an open source textbook called Mastering Strategic Management (<https://opentextbc.ca/strategicmanagement>). I have coupled this with selected readings that can be found on Avenue. You can print this textbook or choose from a number of online formats.
- The full featured textbook is Rothaermel's Strategic Management textbook. You can purchase a physical copy or just the online version. Both come with the interactive Connect feature.

TOP HAT

We will be using the Top Hat (www.tophat.com) classroom response system in class. You will be able to follow the class discussion and submit answers to in-class questions using smartphones, tablets, or laptops.

You can visit the Top Hat Overview (<https://success.tophat.com/s/article/Student-Top-Hat-Overview-and-Getting-Started-Guide>) within the Top Hat Success Center which outlines how you will register for a Top Hat account, as well as provides a brief overview to get you up and running on the system.

An email invitation will be sent to you, but if you don't receive this email, you can register by simply visiting our course website. Our Course Join Code and websites are:

C01 **323062** <https://app.tophat.com/e/323062>

C02 **927267** <https://app.tophat.com/e/927267>

C03 **636508** <https://app.tophat.com/e/636508>

Top Hat requires a paid subscription, and a full breakdown of all subscription options available can be found here: www.tophat.com/pricing.

Should you require assistance with Top Hat at any time, please contact their Support Team directly by way of email (support@tophat.com), the in app support button, or by calling 1-888-663-5491.

EVALUATION

The course offers a balance of evaluation methods. Your final grade will be calculated as follows:

Components and Weights

Midterm	Multiple Choice (individual and shared)	20%
Simulation	Strategy Airline Simulation (shared)	20%
MFT	Major Field Test in Business (individual)	5%
Engagement	Classroom Engagement (individual)	25%
Final Case Exam	Final case exam (individual and shared)	30%
Total		100%

Note, students will remain in the same group for each of the shared components of the course.

Multiple Choice Midterm (15% individual and 5% shared)

This is an in-class multiple choice exam. The exam will cover material from the first 7 classes (case content excepted). This midterm has been created using pedagogical innovations shown to improve learning outcomes.

Generating Multiple Choice Questions. Students are called upon to create the multiple-choice questions that will constitute the midterm. Prior to the Friday (11:59pm) following each of the first 7 classes, students will submit a single multiple-choice question based on *content from the required readings and/or classroom learning* (no case facts please). The purpose of doing this is to encourage you to actively identify important course content.

Each question should be accompanied by 4 potential answers (a through d) with the correct answer clearly identified. Questions must be submitted using the **excel spreadsheet template** found on Avenue. Subsequent submissions should build on this spreadsheet such that the final submission of an Excel spreadsheet has 7 questions. Submissions will be due on Avenue.

Strong questions and answers should:

- Be clearly worded and not misleading.
- There must be one, and only one, correct answer.
- Demonstrate understanding of strategic management concepts taught in class.
- Present a range of difficulty—questions should not have an obvious answer
- Reflect either learning from readings or learning from classroom discussion

- Questions should not be specific to teaching cases from class. For example, do not ask a question about what strategy Amazon adopted.

There is a presentation on Avenue under Course Administration with some tips on writing strong multiple-choice questions.

The strongest ~60 questions will be selected for inclusion on the multiple-choice test (see above). It is therefore in your best interest to produce high quality questions, because these will be only minimally altered before examination (corrected as necessary). The professor reserves the right to add questions beyond those submitted by students if necessary. Further, if one of your questions in creating the midterm, you will receive **one bonus mark/percent** on your final grade. This is a valuable incentive!

Group Exam Writing. You will first write the multiple-choice exam individually. Once completed individually, students will get into their course groups to complete the same test. Writing tests in groups has been showing to improve learning outcomes. The course group will be the same for the midterm, live case exam, and theory of change assignment. The individual submission will account for 15% of the final grade while the group submission will account for an additional 5%. Students who score individually better than their group will receive their individual test score for the full 20%.

NOTE: The use of a McMaster standard calculator is allowed during examinations in this course.

Strategy Airline Simulation (20% shared)

In the strategy airline simulation you will run a fledgling regional airline in a computer simulated world. This simulation provides an environment where students have the opportunity to design, implement, and refine their strategy in a dynamic context. Students compete in groups against their classmates making decisions across functional management areas related to aircraft acquisition, marketing, operations, human resource development, and financing.

The simulation is an exciting way to explore the complexities and challenges of running a business and integrating multiple functional areas.

Students will work together in groups of about 4-5, to compete against their classmates in the airline simulation. The airline simulation takes place in two stages.

Practice and dashboard stage (10%). Students will gain access to the simulation in late September and begin a series of 3 practice rounds in early October. The objective of this first stage is two-fold. First, it should familiarize students with the simulation and how the system functions. Second, students will use these practice rounds to develop a dashboard support tool to assist strategic decision making during the simulation.

The dashboard will contain three general elements.

1. **Explain group's chosen strategy.** At a minimum this should include identifying which of four generic strategies the firm is adopting. Using a strategy diamond is a great way to

communicate other aspects of the firm's chosen strategy. This should describe the group's intended strategy as they enter the simulation.

2. **Identify key decisions required during the course of the simulation.** The dashboard should cover major decisions required to reinforce the chosen strategy. These likely include decisions to enter or exit routes, to enter or exit new regions, to change pricing, invest in quality or training, to purchase airplanes, to engage in marketing, and to alter compensation.
3. **Explain data required for each decision.** Students should identify what data is required for them to take strategy-aligned decisions. This should include data from specific reports as well as characteristics regarding that data. For example, when deciding on a new route teams might focus on route type, # of competitors, and competitor pricing. What values or ranges of values would result in entry or not?

This dashboard can take various forms including a spreadsheet, word document or PowerPoint presentation.

Stronger dashboard support tools will:

- Generate new and useful measures or ratios to guide decision making
- Clearly document the questions you are asking of your data. What is your intention?
- Combine data from multiple sections of the simulation (ie Sales data with fares data)
- Offer insight as to when it makes sense for your group to purchase additional information reports

Dashboards will be graded based on:

- **Report Presentation:** Readability and ease of use
- **Strategy Alignment Effort:** Effort taken to align decisions with chosen strategy
- **Data guidelines:** The thought processes behind the guidelines that the team puts in place on use of data for each decision

Late spreadsheets will be penalized at a rate of 25% per day.

Simulation Performance (10%)

The second stage begins on *Simulation Fest Saturday* and runs for **7 simulation decisions** over an exciting on-campus event. Check the Course schedule near the end of the syllabus for detailed dates. In this simulation you compete against other teams in this class. Your team's simulation grade is determined using a score based on stock price (50%) and cumulative net income (50%). In addition to the highest grade, the names of the team members with the highest performance will be immortalized on a plaque on a course trophy displayed prominently at the Ron Joyce Centre. Bragging rights included.

Classroom Engagement (25% individual)

In-Class Quizzes and Reflection (10%). Each class in this course focuses on a particular topic important for properly understanding strategic management. To guide your learning, during class you will answer questions pertaining to a) the prepared case, b) short answer and multiple-choice

on concept comprehension, and c) short reflections on key strategic concepts. To facilitate this the Top Hat presentation platform will be used.

Participation (15%). The daily classroom discussion represents a unique opportunity for you to develop and enhance your confidence and skill in articulating a personal position, reacting to new ideas, and receiving and providing critical feedback from a group of assertive and demanding colleagues. Much of your learning will come from these classroom experiences.

You are expected to come to each class having read cases and assigned readings. Most of all you are expected to come to class with a readiness and willingness to contribute to class discussion. Close to half of each class will be focused on case discussions. It is not possible to contribute without having sufficiently prepared for the case. Analyzing the case using the tools and frameworks from the textbook and past classes will give you valuable insights.

A good contribution involves presenting a clear opinion, expressing it civilly, and supporting the opinion with sound logic. Every student shares the responsibility to create an environment where each member of the class feels comfortable offering his or her opinion. Learning from others and contributing to the learning of others through the experience and insights you share is a key part of this learning process. Contribution will be graded based on quality, quantity and consistency. Some of the things that will determine a contribution include:

- a) Relevance – Do your comments speak directly to the issues and concepts being addressed? Do they extend our understanding of those issues or concepts? Do they reflect your adequate preparation to participate in the discussion?
- b) Additivity – Do your comments reflect active listening to the comments of other class members? Have they incorporated insights introduced earlier and built upon them?
- c) Substance – Do your comments make a real contribution to the ideas being exchanged? Has anything new been gained from your contribution to the discussion?
- d) Persuasiveness – Have your points been well articulated, argued, and supported? Are your arguments convincing?
- e) Questioning – Have your comments reasonably questioned the comments of others or challenged their assumptions without disparaging the person who offered them?
- f) Amount of participation (this does NOT mean dominating the discussion, rather frequency of additive comments).

Participation will be graded using both TA grading and peer participation; the latter which I have found to be highly reliable. Two to three students from each class will grade participation. When a student is grading participation, they will not be required to participate themselves as this can be quite an involving process.

Major Field Test (5%)

To maintain AACSB accreditation, the DeGroote Business School must satisfy the expectations of a wide range of quality standards. This process includes comparisons of our work with international accreditation standards on several criteria, including the DeGroote student body. It is therefore an important accountability to the graduates of our program, a fellowship of individuals whom you will soon join, to continue maintain a high standard.

The DeGroote School of Business uses the Major Field Test to measure student academic achievement. In addition, area groups will use the results of the Major Field Test to evaluate their curricula and measure their progress. The tests also provide students with an assessment of their own level of achievement within a field of study compared to that of students in their program and to international comparative data. In addition to factual knowledge, the test evaluates students' abilities to analyze and solve problems, understand relationships, and interpret material.

This is a three-hour multiple-choice test. You will receive **five (5) percent** for taking the test regardless of your performance on the test.

The results of the test will be used to benchmark the DeGroote School of Business against other business schools internationally. You will also be able to compare your personal performance with other MBA students internationally.

NOTE: All exchange students are exempt from taking this test. The 5 percentage points will be removed from your final grade calculation.

Live Case Exam (10% individual case exam) and (20% shared presentation)

Your final exam is a live case that starts on the first day of class. On the first day of class, real executives will make a presentation in your class detailing their organization, industry, and their strategic problem(s). You will receive an approximately 5-page case detailing the organization along with documents as appropriate. In addition, you will continue to engage the client, asking questions and clarifying the problem throughout the duration of the course.

You may be asked to sign a non-disclosure agreement (NDA) in support of this project.

The final exam takes place in three parts; two of which you will work in your groups to accomplish.

PART 1: Live Case - Analysis (Shared 10%)

In the first phase, students will work in their course groups to conduct analysis of both the resources and capabilities (ie VRIO analysis, bases of competitive advantage, organizational characteristics) within the firm as well as the external environment (ie PEST, Porter's, Strategic Groups) in which the firm is operating. Students will use knowledge gained in the course to apply strategic analysis frameworks to this analysis. This case *analysis* will be graded both on thoroughness and detail as well as how well the analysis highlights the "so what" implications of the internal and external analysis.

Analysis portion of report **8-10 pages**, 12-point Times New Roman, single space, 1-inch margins. The report must be completed in essay format with enclosed exhibits. Endnotes can take additional pages as necessary.

Student groups will submit their solutions through dropbox in Avenue. Submissions will be subject to the turnitin.com service and will be reviewed in accordance with the university's academic integrity policy. Please be careful to read the case exam instructions carefully.

Live Case analysis will be due **Sunday October 6th at 11:59pm** to dropbox. Exams that are handed in late will be penalized at a rate of 25% per day.

PART 2: Live Case Exam (Individual 20%)

Students will submit solutions to the live case exam. These solutions constitute the recommendations you as a consultant to the client are making. This case exam will be graded on how well the proposed solution demonstrates an understanding of the client's strategy, an assessment of strengths and weaknesses including internal and external strategic fit, as well as how proposed solutions are argued to improve strategic fit and performance. *Each case solution must be completed individually.*

Live Case Exam portion **maximum of 6 pages**, 12-point Times New Roman, single space, 1-inch margins. The report must be completed in essay format with enclosed exhibits. Endnotes can take additional pages as necessary. Please include as an appendix your group's Case analysis.

Students will submit their solutions through dropbox in Avenue. Submissions will be subject to the turnitin.com service and will be reviewed in accordance with the university's academic integrity policy. Please be careful to read the case exam instructions carefully.

Your final solution to the case will be due to **Sunday November 24th at 11:59pm**. Exams that are handed in late will be penalized at a rate of 25% per day.

The case exam is considered the final comprehensive evaluation component of this course. As such, performance on this exam is critical for successful completion of this course.

PART 3: Presentation to Executives (Shared 10%)

Following submission of the individual portion of the case exam, students will work in their course groups. They will share and then discuss their individual case exam solutions to arrive at a final recommendation and solution for the client executives. In these groups, students will then prepare a **10-minute** presentation with supporting documentation for delivery as a final exam. Groups will have **5 minutes** to answer questions. This presentation will take place on the final day of class during normal class time.

Please submit presentations files and any other material through Avenue prior to the start of class on the day of presentation.

Grade Conversion

At the end of the course your overall percentage grade will be converted to your letter grade in accordance with the following conversion scheme.

LETTER GRADE	PERCENT	POINTS
A+	90 - 100	12
A	85 - 89	11
A-	80 - 84	10
B+	75 - 79	9
B	70 - 74	8
B-	60 – 69	7
F	00 - 59	0

Communication and Feedback

Students that are uncomfortable in directly approaching an instructor regarding a course concern may send a confidential and anonymous email to the respective Area Chair or Associate Dean:

<http://mbastudent.degroote.mcmaster.ca/contact/anonymous/>

Students who wish to correspond with instructors or TAs directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student. Emails regarding course issues should NOT be sent to the Administrative Assistant.

Instructors are encouraged to conduct an informal course review with students by Week #4 to allow time for modifications in curriculum delivery. Instructors should provide evaluation feedback for at least 10% of the final grade to students prior to Week #8 in the term.

ACADEMIC DISHONESTY

It is the student's responsibility to understand what constitutes academic dishonesty. Please refer to the University Senate Academic Integrity Policy at the following URL:

<http://www.mcmaster.ca/policy/Students-AcademicStudies/AcademicIntegrity.pdf>

This policy describes the responsibilities, procedures, and guidelines for students and faculty should a case of academic dishonesty arise. Academic dishonesty is defined as to knowingly act or fail to act in a way that result or could result in unearned academic credit or advantage. Please refer to the policy for a list of examples. The policy also provides faculty with procedures to

follow in cases of academic dishonesty as well as general guidelines for penalties. For further information related to the policy, please refer to the Office of Academic Integrity at:

<http://www.mcmaster.ca/academicintegrity>

In this course we will be using Turnitin.com function within Avenue2Learn which are plagiarism detection services. Students will be expected to submit their work electronically to either Turnitin.com so that it can be checked against the internet, published works and Turnitin's database for similar or identical work. If a student refuses to submit his or her work to Turnitin.com, he or she cannot be compelled to do so and should not be penalized. Instructors are advised to accept a hard copy of the assignment and grade it as per normal methods. The assignment can be subjected to a Google search or some other kind of search engine if the instructor wishes.

To see guidelines for the use of Turnitin.com, please go to:

<http://www.mcmaster.ca/academicintegrity/turnitin/students/index.html>

MISSED ACADEMIC WORK

Missed Mid-Term Examinations / Tests / Class Participation

Where students miss a regularly scheduled evaluative component (mid-term, class participation, assignment) for legitimate reasons as determined by the Student Experience – Academic (MBA) office, the professor will either assign makeup component or distribute the weight for that component across other evaluative components of the course at the discretion of the instructor. Documentation explaining such an absence must be provided to the Student Experience – Academic (MBA) office within five (5) working days upon returning to school.

To document absences for health related reasons, please provide to Student Experience – Academic (MBA) office the Petition for Relief for MBA Missed Term Work and the McMaster University Student Health Certificate which can be found on the DeGroot website at <http://mbastudent.degroote.mcmaster.ca/forms-and-applications/>. Please do not use the online McMaster Student Absence Form as this is for Undergraduate students only. University policy states that a student may submit a maximum of three (3) medical certificates per year after which the student must meet with the Director of the program.

To document absences for reasons other than health related, please provide Student Experience – Academic (MBA) office the Petition for Relief for MBA Missed Term Work and documentation supporting the reason for the absence.

Students unable to write a mid-term at the posted exam time due to the following reasons: religious; work-related (for part-time students only); representing university at an academic or varsity athletic event; conflicts between two overlapping scheduled mid-term exams; or other extenuating circumstances, have the option of applying for special exam arrangements. Such

requests must be made to the Student Experience – Academic (MBA) office at least ten (10) working days before the scheduled exam along with acceptable documentation. Adjudication of the request must be handled by Student Experience – Academic (MBA).

If an evaluative component is missed without a valid reason, students will receive a grade of zero (0) for that component.

STUDENT ACCESSIBILITY SERVICES

Student Accessibility Services (SAS) offers various support services for students with disabilities. Students are required to inform SAS of accommodation needs for course work at the outset of term. Students must forward a copy of such SAS accommodation to the instructor normally, within the first three (3) weeks of classes by setting up an appointment with the instructor. If a student with a disability chooses NOT to take advantage of an SAS accommodation and chooses to sit for a regular exam, a petition for relief may not be filed after the examination is complete. The SAS website is:

<http://sas.mcmaster.ca>

POTENTIAL MODIFICATIONS TO THE COURSE

The instructor and university reserve the right to modify elements of the course during the term. The university may change the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check their McMaster email and course websites weekly during the term and to note any changes.

COURSE SCHEDULE

MBA P720

Strategic Management

Date	Overview and Learning Goals	Readings and Cases	Dates and Deadlines
1-Week of Sep 9th	Introduction to Strategic Management <ul style="list-style-type: none"> • What is strategy? • Vision, mission and values 	<ul style="list-style-type: none"> • Porter, <u>What is strategy?</u> available in Courseware • <u>Class 1 Readings</u> available through Avenue 	<ul style="list-style-type: none"> • <i>Live Case Presentation</i> • <i>Multiple Choice Question Due Friday September 13th 11:59pm</i>
2-Week of Sep 16th	Analysis of External Environment <ul style="list-style-type: none"> • Porter's 5 forces • PESTEL • Strategic Groups 	<ul style="list-style-type: none"> • <u>Class 2 Readings</u> available through Avenue 	<ul style="list-style-type: none"> • <i>Multiple Choice Question Due Friday September 20th 11:59pm</i>
3-Week of Sep 23rd	Analysis of Internal Environment <ul style="list-style-type: none"> • Resource Based View (VRIO) • Capabilities 	<ul style="list-style-type: none"> • <i>CASE: Amazon Go: Venturing into Traditional Retail</i> • <u>Class 3 Readings</u> available through Avenue 	<ul style="list-style-type: none"> • <i>Multiple Choice Question Due Friday September 27th 11:59pm</i>
4-Week of Sep 30th	Competitive Advantage <ul style="list-style-type: none"> • Value Chain • Understand drivers of firm profitability • Shared Value • Organizational Health 	<ul style="list-style-type: none"> • <i>CASE: Lego (A): The Crisis</i> • <u>Class 4 Readings</u> available through Avenue 	<ul style="list-style-type: none"> • <i>Multiple Choice Question Due Friday October 4th 11:59pm</i> • <i>Live Case - Analysis (Group) due Sunday October 6th at 11:59pm</i>
5-Week of October 7th	Business Level Strategies <ul style="list-style-type: none"> • Generic business level strategies • Value price and cost Framework 	<ul style="list-style-type: none"> • <i>CASE: Husky Injection molding</i> • <u>Class 5 Readings</u> available through Avenue 	<ul style="list-style-type: none"> • <i>Multiple Choice Question Due Friday October 11th 11:59pm</i> • <i>Simulation Practice Round 1 due Thurs October 10th at 11:59pm</i>
Week of October 14th	Midterm Relief – no classes		<ul style="list-style-type: none"> • <i>Simulation Practice Round 2 due Tues October 15th at 11:59pm</i> • <i>Simulation Practice Round 3 due Thurs October 17th at 11:59pm</i> • <i>Simulation Dashboard due 11:59pm on Sunday October 20th</i>
6-Week of October 21st	Corporate Strategy – Global and Vertical <ul style="list-style-type: none"> • CAGE distance framework 	<ul style="list-style-type: none"> • <i>CASE: Ikea's Global Sourcing Challenge: Indian Rugs and Child</i> 	<ul style="list-style-type: none"> • <i>Multiple Choice Question Due Friday October 25th 11:59pm</i>

	<ul style="list-style-type: none"> Vertical and horizontal integration National Competitive advantage – Porter’s diamond framework Foreign market entry 	<i>Labor</i> <ul style="list-style-type: none"> <u>Class 6 Readings</u> available through Avenue 	<ul style="list-style-type: none"> <i>Simulation-Fest Saturday October 26th 9am-5pm</i>
7-Week of October 28th	Corporate Strategy - Diversification <ul style="list-style-type: none"> Horizontal Integration Mergers and acquisitions Alliances and joint ventures 	<ul style="list-style-type: none"> <i>CASE: The Walt Disney Company: The Entertainment King</i> <u>Class 7 Readings</u> available through Avenue 	<ul style="list-style-type: none"> <i>Multiple Choice Question Due Friday November 1st 11:59pm</i>
8-Week of Nov 4th	Midterm		<ul style="list-style-type: none"> <i>Multiple Choice Midterm</i>
9-Week of Nov 11th	Organizational Design: Structure, Culture, <ul style="list-style-type: none"> Realized and emergent strategy Control and corporate governance Organizational design and structure Strategy and structure Organizational culture 	<ul style="list-style-type: none"> <i>CASE: Berkshire Partners</i> <u>Class 9 Readings</u> available through Avenue 	
10-Week of Nov 18th	Sustainability, Innovation and Strategic Change <ul style="list-style-type: none"> Strategic change initiatives Sustainability and business Innovation	<ul style="list-style-type: none"> <i>CASE: Unilever’s New Global Strategy: Competing through Sustainability</i> <u>Class 12 Readings</u> available through Avenue 	<ul style="list-style-type: none"> <i>Live Case – Strategy (Individual) due Sunday November 24th at 11:59pm</i>
11-Week of Nov 25th	Major Field Test (MFT)		
12-Week of Dec 2nd	Final Case Presentations		<ul style="list-style-type: none"> <i>Live Case – Presentation (group) will take place on the final day of class.</i>

LEARNING OBJECTIVES AND READINGS

Class 1 - Introduction to Strategy

LEARNING OBJECTIVES

1. Be able to articulate what strategy is and is not
2. Understand the key elements of mission, vision and values
3. Articulate a strategic management process

REQUIRED READING

- Ketchen and Short Chapter 1 and 2 **OR** Rothaermel - Sections 1.1 and 1.2 and Chapter 2
- Porter's What is Strategy from your courseware

FURTHER READING

- <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/eight-shifts-that-will-take-your-strategy-into-high-gear> (about the strategy process)
- <https://iveybusinessjournal.com/publication/strategic-planning-a-roadmap-to-success/> (might be interesting – gets at a process of options and options assessment that I would need to read)
- <https://blog.hubspot.com/marketing/inspiring-company-mission-statements> (Some top mission/vision statements and some discussion)

Class 2 - External environment

LEARNING OBJECTIVES

1. Provide an assessment of industry attractiveness and what drives that attractiveness (using Porter's 5 Forces)
2. Analyze the role industry dynamics (ie PESTEL) play with respect to changing competitive conditions (Porter)
3. Generate a strategic group model to reveal performance differences between clusters of firms in the same industry

REQUIRED READING

- Ketchen and Short - Chapter 3 **OR** Rothaermel, Chapter 3
- Porter's 5 Forces <https://hbr.org/video/3590615226001/the-explainer-porters-five-forces>

FURTHER READING

- A strategy for thriving in uncertainty <https://www.bain.com/insights/a-strategy-for-thriving-in-uncertainty/>
- Confronting Uncertainty in Strategy <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/how-to-confront-uncertainty-in-your-strategy>
- The Uncertainty Advantage <https://www.strategy-business.com/article/The-Uncertainty-Advantage?gko=6b60b>

Class 3 - Internal Environment

LEARNING OBJECTIVES

1. Articulate the critical assumptions of the resource-based view
2. Apply the VRIO framework to assess the competitive implications of a firm's resources
3. Understand the mechanisms of first mover advantage
4. Understand how resource-based competitive advantages are developed

REQUIRED READING

- Ketchen and Short Chapter 4 **OR** Rothaermel Chapter 4
- Beating the Odds in Market Entry” McKinsey Quarterly <http://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/beating-the-odds-in-market-entry>

FURTHER READING

- VRIO Model <https://www.strategicmanagementinsight.com/tools/vrio.html>
- Capability Driven Strategy https://www.strategyand.pwc.com/media/file/CDS-Gain-the-right-to-win_infographic.pdf
- The Half-Truth of First-Mover Advantage Harvard Business Review, Harvard Business Review 2005 vol 83 (4). This can be found on our University Library website.

Class 4 - Competitive Advantage

LEARNING OBJECTIVES

1. Conduct a firm profitability analysis using accounting data to assess and evaluate competitive advantage
2. Describe the shared value creation framework and its relationship to competitive advantage
3. Apply a value chain analysis to understand which of the firm's activities generate differentiation and which drive costs.

REQUIRED READING

- Rothaermel Chapter 5 (if purchased)

- Measuring Long term Performance <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/measuring-long-term-performance>
- Triple Bottom Line <https://theconversation.com/explainer-what-is-the-triple-bottom-line-22798>
- Creating Shared Value <https://www.youtube.com/watch?list=PL85B3155A0F0B30D0&v=1vK3cxnP6I4>

FURTHER READING

- <https://iveybusinessjournal.com/publication/three-rules-for-exceptional-performance/>
- <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/how-to-build-an-alliance-against-corporate-short-termism> (on short term vs long term)
- Creating Shared Value <https://www.sharedvalue.org/about-shared-value>
- Financial Ratios <https://www.bdc.ca/en/articles-tools/money-finance/manage-finances/pages/financial-ratios-4-ways-assess-business.aspx>
- Organizational health <https://www.mckinsey.com/business-functions/organization/our-insights/organizational-health-a-fast-track-to-performance-improvement>
- Balanced Scorecard <https://hbr.org/video/3633937148001/the-explainer-the-balanced-scorecard>

Class 5 - Business Level Strategies

LEARNING OBJECTIVES

1. Define business level strategy and strategic positioning.
2. Explain what it means to be “stuck in the middle” and its implications for firm performance.
3. Use the Value, Price, and Cost framework to explain sources of competitive advantage.

REQUIRED READING

- Ketchen and Short Chapter 5 and 6
- Rothaermel Chapter 6 (alternative)
- Value Price Cost Framework <https://www.youtube.com/watch?v=pQboj3NpG-k>

Class 6 - Going Global

LEARNING OBJECTIVES

1. Compare and contrast the different options firms have to enter foreign markets.
2. Apply the CAGE framework to guide decisions on which countries to enter.
3. Apply Porter’s Diamond model to explain why certain industries are more competitive in specific nations than in others

REQUIRED READING

- Ketchen and Short Chapter 7
- Rothaermel Chapter 10 (alternative)
- CAGE Distance Framework https://en.wikipedia.org/wiki/CAGE_Distance_Framework
- CAGE Distance Framework <http://enrichwise.com/2011/12/10/the-cage-framework-distance-matters-in-globalization/>
- Porter's Diamond of National Advantage <http://www.quickmba.com/strategy/global/diamond>

Class 7 - Corporate Strategy

LEARNING OBJECTIVES

1. Explain the factors that drive firms to make vs buy.
2. Understand motivations for firms engaging in horizontal (M&A) and vertical integration.
3. Evaluate the performance of joint ventures and M&A activity.
4. Explain when diversification strategies create competitive advantage and when they do not.

REQUIRED READING

- Ketchen and Short Chapter 8
- Rothaermel Chapter 8 and Chapter 9 (alternative)
- Make or Buy Decisions in Context https://www.strategyand.pwc.com/media/file/Strategyand_Make-or-buy-sound-decision-making.pdf
- Measuring Alliance Performance <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/measuring-alliance-performance>
- Tapping the unexpected potential of joint ventures <https://www.bain.com/insights/tapping-the-unexpected-potential-of-joint-ventures/>

FURTHER READING

- Blog on Economic Thought about Coases theory of the firm <http://www.economicthought.net/blog/2013/02/coases-firm/>
- Better Joint Ventures <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/negotiating-a-better-joint-venture>
- Mastering Organic Growth <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/mastering-three-strategies-of-organic-growth>

Class 9 - Organization Design

LEARNING OBJECTIVES

1. Applying agency theory, explain how companies use governance mechanisms to align principals and agents. Offer a critical view of these methods.

2. Ethics? – explain relationship between business ethics, corporate governance, and strategy.
3. Explain how organizational structure can support strategy.
4. Students should understand the critical importance of culture to strategy (“culture eats strategy for breakfast”).

REQUIRED READING

- Ketchen and Short Chapter 9 and Chapter 10
- Rothaermel Chapter 11 and Chapter 12 (alternative)
- What is Corporate Culture? <https://www.youtube.com/watch?v=gficoigz1xs>

FURTHER READING

- The Business of Culture <https://iveybusinessjournal.com/the-business-of-culture/>
- 8 Types of Company Culture <https://hbr.org/video/5686668254001/the-8-types-of-company-culture>

Class 10 - Sustainability, Innovation and Strategic Change Initiatives

LEARNING OBJECTIVES

1. Distinguish different types of innovation and implications for strategy
2. Derive strategic implications from the crossing-the-chasm framework
3. Explain what a business model is and its role in strategy.

REQUIRED READING

- Rothaermel Chapter 7 (alternative)
- Disruptive Innovation <https://hbr.org/video/2688242135001/the-explainer-disruptive-innovation> (2 minute video)
- Crossing the Chasm <https://www.youtube.com/watch?v=Y-97AXOPzJo> (5 minute video)
- Kotter, J. January 2007 “Leading Change: Why Transformation Efforts Fail”, Harvard Business Review. This can be found on our University Library website (9 pages)

FURTHER READING

- Business Models for an Era of Innovation Glut <https://iveybusinessjournal.com/publication/business-models-for-an-era-of-innovation-glut/>
- Examples of Business Models <https://articles.bplans.com/what-is-a-business-model-business-models-explained/>
- Why business models fail: Pipes vs Platforms <https://www.wired.com/insights/2013/10/why-business-models-fail-pipes-vs-platforms/>