Instructor: Ofer Meilich
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(Please use WebCT mail!)

When & where:
M & W 08:00 – 09:50 am
M & W 10:00 – 11:50 am
MH 105
MH 105

Office Hours:
M & W 12:00 – 1:00 pm &
by e-mail, and by appointment

Note: The pre-requisites for this course are listed in the course catalogue. The instructor reserves the right to administratively drop, at any point, any student who has not met the prerequisites. Students choosing to withdraw from this course are responsible for doing so according to university procedures and deadlines.
COURSE DESCRIPTION

This course is concerned with managerial decisions and actions that materially affect the survival and success of business enterprises. More specifically, this course focuses on the information, analyses, organizational processes, and business judgment that managers must use to strategically position their businesses or resources so as to maximize long-term profits in the face of uncertainty and competition.

Strategic management and business policy is an integrative and interdisciplinary course in two important respects. First, it assumes a broad view of the environment. One that includes buyers/consumers, suppliers, technology, economics, capital markets, competitors, government, and global forces. Second, the course takes a general management perspective. It views the firm as a whole, and examines how policies in each functional area can be integrated into an overall competitive strategy. Consequently, this course draws upon all the ideas, concepts, and theories from your functional courses such as accounting, economics, finance, marketing, operations management, organizational behavior, and statistics. This course, however, is much more than a mere integration of the functional specialties within a firm. The best vantage point, in fact the only valid vantage point, for making decisions that effect long run business performance is the general manager’s point of view. The key strategic business decisions of determining and shaping organizational purpose to evolving opportunities, choosing competitive strategies and securing sustainable market positions, and allocating critical resources over relatively long periods of time in pursuit of specific goals and objectives, can only be effectively made by viewing an enterprise holistically and over the long term.

The central concept of this course is that of competitive strategy. Definitions abound, but they all share some sense of the allocation of critical resources over relatively long periods of time in pursuit of specific goals and objectives. Successful strategies exploit external conditions, entrepreneurial insights, and internal resources, seeking configurations of prices, preferences, technologies, and information that offer opportunities for sustainable competitive advantage. Success, however, will depend not only on the soundness of your strategy, but also on its effective implementation through appropriate organizational and administrative choices. In the end, unforeseen external factors may cause a well-conceived and executed strategy to fail, in spite of its initial wisdom – but a poor strategy badly executed increases the chances of failure. Opportunities to act strategically occur infrequently. If missed, or mismanaged, they can prove disastrous for any competing firm.

Thus, understanding the concept of competitive strategy formulation is a primary objective of this course. It will involve mastering an array of economic, strategy, and organizational concepts and theories, and acquiring an integrative general manager’s point of view. The course will cover theories for in-depth industry and competitor analysis, for anticipating and predicting future industry developments, and for examining the impact of change (in technologies, tastes, government regulations, global competition, and other important environmental forces) on competition and industry evolution. The course will also examine the economic underpinnings of competitive advantages, and the fundamental conditions that allow firms to conceive, develop and sustain advantageous, protectable strategic positions. While our
primary focus will be on mastering strategy formulation at the business unit or competitive level, the course will also examine corporate and global strategy issues such as diversification, vertical integration, economies of scope across related businesses, the transfer of technology and core competencies, and international expansion and growth.

COURSE MATERIALS

Case Packages: (1) A collection of the assigned cases for this course, and (2) the class notes. Available from the bookstore.

Required Text: Hill, Charles W.L. and Gareth R. Jones, Strategic Management Theory, New York: Houghton-Mifflin, 7th edition, 2007. (paperback version, without the cases) This is an excellent text. It provides students with definitions of key terms, detailed descriptions of up to date conceptual frameworks, and very useful guidelines for undertaking various aspects of strategic analysis. Refer to it constantly. You should use this book to help you fill in gaps in your understanding, add to your strategic analysis tools and “box of tricks”, and reinforce your skills. It is not, however, a precise template for how I want you to analyze cases.
COURSE EVALUATION

Course grades will be determined by students’ relative performance on the following course components:

<table>
<thead>
<tr>
<th>Course component</th>
<th>Weight</th>
<th>Type</th>
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</thead>
<tbody>
<tr>
<td>Class contribution &amp; participation</td>
<td>2x +/- of final grade</td>
<td>Individual</td>
</tr>
<tr>
<td>Presentation</td>
<td>5%</td>
<td>Team (2-3)</td>
</tr>
<tr>
<td>Position Outlines [POs] (12 of 13 @0.5% each)</td>
<td>6%</td>
<td>Individual</td>
</tr>
<tr>
<td>Industry Analysis Assignment [IAA] (IAA1= 1 pt, IAA2=1 pt, Final IAA report = 15 pts)</td>
<td>17%</td>
<td>4-person</td>
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<tr>
<td>Dream Car Design [DCD]</td>
<td>5%</td>
<td>3-person</td>
</tr>
<tr>
<td>Quizzes (best 11 of 12 @2% each)</td>
<td>22%</td>
<td>Individual</td>
</tr>
<tr>
<td>Midterm</td>
<td>22%</td>
<td>Individual</td>
</tr>
<tr>
<td>Final Exam</td>
<td>23%</td>
<td>Individual</td>
</tr>
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Total 100%

NOTES

♦ In order to successfully pass this course, a passing grade (> 55%) must be achieved in each individual course component. That is, you HAVE to obtain at least 55% in each component to pass this class.

♦ Class Contribution may affect your class grade by up to +/- one grade mark

♦ As a general guideline: A = 92-100, A- = 88-91, B+ = 84-87, B = 80-83, B- = 76-79, C+ = 72-75, C = 68-71, D = 60-67, F = below 59. ( Rounded to the nearest integer. )

♦ Each group assignment/presentation must be taken with different group members. Individual grade on all group work will incorporate your contribution to the group, based on peer and instructor’s evaluation. A group may fire a non-cooperating / non-contributing member.

♦ I take peer evaluations VERY seriously. Don’t be a free rider, you might regret it!

♦ There are no make up quizzes, exams, or assignments! There are no extra-points assignments; All class components are mandatory.

♦ I reserve the right to use submitted material for educational / research use in the future (with attribution, when appropriate), unless you notify me by the last day of class that you wish your material not to be used. I may also submit your written material to TurnItIn.com for plagiarism research.
**Class Contribution & Participation (2x +/- grade)**

Your class contribution and participation (including peer evaluations for the group assignments – the IAA and the DCD) may change your final computed grade by up to TWO ‘notches’ up or down. For instance, a superb contribution may up your grade, say, from a B to a B+, and, in extreme cases, from B to an A-. Similarly, non-contribution, chronic absences and/or tardies, and/or indication that you have not been a contributing member on the group assignments can bring down your class grade two notches, say, from a B to a C+. This is especially important for those who might find themselves dangerously close to the C grade. Remember, participation and being a contributing team member depends on you!

**Attendance (mandatory)**

Class attendance is absolutely essential. All missed classes will be noted. The policy on missed classes is to allow each student **TWO** (2) absences, no questions asked, no penalty. **If you miss eight sessions or more (for any reason), you will be administratively dropped.**

Only official illness (i.e., with a doctor’s excuse) or University engagements, such as scheduled debating events, sports events, will be noted but not penalized. Job interviews, visiting relatives, etc., are not excused, so choose your absences carefully. If your schedule does not allow you to come to each and every session, you are strongly recommended to drop this class. Habitual lateness (and leaving class early), for whatever reason, will be noted as evidence of low course commitment and will result in a penalty.

**In-Class Contribution**

Active participation is crucial for your success in this course. Your overall commitment/attitude to this course and your daily active verbal and on-line participation in case discussions will be closely monitored. Remember, the key to class participation is not to “show off” to fellow students or to the instructor, but to build on fellow students’ efforts constructively! In grading class participation I will look at both the quantity and quality of your class contributions/interventions. Class participation is obviously a function of preparation, skills, attitude, and a willingness to actively commit yourself in front of your colleagues and us. A classroom is a cost-free environment for experimenting and learning to “play the game.” Make use of it. Shyness is no excuse.

With regard to quality, the dimensions that I look for include: **(1) Relevance** – does the comment bear on the subject at hand? Comments that do not link up with what the discussion is focusing on can actually detract from the learning experience. **(2) Causal Linkage** – are the logical antecedents or consequences of a particular argument traced out? Comments that push the implications of a fact or idea as far as possible are generally superior. **(3) Responsiveness** – does the comment react in an important way to what someone else has said? **(4) Analysis** – is the reasoning employed consistent and logical? **(5) Evidence** – have data from the case, from personal experience, from general knowledge, been employed to support the assertions made? **(6) Importance** – does the contribution further our understanding of the issues at hand? Is a connection made with other cases I have analyzed? And - **(7) Clarity** – is the comment succinct
and understandable? Does it stick to the subject or does it wander?

It is expected that all students will make brief notes or outlines – identify critical problems, “crank-all-the-numbers”, do the financials, generate alternative recommended courses of action, and generate ideas about how to implement them – on which they will rely in contributing to the class discussion. As the class and the semester progress, the bar will be raised. I will expect you to become more sophisticated in your analyses and we will move to more challenging issues.

Students may be “formally” called on, at random, to take the lead in various aspects of class discussions, at least once or twice during the quarter. If the student makes a reasonable contribution, a plus “+” will be assigned. Significant contribution to the class is achieved by: (a) demonstrating that thorough case and industry analysis has been done prior to the class session, (b) integrating industry, case, or other reading materials, (c) asking pertinent and revealing questions, (d) bringing in material/information from outside sources, and (e) challenging fellow students. A true leadership role means showing exceptional preparation, participation, and commitment. If the student called upon is not present, is late, or if the student is not sufficiently prepared to make a substantial contribution to the class discussion, a minus “-” will be placed by the student’s name. Avoid negative contributions. Negative contributions are factual misstatements, comments that demonstrate lack of adequate preparation, comments that come late in a discussion that indicate that the student has not been actively involved in the prior class discussion, or any other irrelevant interruptions. Attempts to dominate class discussion rarely result in consistent and significant contributions.

**On-line Class Participation**

We will be using WebCT extensively during the semester. You will be submitting your POs through WebCT, and you are also expected to utilize the discussion topics before and after classes. I will be posting messages for all on the discussion topics, communicating with you personally through the WebCT e-mail system, and I’ll also post your grades on WebCT (you’ll be able to see your own grade and some statistics). Monitoring the course WebCT site is an obvious (all you need is a browser and internet connection), but I expect you to contribute and participate actively on-line. As with the in-class participation, quality beats quantity.

**Peer evaluation**

In all graded group assignments peer evaluation (i.e., your group members’ evaluation of your contribution) will be factored into your overall (individual) participation grade. Past experience shows that group members are very candid in their evaluations. I do take the peer evaluations quite seriously. Make sure you are a fully contributing member, otherwise, you are assured a substantial drop in participation points. Feedback is mandatory, but the content of your submitted evaluation is confidential and will not be directly shared with any other student.

To count, peer evaluations must be submitted no later than four days after the presentation/assignment due date.

**Class Presentation: Chapter Review & Game/Simulation [CR&GM] or Bring a Firm**
[BF] (5 points)

General Comments

♦ Each student is required to take part in one scheduled group presentation.

♦ I insist on relevance and critical thinking, your presentation/game must also be interesting and engaging. The main reason for any of the presentations is to exemplify the class concepts.

♦ For each presentation you (the presenters) need to prepare a detailed Teaching Plan. This document is shared only with your instructor (me). The Plan outlines your approach to teaching the particular subject, how will you verify that your teaching objectives were met, who will do what and when, intended use of props, and ways to get the audience involved.

♦ Another reminder: In each presentation you MUST plan to and have: props and audience involvement. No props = 1 point drop in grade (i.e., if you got 4 out of possible 5 points, you’ll now have earned only 3). No audience involvement = same.

♦ Timely delivery – The deliverables (suggested quiz questions for CRGM, teaching plan, executive summary, slides) must be submitted to me electronically no later than TWO BUSINESS DAYS. Failure to do so will result in great aggravation to all and in a 1 (of 5) point deduction for all team members (not just the one that dropped the ball).

Audience evaluation of presentations

We will conduct audience feedback surveys for each CR&GM, EA, and BF presentation. Though feedback is mandatory, the content of your submitted evaluation will be anonymous (no one will be able to identify your specific comments).

NOTE: I reserve the right to FAIL students who consistently do not give feedback to their fellow students.
Chapter Review & Game/Simulation [CR&GM]

Each group of three students will review the current chapter (CR) and engage the class in a game/simulation (GM) related to the chapter. Essentially, the CR/GM group will be teaching the specific chapter (see the course schedule). Each group will summarize the assigned chapter. In presenting the chapter, the group members will lead class discussion. All members are expected to be well-versed with the overall topic of the chapter and to be able to field questions from the audience.

The game – you MUST pick/adapt one of the numerous available Thiagi Framegames (game templates) available on our WebCT course site (see Homepage > Course Materials > Game Suggestions).

CR&GM Deliverables (due no later than TWO working days before the presentation):

- Four smart multiple-choice questions (with 5 possible choices) covering the chapter material – the questions must be posted on WebCT discussion topic board no later than two business days prior to the quiz.
- Completed CR&GM Task Sheet (see handout), signed by all group members.
- One-page printed executive summary of the key points covered in the presentation (hard copy, bring a copy for each student in the class, & electronically),
- A summary of your teaching plan (hard copy & electronically, for the instructor):
  - The Chapter Review Plan – who will do what and why.
  - The Game Plan – how will the game/simulation be run, what material will you be using? (Include, as an appendix, all relevant material, so other students can replay your GM.),
  - Proposed debrief questions (to ask the class – What have you learned from this exercise?), +
  - Your own General Lessons from this exercise
- The presentation file (electronically, via e-mail)

- No later than one week after the presentation: Submit (as a group) a 1-page reflective memo, discussing: 1. what you’ve done well, 2. what you could improve, and 3. suggestions for future student presenters to make their presentation more effective. Please post item #3 on the discussion board.
- Peer evaluation due on the day after you submit the reflective memo (No peer evaluation = one full letter grade drop in your grade: e.g., your “A-” will turn into a “B-”
**Bring a Firm / Industry to the Class [BF]**

In the BF presentation each pair of presenters will be depicting a current firm in an industry and analyzing the firm and its industry using the concepts learned in class. The aim of this presentation is to show us that you can “speak” strategic management – that is, to apply the class concepts to a real-life situation. Please refer to the BF instruction handout and task sheet.

- **BF Deliverables (due no later than TWO working days before the presentation):**
  - Completed BF Task Sheet (see handout), signed by all group members.
  - One-page printed *executive summary* of the: “twist,” key points (including problems and threats) covered in the presentation, general lessons, and IRMes (hard copy, bring a copy for each student in the class, & electronically),
  - A summary of your *teaching plan* (hard copy & electronically, for the instructor), which should demonstrate: relevance, critical thinking, general lessons, and IRMe as described above, and …
  - The *presentation* file (electronically, via e-mail)

- No later than one week after the presentation: submit (as a group) a *1-page reflective memo*, discussing: 1. what you’ve done well, 2. what you could improve, and 3. suggestions for future student presenters to make their presentation more effective. Please post item #3 on the discussion board.

- Peer evaluation due on the day after you submit the reflective memo (No peer evaluation = one full letter grade drop in your grade: e.g., your “A-” will turn into a “B-”)
**Position Outlines (6%)**

During the course you **individually** will be required to turn in short position outlines (POs) on the case studies. Of the 13 possible POs, you need to submit (electronically, through WebCT) twelve (12). Each submission is worth half a point. The POs are due no later than the beginning of the class. **Late position outlines will not be accepted. No excuses accepted, no exceptions.**

Please save your POs on word processor files – this collection of POs will be the basis for your study guide. The POs will become quite handy as you review the extensive material for the midterm and final exams. I highly recommend printing out the confirmation page for your records.

A PO contains FOUR sections:

1. **A brief description** of the strategic situation (why is the specific firm so successful or unsuccessful?).

2. **Threats & Problems** that you can see from the case. If the firm seems to be successful, think of the possibilities that would hurt it. If the firm is failing, note the reasons for their failure.
   - Be critical! Search for the deeper reasons!
   - Think – **WWW** (What Went Wrong)?

3. **General lessons** learned from the case. A common mistake is to give lessons that are too general (such as “One must do more research before taking an action.”). However, I’m looking for lessons that are relevant to our specific case. The “acid test” for this is the question: Can this lesson be reached without analyzing the current case? If the answer is “yes” – then the lesson is too general.

4. **IRMe**: Link the present case to other cases we have analyzed (this is called in this class IRMe, which stands for: “It Reminds Me of …”). You want to show how the current case is similar to other cases. Briefly mention also the generalizable differences.

The first section should be the shortest!

If you need feedback on your writing, I’ll be happy to go over any PO you’d ask me to. The POs are **not** graded, but I reserve the option of reviewing them to assess your class preparation, participation and commitment.

- **PO Deliverables (due prior to each case)**: at least 8 individual POs, via WebCT.
Industry Analysis Assignment [IAA] (17%)

WARNING: This assignment is very structured [all you need to do is follow the directions], but it is also the most time and effort consuming! The IAA involves a lot of detail work, so please plan ahead and allocate enough of your valuable time for it.

In this assignment, each group of four students will be assigned a specific industry to analyze (I will pick the industry). The analysis is based on Standard & Poor’s Industry Survey (see for examples – on our WebCT class site: Homepage > Course materials > Industry Analysis Examples). You’ll need to prepare a written report (of about 15 pages).

As we will learn, industry analysis involves: Industry definition (super-short description, product value chain chart, and scope chart), “Players” identification, classification of rivals into strategic groups, and only then analysis (macro-environment elements, and 5-forces analysis). Special attention must be given to current problems and existing/potential threats. Please refer to the class assignments handout for further details. Further details will be given in class.

IAA Deliverables (consult schedule for due date):

- Two interim reports (each is worth 1 point), the interim reports are not graded
- Industry analysis report (about 15 pages; hard copy & electronically, worth 15 points)
- Peer evaluation (due on the day you submit the report; No peer evaluation = one full letter grade drop in your IAA grade: e.g., your “A-” will turn into a “B-”)
- NOTE: Please proofread your report. I will deduct 5% of the assignment for each spelling/grammatical mistake!

Dream Car Design Assignment [DCD] (5%)

The Dream Car Design assignment combines creativity, internal and external analysis, and mastery of the Generic Strategies model. For this assignment each 3-person group will prepare a plan for introduction of a brand new car. You’ll need to think of the car’s name, features, and target market, the environmental trends and their effects on the prospects of your car, your organization’s resources and capabilities required to make your car a success. Please refer to the class assignments handout for further details.

DCD Deliverables (consult schedule for due date):

- Your Dream Car Design report (about 3-4 pages; hard copy & electronically)
- A poster advertising your new car
- Peer evaluation (due on the day you submit the report; No peer evaluation = one full letter grade drop in your DCD grade: e.g., your “A-” will turn into a “B-”) NOTE: Please proofread your report. I will deduct 5% of the assignment for each spelling/grammatical mistake!
- NOTE: Please proofread your report. I will deduct 5% of the assignment for each spelling/grammatical mistake!
**Quizzes (22%)**

A short quiz will be given at the beginning of each of twelve sessions (please refer to the course schedule). The best 11 out of 12 scores will be kept. There are no makeup quizzes. These quizzes will consist of objective (usually multiple choice) questions from the assigned textbook readings. Each quiz is worth 2% (for a total of 22%).

We will be using the new Scantron test forms (the red ones, form 3 F-288-ERI-L, available from the bookstore and the Dome convenience store).

**Midterm exam (22%)**

- The midterm is *restricted-material* exam. You will be allowed to use only two letter-size, double-sided “cheat sheet” pages. Please bring to the exam one *large* Blue Book (exam booklet).
- The exam will consist of many short-answer questions in which you will be asked to show mastery of the main class concepts and to generalize across ALL cases covered until the date of the exam.
- “Cramming” few days prior to the exams will not help. Unfortunately, there are very few shortcuts to the continuous internalizing of deep and useful concepts. Plan ahead carefully, there will be no makeup exams.

*IMPORTANT*: Bonus points will be given for students who submit suggested essay questions for the exams!

**Final exam (23%)**

- The final is *restricted-material* exam. You will be allowed to use only two letter-size, double-sided “cheat sheet” pages. Please bring to the exam a new red Scantron form.
- The exam is comprehensive (covers all class material). It will consist mainly of objective (usually multiple choice) questions from the assigned readings and from the course text, and very few short-answer questions in which you will be asked to show mastery of the main class concepts and to generalize across ALL cases covered until the date of the exam.
- As with the midterm, “cramming” few days prior to the exams will not help. Unfortunately, there are very few shortcuts to the continuous internalizing of deep and useful concepts. Plan ahead carefully, there will be no makeup exams.
There is only one simple rule regarding plagiarism, cheating, and any other integrity violations: DON'T.

As this is one of your very last courses, I take it for granted that you are familiar with the university standards of conduct. I believe honesty and personal responsibility are paramount. Therefore, be forewarned that

ANY VIOLATION OF THE UNIVERSITY’S GUIDELINES FOR ACADEMIC AND PERSONAL INTEGRITY CAN LEAD TO A FAILING GRADE IN THIS COURSE!

All cases of cheating, fabrication, facilitating academic dishonesty, and/or plagiarism will lead to a FAILING grade in this class and will be swiftly reported to the Dean of Students for disciplinary action.

No kidding!

Getting help and advice is certainly encouraged as a productive learning method. However, you are personally responsible for any work you submit.

If others have helped you or worked with you — be sure to acknowledge them in writing on the submitted work. If you used reference material (publications, Web sources, interviews, a friend, etc.) mention these sources in any submitted work.

I reserve the right to give a ZERO grade on assignments without proper references.

Clear cases of plagiarism will lead to a failing grade and referral for disciplinary action. (See http://www.turnitin.com/static/products_services/plagiarism_prevention.html)

If you have any questions regarding academic integrity, please contact me!