Management 4380-Strategic Management

Sections 004 & 001

Fall 2014

Kimberly B. Boal, Rawls Professor of Management

Class Hours: 12:30-1:50 (001) Room 027; and 3:30-4:50 (004) Room 025 TTh

Phone: 834-2150 Office

 441-3509 Cell

Office 354E

Email: kimboal@ttu.edu

Web: kimboal.ba.ttu.edu

 Text: Robert Grant and Judith Jordan, Foundations of Strategy, 2012. (FS)

 W. Chan Kim and Renee Mauborgne, Blue Ocean Strategy, 2005. (BOS)

 Teaching Assistant: Matt.Lafont@ttu.edu

**Purpose of Course**

Management 4380 is first and foremost a course about "strategy,"

and about "managing for success." While there are no formulas for “riches” you can influence your chances by the decisions you make.

The fundamental question we seek to understand is why some firms succeed and others fail.

To do so requires that we first understand the range of businesses and the

industries in which a firm chooses to compete, ie., its **corporate strategy**; next that we

understand how the firm attempts to compete, i.e., the **competitive or business level**

**strategies** it develops; and finally, how it marshals, coordinates, and controls it resources to

achieve a sustainable competitive advantage, its **functional level strategies**.

In studying the tasks of managing strategy we shall also tackle

another important function: that of trying to integrate much of the

knowledge you have gained in the core business curriculum. This is a

"big picture" course, a trait that makes it different from other

courses. The problems and issues of strategy formulation and

implementation cover the whole spectrum of business and

management. Many variables and situational factors must be dealt

with simultaneously. Weighing the pros and cons of strategy entails

a top management perspective of the total enterprise. The objective

 of this course is to sharpen your abilities to "think strategically"

and to weigh things from the perspective of the total enterprise

operating in an increasingly global market environment.

Accomplishing this objective means giving you an appreciation for

the importance of building a sustainable competitive advantage. It

means systematically exposing you to the rigors of industry and

competitive analysis, to the ingredients of an attractive strategic

plan, and to the varied administrative tasks associated with

implementing and executing the chosen strategy as well as

circumstances permit. And it means instilling a strong sense of

ethical principles and values into the process and tasks of managing.

I sincerely hope this course will be the very best course you have

ever had-that it will be instrumental in making you: 1) competitively

superior; 2) successful in your career; and 3) much wiser about the

secrets of first-rate management.

**Learning Outcomes**

Upon completion of this course, the student will be able to:

* Describe, develop, and apply strategic vision.
* Analyze, describe, and understand the external and internal environments of the firm.
* Describe, develop, and apply strategies in organizations.
* Present strategic recommendations in a business environment.
* Produce a strategic analysis of a company and its industry.
* Communicate effectively through written papers and reports.
* Work in Team Setting

**Grading**

The Mid-term Exam is optional. Only people hoping to make an A or an A- in this class need to take it. If you are willing to settle for a B+ or below, you do not have to take the exam. If however you hope to get an A, then you must take the exam.

Grading: If exam is taken. Grades will be calculated as follows:

Daily Group Assignments from Texts 1/4

Team Industry and Competitive Papers 1/2

 Test: 1 @ 1/4th each 1/4

 Grading: If exam not taken, Grades will be calculated as follows with a ceiling of a B+, but

 a low of a C.; Most final grades will be in the B range (B- to B+)

 Dailey Group Assignments from Texts 1/2

 Team Industry and Competitive Paper 1/2

**Preparation of Written/Oral Work**

Written and oral assignments are to be prepared on an individual or group basis as assigned. The Power Points for all presentations are to be sent to Matt.Lafont@ttu.edu the night before the presentation. This will give James the time to post them to my website before class.

Since this is a capstone course, it is important that students have the ability to both present ideas and lead a group discussion on those ideas. The ability to speak well and present well is crucial to your career success. Therefore, student teams will be responsible for presenting an oral summary of the readings (using power points) and leading the class discussion on all readings including the text. At minimum, **a good presentation** (B) should summarize important points and take away lessons for the class. **A better presentation (B+/A-)** will link the readings to any other relevant readings or materials in the texts that have been previously covered or are covered contemporaneously in this class or other classes. **The best presentations,** (A) will not only link the presentation to other readings, but will use current events to illustrate how the concepts inform and help us make sense of practice and use what is happening in their own industry and company to illustrate points in the chapter. In addition, **poor presentations** will be evidenced by presenter reading from their notes or power points, not engaging the audience, or maintaining eye contact. **A good presentation** will be evidenced by a thorough understanding of the material presented such that the presenters are able to talk to the audience about the material on the power points, while only referencing the power points to make a specific point or to bring the audience on the speaker together.

All presentations should make sure they cover three essential aspects. They are: 1) **What** is the concept/point you are making; 2) **Why** is this important to the Strategist; 3) **How** should you use this in analyzing your Industry or Company.;

The **Class is** expected to give the presenters their full attention. **No computers, I-phones, etc**

**should be open during the presentation. Nor should any member of the audience be**

 **engaged in doing homework or reading for another class**. If I, Dr. Boal, have to remind you

 of this more than once during the semester, you will be marked absent from class and be asked

to leave.

All written work, except tests, is to be typed (double-spaced) or done on computer printers and to follow correct form, spelling, grammar etc. Students should provide written synopsis of articles as well as power points. These should be submitted to the instructor ahead of time who will put them on his website. (See Above).

Papers which, in the opinion of the instructor, employ disproportionately

poor grammar and are poorly structured and written, will be

assigned a grade that is one-letter lower than would otherwise be assigned. Also, students who read their power points throughout their presentation will be marked down. You need to

learn to talk about the material on your power points, not read them if you are to be successful in your career.

**Daily Group Assignments**

 Students will be divided into teams. Each team is given a number of chapters (primarily from

 the three texts) which they are responsible for covering with the class in the form of an oral

 presentation, with power points. Competent presentation will completely cover the material in

 the assigned chapter. Good presentations will cover the material and relate the material to other

 material we are or have covered. The best presentations will not only do the first two, but in

 addition will relate the material to current events in the business press. All groups should include

 three to five class takeaways, the most important points to remember, from their presentation.

 Each group is to email their presentations to one day before it is due to

 place on my website.

Each week we will cover a chapter from each book. Teams will present on each day. As

time permits, Dr. Boal will talk about the presentations and relate the material to other material

to give students a fuller understanding of what they are reading.

**Term Paper**

Each team is to prepare a written report covering an Industry and a Competitive Analysis. The first part focuses on the Industry. This part should cover 1) a financial analysis of the industry (THIS IS NOT THE SAME AS A FINANCIAL ANALYSIS OF THE COMPANY). Here you would want to focus on how profitable the industry was compared to other industries and why it was more/less profitable. Porter’s work is helpful here. How do the major competitors (here you can use your NAICS code to define your competitors) compare on profits, (EBIT and NET), sales and sales growth, and will your industry remain stable or is it going through a period of change (ETOP). If it does, who is in the position to respond. It is here that cash and cash flow become important.

Competitive Analysis also known as Business level analysis focuses on how your company and each of its competitors is trying to win the hearts and minds of its customers.
The focus here is on the companies strategies (Cost, Differentiation, Focus), and on the relative resources capabilities. You need to distinguish between Key Success Factors (these are things that all competitors in the industry must do to be successful), your Core Competencies (these are things that you do well and serve as the bases for competition and growth), and your Distinctive Resources and Capabilities (these are things you do better than your competition). Helpful to this section of your paper will be Porter’s Value Chain analysis and Cost/Differentiation/focus, the Resource Based View of the Firm, Issues about Global Strategies and the MNC corporation.

This section should also contain your recommendations about the future of your organization and what changes it needs to make in its Strategy or Structure.

 **Class Attendance**

**Attendance at all class sessions is required.**

Each student is expected to be an active participant and to make meaningful comments.

You should, therefore, make a conscientious effort to attend class and be

sufficiently prepared to contribute to class discussion.

Understandably, there are circumstances (job interviews, family

matters, etc) which may cause you to miss class. These will not be counted against you, but you are required to present proof. Each student is allowed two unexcused absence. If you are absent, more than twice, then you will lose ½ a grade for the third unexcused absence. Furthermore, each additional unexcused absenses, will result in additional deductions from your grade. For example, if you would have received a B as your final grade, but have 3 unexcused absenses you will receive a B-, with 4 your grade will be lowered to a C+.

**Team Membership**

To help you pick your team the first two days will partially be devoted to class introductions.

When introductions are done, you will be given a chance to pick members for your team.

When you are done, Dr. Boal will give your team a number from 1-6. All assignments are based on your team number.

All teams are to write a contract covering team expectations and team assignments, signed by each team member, and hand them into Dr. Boal by the 3rd class. By the fourth class, each team is to 1) pick a company which will be the focus of your team paper, and 2) have meant the Business Librarian (Jake Syma) who will show you how to gather data on your company. You are to ask Jake what is the NAICS code for your company and help you identify the 3-4 major competitors you also must gather data on for your team paper.

Because group work constitutes such a large portion of your grade, not only will students be given the opportunity to choose their own team members, the team will be given the power to firer any student from the team that the other members of the team feel is slacking off and hurting the team’s performance. To do so, each team must first inform me that the student in question is not doing their work and that they are not fulfilling the contract they signed with the team. Second, the team must meet with the student, at a time and place of the team’s choosing, inform the student of his/her deficiencies, give them one chance to improve, then, if they don’t, inform them they have been terminated from the team.

Students terminated from their teams must complete all remaining assignments on their own. Failure to do so will result in a grade of F for the assignment.

**Student Handbook**

**Civility in the Classroom:**

Students are expected to assist in maintaining a classroom environment that is conducive to learning. In order to assure that all students have an opportunity to gain from time spent in class, unless otherwise approved by the instructors, students are prohibited from using cellular phones or beepers, eating in class, making offensive remarks, reading newspapers, sleeping, or engaging in any other form of distraction. Please note that late arrival to class, early departure from class, use of laptops for non-educational purposes are considered classroom incivilities. Inappropriate behavior in the classroom shall result in, minimally, a request to leave class.  For more information, please go to the Web site (<http://www.depts.ttu.edu/studentaffairs/vpsa/publications/civility.htm>).

**Academic Integrity:**

It is expected that each person will do his or her own work except where explicitly authorized. Scholastic dishonesty on any of the assignments will merit a grade of F for the course. Cheating, plagiarism, collusion, falsifying academic records, and misrepresenting facts or any dishonest act to cause any advantage to self or disadvantage to other students as defined on page 49 of the 2005-06 Undergraduate and Graduate Catalog will not be tolerated. See <http://www.depts.ttu.edu/studentjudicialprograms/AcademicIntegrity.htm>

**ADA Statement:**

Any student who, because of a disability, may require special arrangements in order to meet the course requirements should contact the instructor as soon as possible to make any necessary arrangements.  Students should present appropriate verification from Student Disability Services during the instructor’s office hours.  Please note instructors are not allowed to provide classroom accommodations to a student until appropriate verification from Student Disability Services has been provided.  For additional information, you may contact the Student Disability Services office in 335 West Hall or 806-742-2405.

**Religious Observances:**

A student who intends to observe a religious holy day should make that intention known in writing to the instructor prior to the absence. A student who is absent from classes for the observance of a religious holy day shall be allowed to take an examination or complete an assignment scheduled for that day within a reasonable time after the absence. "Religious holy day" means a holy day observed by a religion whose places of worship are exempt from property taxation under Texas Tax Code §11.20.

**Class Schedule**

August 26 Class Organization/Intro. Handout syllabus.

August 28 Intro & Group Assignments. Fill out class cards. Pick teams.

September 2 Overview of assignments/History of
Strategy

 Team Contracts due

September 4 Are you sure you have a strategy

 Name of Company, NAICS Code, Names of Competitors

September 9 Industry and Competitive Situation Analysis

September 11 Financial Ratio Analysis

September 16 FS Chapter 1: The concept of strategy– Team 1

 September 18 BOS Chapter 1: Creating Blue Oceans – Team 2

 September 23 FS: Chapter 2: Industry analysis– Team 3

 September 25 BOS Chapter 2: Analytical tools and frameworks – Team 4

 September 30 FS: Chapter 3: Resources and Capabilities– Team 5

 October 2 BOS Chapter 3: Reconstruct market boundaries – Team 6

 October 7 FS: Chapter 4: The nature and sources of competitive

 advantage - Team 2

 October 9 BOS Chapter 4: Focus on the big picture, not the numbers – Team 3

 October 14 FS: Chapter 5: Business strategies in different industry…– Team 4

 October 16 BOS : Chapter 5: Reach beyond existing demand – Team 5

 October 21 FS: Chapter 6: Technology-based industries...– Team 6

 October 23 BOS : Chapter 6: Get the strategic sequence right – Team 1

 October 28 FS: Chapter 7: Corporate strategy – Team 3

 October 30 BOS: Chapter 7: Overcome key organizational hurdles – Team 4

 November 4 FS: Chapter 8: Global strategies and the MNC– Team 5

 November 6 BOS : Chapter 8: Build execution into strategy – Team 6

 November 11 FS: Chapter 9: Realizing strategy– Team 1

November 13 BOS: Conclusion: The sustainability and renewal of Blue Ocean

 Strategy – Team 2

November 18 Group Work Day/Study Day

November 20 EXAM

November 25 Finish Team Paper

December 2 Industry and Competitive Analysis Presentations Begin

 ALL Papers due

 First Two Teams Present

December 4 Second Two Teams present Last Day of Class

December 6 Last two teams of Section 001 present @ 1:30 PM

December 9 Last two teams of Section 004 present @ 4:30 PM

The above is a tentative syllabus and class schedule. Your instructor is free to change any part of it as circumstances dictate. Prior to any changes, you will be informed and given a chance to provide input. The syllabus contains several group study dates. Your group should take advantage of these dates to work on the team project. Remember, it is worth 50% of your grade.