

**MBA P720
Strategic Management
Winter 2024 Course Outline**

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

COURSE OBJECTIVE

As the capstone to McMaster's MBA program, this course is designed to unify your functional knowledge gained during the program. Further, this course will 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 strategic performance.

INSTRUCTOR AND CONTACT INFORMATION

Wed 2:30pm – 5:20pm
Dr. Goran Calic
Instructor
calic@mcmaster.ca
Office: RJC223
Office Hours: by request

COURSE ELEMENTS

Credit Value:	3	Leadership:	Yes	IT skills:	No	Global view:	Yes
Avenue:	Yes	Ethics:	No	Numeracy:	Yes	Written skills:	No
Participation:	Yes	Innovation:	Yes	Group work:	Yes	Oral skills:	Yes
Evidence-based:	Yes	Experiential:	Yes	Final Exam:	No	Guest speaker(s):	Yes

COURSE DESCRIPTION

Strategic management focuses on the concept of strategy 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 but also includes readings, lectures, videos, exercises, and a simulation.

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 in this course 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 the greatest depth and breadth of experience.

LEARNING OUTCOMES

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

- Understand how firms gain and sustain competitive advantage.
- Analyze strategic business situations and formulate strategies.
- Select the best strategy for a company.
- Provide quantitative support and convincing evidence for recommendations.
- Implement the strategy and organize the firm for success.

REQUIRED COURSE MATERIALS AND READINGS

Avenue registration for course content, readings and case materials

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

\$ FREE

Custom Courseware – Cases and Readings (**Required**)

- Purchase a copy at the bookstore

\$ XX.XX CAD

Airline Simulation

- Credit card required

\$ 44.95 USD

EVALUATION

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

Components and Weights

M. Choice Exam	Multiple Choice (individual and shared)	20%
Simulation	Strategy Airline Simulation (shared)	20%
Participation	In-class Contribution (individual)	25%
Final Case Exam	Final case exam (individual)	25%
Presentation	Group Case Presentation (shared)	10%
Total		100%

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

Course Deliverables

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

This is an in-class multiple choice exam. The exam will cover material from the classes before the Exam (case content excepted). This exam 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 exam. Prior to the Friday (11:59pm) following each of the classes before the exam week, each student 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 all of the questions you have generated. 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 is used in creating the exam, you will receive 2% bonus on your final grade.**

Group Exam Writing. You will first write the multiple-choice exam individually. Once completed individually, students will get into their assigned groups to complete the same test again. Writing tests in groups has been showing to improve learning outcomes. The individual submission will account for 15% of the final grade while the group submission will account for an additional 5%. Once you have written both the individual and group exam, you can choose to only use your individual test score for the full 20%. Please send calicg@mcmaster.ca an email the same day before midnight stating that you would prefer to only use your individual grade. Use: **INDIVIDUAL EXAM GRADE** as the heading of the email.

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. It is also an opportunity to get to know your classmates by working closely with (and against) them!

The airline simulation takes place Saturday as per the course schedule (check below). Students will self-assign into groups of 3 to 4 (depending on class size) and complete 10 timed decision rounds throughout the one day of the simulation.

Your team's simulation grade is determined using a weighted score based on **final stock price (50%)** and **final cumulative net income (50%)**. *In the event of a tie (e.g., One team ranks 1st in stock price and 2nd in cumulative net income and the other team ranks 2nd in stock price and 1st in cumulative net income.), the tie-breaker will be determined*

by net income in the last round. In addition to the highest grade, the names of the team members with the highest performance will be immortalized on a course trophy displayed prominently in a display case at the Ron Joyce Centre.

Team Spirit Bonus: Team spirit is great fun, and winning the weekend simulation Team Spirit Award a great achievement. Team spirit is awarded to top 3 teams that have demonstrated cooperation between their members, pride in their accomplishments, and spirit among members of the team during that Saturday. Winners in each section are determined by an online vote from another section of P720, as such, make sure to stand out. Team name submissions and list of team members are due to calicg@mcmaster.ca midnight the Friday before the simulation. Please use **SIMULATION TEAM SPIRIT** as the email header. The first team, second, and third team in each section will receive a bonus of 3, 2, and 1 percent to their final grade, respectively.

Participation (25% individual)

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).

Final Case Exam (25% individual case exam) and (10% shared presentation)

PART 1: Case Exam (Individual 25%)

The final exam is a live case exam accounting for **25% of your final grade**. Case exams will be made available on Avenue at the time indicated in the course schedule below. Each case solution must be completed individually. Students will submit their solutions through dropbox in Avenue. Please be careful to read the case exam instructions carefully.

Exams that are handed in late will incur a serious late penalty (for exceptions see the “Missed Academic Work” section of this syllabus.). Any assignment turned in up to 2 days late will have their score scaled down to the lowest on-time submitted assignment. For instance, if the lowest on-time assignment is a 6/10, then an 80% score of the last assignment would result in a 4.8/10. Any assignment turned in more than 2 days late will not be graded and will receive a score of 0/10.

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. There will be no make-up case exam and the exam is required for course completion.

An outline and guiding scoring schematic for the final case exam will be made available on Avenue.

PART 2: Presentation (Shared 10%)

Following submission of the individual portion of the case exam, students will be assigned to groups. Working together students will share and then discuss their individual case exam solutions. Groups will weigh the merits of each solution and arrive at a synthesized solution. In groups, students will then prepare a 20-minute presentation for delivery on the final day of class.

PEER EVALUATION FORM GUIDELINES

You can fill this out for any group assignments.

(all ratings are confidential)

One of the enduring difficulties of using group projects in a class is assessing the contributions of individual group members to the final cumulative product of the group. Consequently, in evaluating group project work and assigning grades, It is important to have input from the members of the groups that participated. In this regard, you can evaluate each of your group member's contribution on the following scale:

1 = this group member did virtually nothing on the project.

2 = this group member gave minimal input, i.e., he or she came to some meetings (missing others) and did only a few things to contribute.

3 = this group member gave a fair amount of input, i.e., he or she came to most meetings and contributed in meaningful ways.

4 = this group member substantially contributed to the project, i.e., at almost all meetings, made strong contributions to data collection, analysis, writing, organizing, etc.

5 = this group member was a mainstay of our project, a major contributor.

Before assigning a score to each group member, please consider your responsibility in this task. Evaluation can be unpleasant at times. It is always hard to decide what is "fair". On the other hand, it will be something you face the rest of your managerial career and it is not to be taken lightly. Equity is not just a perception; it is real. Members of organizations who contribute more should expect more. Members who do not contribute should not receive the same benefit of those whom do not contribute. Be fair, be honest, but be frank.

Students who receive any grade that is less than 3 but greater than or equal to 2, i.e., 2.0 to 2.99, by other team members will have 10% deducted from their group work point total; students who receive any rating less than 2 will have 15% deducted.

Please submit the peer evaluation by email to calicq@mcmaster.ca and use PEER EVALUATION in the email heading.

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.degroot.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 INTEGRITY

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

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

AUTHENTICITY/PLAGIARISM DETECTION

Some courses may use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. A2L, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be assigned to a student who does not submit work to the plagiarism detection software.

All submitted work is subject to normal verification that standards of academic integrity have been upheld (e.g., on-line search, other software, etc.). For more details about McMaster's use of Turnitin.com please go to www.mcmaster.ca/academicintegrity.

COURSES WITH AN ON-LINE ELEMENT

Some courses may use on-line elements (e.g. e-mail, Avenue to Learn (A2L), LearnLink, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, 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 a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure, please discuss this with the course instructor.

ON-LINE PROCTORING

Some courses may use online proctoring software for tests and exams. This software may require students to turn on their video camera, present identification, monitor and record their computer activities, and/or lock/restrict their browser or other applications/software during tests or exams. This software may be required to be installed before the test/exam begins.

CONDUCT EXPECTATIONS

As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the [Code of Student Rights & Responsibilities](#) (the "Code"). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online**.

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students' access to these platforms.

MISSED ACADEMIC WORK

Missed Mid-Term Examinations / Tests / Class Participation

Please do not use the online [McMaster Student Absence Form \(MSAF\)](#) as this is for Undergraduate students only. The MBA program will not accept an MSAF.

When students miss regularly scheduled term work which contributes 10% or more to the final grade, for legitimate reasons as determined by the Student Experience – Academic Office (SEAO), the activity necessary to compensate for the missed work will be determined by the course instructor. The compensatory activities assigned will vary with the nature of the course and the missed requirement. They include, but are not restricted to, an alternative assignment, a rescheduled exam, or re-weighting the marks for the missed component to other mark components. Documentation explaining such missed work must be provided to the SEAO within five (5) working days of the scheduled date for completion of the work.

Acceptable reasons for missed work, along with the [Petition for Missed Term Work](#) and the [MBA Student McMaster University Student Health Certificate](#), can be found on the DeGroot MBA Student website (mbastudent.degroote.mcmaster.ca). Please direct any questions about acceptable documentation to the MBA Academic Advisors (askmba@mcmaster.ca).

University policy states that a student may submit a maximum of three (3) [Petition for Missed Term Work](#) per academic year, after which the student must meet with the Director of the program.

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

Missed Final Examinations

Students must be available for the duration of the posted exam period regardless of their personal exam schedule. This is to ensure student availability throughout the entire exam period in the event that an exam must be rescheduled due to unforeseen circumstances (university closure, power outage, storm policy, etc.). A student who misses a final examination without valid reason will receive a mark of 0 on the examination.

Students who have missed a final exam for a valid reason can apply to the SEAO to write a deferred examination by submitting an [Application for Deferring a Final Exam](#) with supporting documentation. The application must be made within five days of the scheduled exam.

The [Application for Deferring a Final Exam](#) and the [MBA Student McMaster University Student Health Certificate](#) can be found on the DeGroot MBA Current Student website (mbastudent.degroote.mcmaster.ca)

Deferred examination privileges, if granted, are normally satisfied during the examination period at the end of the following semester. In select cases, the deferred examination may be written at a time facilitated by the SEAO and agreed to by the course instructor.

Requests for a second deferral or rescheduling of a deferred examination will not be considered.

ACADEMIC ACCOMMODATION FOR STUDENTS WITH DISABILITIES

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>

Students who are leveraging accommodation for tests and exams are supported by the SEAO. These exams are written at the Ron Joyce Centre and do not take place in the Tim Nolan Testing Centre. Correspondence for accommodations is

managed via the DSBSAS@mcmaster.ca email address. Students must communicate their intent to leverage accommodations on a test or exam a minimum of 10 business days prior to the assessment.

ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)

Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the [RISO](#) policy. Students should submit their request to the SEAO **normally within 10 working days** of the beginning of term in which they anticipate a need for accommodation. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

COPYRIGHT AND RECORDING

Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors.

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

POTENTIAL MODIFICATION 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.

**MBA P720
Strategic Management**

	DATE	OVERVIEW	CONTENT	MANDATORY READINGS AND REMINDERS
Getting Started				
1	Week Jan 8 th	Introduction to Strategic management	<ul style="list-style-type: none"> • What is strategy? • What makes a decision strategic? • How to identify whether an organization has a strategy 	
Analysis				
2	Week Jan 15 th	External Environment	<ul style="list-style-type: none"> • Industry analysis: PESTEL, Porter's 5 forces, industry segmentation • Competitor analysis and positioning • Strategic groups • Industry life cycles 	
3	Week Jan 22 nd	Internal Environment	<ul style="list-style-type: none"> • Resources: tangible and intangible • Capabilities and dynamic capabilities 	<i>READING: Rogers Communications</i>
4	Week Jan 29 th	Competitive Advantage and Firm Performance	<ul style="list-style-type: none"> • Measuring competitive advantage and firm performance <ul style="list-style-type: none"> - Accounting profitability - Shareholder value creation - Economic value creation • Business Models: Putting Strategy into Action 	<i>READING: Lego (A): The Crisis</i>
Formulation				

5	Week Feb 5 th	Business-level strategies	<ul style="list-style-type: none"> • Generic Business Levels Strategies • Strategic positioning 	<i>READING: Husky Injection molding</i>
6	Week Feb 12 th	Corporate Strategy	<ul style="list-style-type: none"> • Vertical integration • Mergers and Acquisitions • Alliances and joint ventures 	<i>READING: The Walt Disney Company: The Entertainment King</i>
	Week Feb 19 th	Mid-term Recess		

7	Week Feb 26 th	Weekend Simulation	<p>Simulation Relevant Topics:</p> <ul style="list-style-type: none"> • Marketing • Operations Management • Human Resource Development • Financial Analysis • Asset Management 	<p>NO REGULARLY SCHEDULED CLASS THIS WEEK</p> <p>Five practice periods will be run daily before the scheduled simulation, starting Sunday Feb 23rd and ending Friday Feb 28th. (Period 1 decisions must be input before Sunday Feb 23rd at midnight and final decision must be input before Thursday Feb 27th at midnight). <i>Performance of practice simulation is not evaluated. Week simulation performance is highly related to participation in practice, but not related to practice performance.</i></p> <p>Simulation Schedule for Saturday March 2nd</p> <p>Period 1: 9:00 - 9:45 (45 min) Period 2: 9:45 - 10:30 (45 min) Period 3: 10:30 - 11:15 (45 min) Period 4: 11:15 - 12:00 (45 min) LUNCH: 12:00 - 13:00 (60 min) Period 5: 13:00 - 13:30 (30 min) Period 6: 13:30 - 14:00 (30 min) Period 7: 14:00 - 14:30 (30 min) Period 8: 14:30 - 15:00 (30 min) Period 9: 15:00 - 15:30 (30 min) Period 10: 15:30 - 16:00 (30 min)</p> <p>Attendance in RJC Great Hall is mandatory.</p>
8	Week Mar 4 th	Innovation Strategy	<ul style="list-style-type: none"> • Simulation Outcomes Discussion • Innovation, value creation, and competition • Innovation and the industry lifecycle • Types of Innovation 	<p><i>READING: Uber: Changing the way the world moves</i></p> <p><i>REMINDER: Case Exams become available this week.</i></p>

9	Week Mar 11 th	IN CLASS EXAM	IN CLASS EXAM	IN CLASS EXAM
Implementation				
10	Week Mar 18 th	Going Global	<ul style="list-style-type: none"> • Liability of foreignness • CAGE distance framework • Outsourcing 	<i>READING: Ikea's Global Sourcing Challenge: Indian Rugs and Child Labor</i>
11	Week Mar 25 th	Organizational Design: Structure, Culture, Control and Corporate Governance	<ul style="list-style-type: none"> • Organizational design and competitive advantage • Organizational rigidity 	<i>READING: Corporate Strategy at Berkshire Partners</i> <i>REMINDER: Individual Case Exams due Friday March 27th by midnight.</i>
12	Week April 1 st	Presentation Prep	Walk-in Office Hours	Walk-in Office Hours
13	Week of Apr 8 th	Final Case Presentation		<i>REMINDER: Final case presentations are due during class. Business formal dress is required.</i>