

**BUSADMIN P720  
Strategic Management  
Summer 2020 Course Outline  
DeGroote School of Business  
McMaster University**

***COURSE OBJECTIVE***

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***

Sanjay Dhebar, MBA	Vandan Jhaveriv, MBA
Instructor	TA
dhebars@mcmaster.ca	jhaveriv@mcmaster.ca

Classes: Mondays @ 11:30am-2:30am  
After week 1, classes start @ 12:30pm  
Note: Week 10 Class is Friday August 7

***COURSE ELEMENTS***

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

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## ***COURSE DESCRIPTION***

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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.

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## ***LEARNING OUTCOMES***

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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

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## ***REQUIRED COURSE MATERIALS AND READINGS***

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Avenue registration for course materials:

- <http://avenue.mcmaster.ca/>

Textbook and Reading Options

- Custom Courseware
  - purchase a copy at the bookstore (\$ ~81)

## ***EVALUATION***

Learning in this course results primarily from discussion and participation in activities. The balance of the learning results from the lectures, related readings, and researching your assignments. All work will be evaluated on an individual basis, except in certain cases where group work is expected. In these cases, group members will share the same grade adjusted by peer evaluation. Your final grade will be calculated as follows:

### **Components and Weights**

<b>Component</b>	<b>Description</b>	<b>New</b>
Midterm	4 short answers quizzes (individual)	15%
Simulation	Strategy Airline Simulation (shared)	25%
Engagement	Classroom Engagement (individual)	10%
	Peer group evaluation	10%
Activities	Ripped from the Headlines – Weekly presentations (shared)	10%
Final Case Exam	Final case exam (individual and shared)	30%
	Report 20%	
	Presentation 10%	
	Present live	
<i>Total</i>		<i>100%</i>

*\*A penalty of 10% will be incurred to your final course grade should you miss any online webinar sessions*

### **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:

<b>Letter Grade</b>	<b>Percent</b>	<b>Points</b>
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

## SIMULATION (30%)

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 to compete against their classmates in the airline simulation. The airline simulation takes place in two stages:

### Practice and dashboard stage (15%)

Students will gain access to the simulation immediately following Residency 1 and begin a series of 3 practice rounds. 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. This dashboard can take various forms including a spreadsheet, word document, or PowerPoint presentation.

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 make 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?

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 (i.e., 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

### **Simulation Performance (15%)**

The second stage will have you complete the remaining periods of the simulation. 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.

### **Ripped from the Headlines – Weekly Presentations (10%)**

Each week teams will use their 1hr class time (prior to the 12:30pm start) to identify a business issue, review the firm effort, conduct a brief analysis and present your findings. Your group presentation should include a strategy moving forward. Presentations should be 10min (max) in Power Point format with 5min reserved for Q&A. Only 4 teams will present and will be picked randomly.

As a class, we will rank the presentations via Poll. The instructor will decide if we have a tie.

#### Criteria

- Appropriate headline
- Quality of information shared
- Sound Analysis
- Strength of Presentation
- Realistic recommendation

1<sup>st</sup> place - A  
2<sup>nd</sup> place - B+  
3<sup>rd</sup> place - B  
4<sup>th</sup> place - B-

### **Mid Term (15%)**

There is on-line 'take home exam' in this course that accounts for **15%** of your final grade. You are responsible for all that takes place in class as well as the readings. You will receive the questions just prior to the start. It is important you apply 3 (minimum) strategy models and you have learned to date.

Students are to submit a 6–8 page, 12-point Times New Roman, double space, 1-inch margins. Endnotes and exhibits can take additional pages as necessary.

## **FINAL CASE ASSIGNMENT (Case study TBC) (30%)**

Students will work in their course groups to conduct analysis of both the resources and capabilities (i.e., bases of competitive advantage, organizational characteristics) within the firm as well as the external environment (i.e., PESTLE, Porter's, Strategic Groups etc. ) in which the firm is operating. It is important you apply the Diamond Model. 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.

You should additionally include solutions, which constitute the recommendations you as a consultant to the client are making. This portion 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.

The report should be approximately 15 pages, 12-point Times New Roman, **double space**, 1-inch margins. Endnotes and exhibits can take additional pages as necessary.

## **PARTICIPATION (10%)**

Students are required to engage actively in class discussions related to the material being presented by the instructor, TAs, or other students. The instructor and TAs will feel free to cold-call on anyone at any time. Hence, it is very important that you prepare for every class and case discussion as appropriate. Debate and challenge are important activities that help in the learning process and the willingness of individuals to engage in such activities with their classmates is appreciated. Opportunities for in-class participation include taking part in discussions during the lecture and case discussions in class by: asking questions; responding to questions posed by the instructors or other students; and making relevant comments on material covered.

## **PEER REVIEW ADJUSTMENT**

The purpose of the peer review adjustment is to offer an opportunity for team members to provide an accurate reflection of each students' contribution to group work. Past experience with group work has shown that most troubles arise because: a) individuals do not respect the group process, and b) there is lack of proper communication among group members.

The first group meeting should happen as soon as possible so that parameters are set right away (e.g., when the group will meet virtually, what collaborative tools they will use, what are the expected standards of work, when are the milestones, when are the internal deadlines, and how will preliminary assignment of individual tasks be determined). Your first step should be the development of an online group calendar that can block off individual commitments and highlight dates and times that are free for all group members so that coordination of meetings is seamless. The worst thing you can

do is surprise your group with a long-standing commitment at the last minute. This is what typically starts group work off on the wrong foot.

To assist you in coming to terms with group members who may not be performing up to standards, you are encouraged to complete an interim draft version of the peer evaluation form and use it to guide discussion within your team. This is for your own development and does NOT need to be submitted to the instructor. Everyone on the team deserves feedback and it is important that you provide it early (around the 50% of work done mark) and definitely prior to the completion of the second residency. The instructor will only require a final peer review adjustment form to be signed and submitted towards the end of the course within 3 days of the deadline of group work.

If problems persist during the term, it is imperative that they are raised and documented to the instructor and TA as early as possible. A certain level of group disharmony is typically present in every group project. Your ability to manage through the conflict and leverage the talents of each individual will suit you well. As you know, this important skill will also serve you in your workplace environment outside of the MBA program where collaborative group work is ever present. Ultimately, if the group is unable to manage a performance issue, it should be brought to the attention of the instructor and TA as early as possible during the term.

The peer review adjustment may reduce the final mark of a group assignment for a particular student by up to 25%. In other words, if a group receives a grade of 85% for an assignment, an instructor may choose to adjust that final grade down to as far as 60% if the peer review adjustment form indicates that an individual did not complete his/her fair share. Please note, the downward adjustment of up to 25% is the maximum adjustment that can be assigned. An instructor may choose NOT to apply an adjustment and may choose to assign a penalty that is only a fraction of what his/her peers recommended.

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### ***COMMUNICATION AND FEEDBACK***

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Students that are uncomfortable in directly approaching an instructor regarding a course concern may send a confidential email to the Program Director. 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. Marks for all evaluation activities will be posted on Avenue. Your final grade will come through Mosaic and will not be posted on Avenue.

Students should be aware that when they access the electronic components of this course, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in this course will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure, please discuss this with the course instructor.

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## ***ACADEMIC DISHONESTY***

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You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity.

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: “Grade of F assigned for academic dishonesty”), and/or suspension or expulsion from the university.

It is your responsibility to understand what constitutes academic dishonesty. For information on the various types of academic dishonesty please refer to the Academic Integrity Policy, located at:

[www.mcmaster.ca/academicintegrity](http://www.mcmaster.ca/academicintegrity)

The following illustrates only three forms of academic dishonesty:

1. Plagiarism (e.g., the submission of work that is not one’s own or for which other credit has been obtained)
2. Improper collaboration in group work.
3. Copying or using unauthorized aids in tests and examinations

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## ***STUDENT ACCESSIBILITY SERVICES***

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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>

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## ***POTENTIAL MODIFICATION TO THE COURSE***

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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.

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## ***ACKNOWLEDGEMENT OF COURSE POLICIES***

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Your registration and continuous participation (e.g. on Avenue, in the classroom, etc.) to the various learning activities will be considered to be an implicit acknowledgement of the course policies outlined above, or of any other that may be announced during classes and/or on Avenue. It is your responsibility to read this course outline, to familiarize yourself with the course policies and to act accordingly. Lack of awareness of the course policies cannot be invoked at any point during this course for failure to meet them. It is your responsibility to ask for clarification on any policies that you do not understand.

### ***Missed Deadlines***

All deadlines **MUST** be adhered to in this course. Any material that is submitted after the deadline without approved documentation will **NOT** be evaluated and will receive a mark of **ZERO**.

### ***Petition for Relief from Missed Academic Work***

Where students miss a scheduled deliverable, assessment or class participation for legitimate reasons (e.g., religious holiday, medical issue) as determined by the Program Director, the weight for that component will be allocated at the discretion of the instructor. Proper documentation explaining such an absence must be provided to the Program Office within five (5) working days after the deadline.

**COURSE SCHEDULE**

<b>BLOCK</b>	<b>DATES</b>	<b>VIDEOS, READINGS, ASSIGNMENTS, TESTS, AND MEETINGS</b>
<b>Week 1</b>	June 1 11:30am	<p><b>Videos (available on AVE):</b></p> <ul style="list-style-type: none"> <li>• What is Strategy – Webinar pre-work video</li> </ul> <p>What is Strategy?</p>
<b>Week 2</b>	June 8 12:30pm	<p>Internal Analysis</p> <ul style="list-style-type: none"> <li>• Starbucks Case Study - pre-work read</li> </ul>
<b>Week 3</b>	June 15 12:30pm	<p>External Analysis pre-work TBD</p>
<b>Week 4</b>	June 22 12:30pm	<p>Business Strategy pre-work - Vandan's webinar</p>
<b>Week 5</b>	June 29 12:30pm	<p>Mid-term exam (50%—1 internal analysis, 1 external analysis, 1 other analysis 50%—Recommendation)</p>
<b>Week 6</b>	July 6 12:30pm	<p>Porters Diamond Model</p> <ul style="list-style-type: none"> <li>• Porter's Diamond Model – Webinar pre-work video</li> </ul>
<b>Week 7</b>	July 13 12:30pm	<p>Corporate Strategy pre-work TBD</p>
<b>Week 8</b>	July 20 12:30pm	<p>Implementation Guest speaker</p>
<b>Week 9</b>	July 27 12:30pm	<p>Innovation &amp; Strategic Change Debrief Simulation</p>
<b>Week 10</b>	11:30am Friday August 7	<p>Final Presentations (Case and question to be released in 48 hours in advance of presentation day)</p>