BUS 498: CAPSTONE ADVANCED BUSINESS MODELS

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Section 03: 9:00 - 10:15 MW Innovation Hall 136

Office hours:
- MW: 10:30 – 11:30; (Walk-in and FIFO queue; appointments are not permitted)
- By appointment (minimum 96-hour advanced notice required)

Course materials:
- Rothaermel FT; Strategic Management, 3rd edition
- HBS online casebook: https://hbsp.harvard.edu/import/652320
- BlackBoard

Description:
This course is a research and group intensive advanced and integrated senior-level capstone quantitative examination of industry structure, business and corporate strategizing, and competitive dynamics. Using a combination of in-class discussions, in-class exercises (“quizzes”), and case analyses, this course emphasizes firm competition, strategizing, and performance from a firm-centric focus. This course will examine strategizing in firms, integrating knowledge from all relevant prior and concurrent core School of Business curriculum. Specifically, knowledge from finance, accounting, marketing, and especially economics will be assumed, required, and used. Furthermore, this class emphasizes economic logic (e.g., supply schedules, and marginal, average, and total cost and revenue) as the bases for strategizing in modern medium to large publicly traded for-profit firms. To reiterate, this course is a senior-level capstone class with the associated challenges and expectations.

Prerequisites:
Students must have completed general education requirements, all core courses (e.g., ACCT 301, ACCT 303 or ACCT 330; BULE 302 or BULE 303; BUS 303 or SOM 301; BUS 310 or OM 210; FNAN 301 or FNAN 303; MGMT 301 or MGMT 303; MIS 301 or MIS 303; MKTG 301 or MKTG 303; OM 301 or OM 303), and possess senior standing. Consult Mason catalog for a complete list of course prerequisites.

Learning goals and objectives:
The following is an abridged list of undergraduate program goals pertinent to this class. Consult the undergraduate office for the complete list of undergraduate goals.
Goals:
- Will be effective communicators;
- Will have an interdisciplinary perspective;
- Will be knowledgeable about team dynamics and the characteristics of effective teams; and
- Will be critical thinkers.

More importantly, the following is a list of the course objectives. This list is not designed to be exhaustive. However, the list does represent the high-level objectives and associated competencies you should possess upon course completion.

Objectives:
- To be familiar with the current literature of strategic management;
- To understand the complexities and challenges of multi-functional organizational problems;
- To focus attention on strategic issues confronting contemporary businesses;
- To facilitate the development of strategic thinking; and
- To further refine research, analytical, critical-thinking, team building, and communication skills.

This class integrates the core concepts and logic you learned up to this point in the George Mason University, School of Business curriculum. Written and oral analyses will use extensively finance, accounting, management, marketing, and operations management (e.g., statistics) concepts and logic. They are the key foundations of firm strategizing. You will also learn traditional strategizing concepts including industry structure analysis, internal or firm capability analysis, strategic business positioning and strategic fit, vertical integration, diversification, alliances and partnerships, and mergers and acquisitions. Industrial organizational economics, microeconomics, and institutional economics will be used extensively during the semester.

This course will refine concept and evidence-based analysis and reasoning skills. In addition to the course substantive content, the course will further develop research skills, analysis, creative thinking, critical thinking, problem solving, and team building skills.

Learning approach:

This course is designed to be centered on analysis and discussion rather than lectures (e.g., rote memorization). You must prepare the assigned workload before each session, perform sufficient thinking and writing, and contribute to class discussions. You must ask questions, share insights, give feedback to your classmates, and most importantly stay current with course content.

We will use a combination of discussions, in-class exercises (e.g., “quizzes”), and case analyses during most class sessions. We will first discuss key concepts and logic. Then we will apply these concepts and logic to analyze specific business challenges (e.g., cases analyses).

Electronic recording of class sessions is not helpful. As such, electronic recording (any form) is prohibited without written and signed permission from the instructor. However, class sessions may be electronically recorded for assessment purposes (e.g., case presentation).

Student responsibilities:

It will be difficult to perform well in this class without attending office hours. As such, you should plan to spend the appropriate amount of time on this course and make sure that you are in a position to succeed. For example, attempting five concentration courses, scheduling other classes during office hours, or
working full-time or multiple jobs and trying to go to school full time will most likely not result in satisfactory end-of-semester outcomes. If you have any concerns per whether or not this is a reasonable time to take this course given your competing school and non-school responsibilities, see the instructor-of-record. In short, you are responsible for providing yourself enough time and energy to succeed in this course – merely being “present” in class does not guarantee you of earning a semester grade of C or higher. Any other class issues can be discussed with the instructor or the course coordinator Avinash Mainkar.

To summarize, it is imperative that each student performs sufficient due-diligence prior to each session. The online case book URL will expire in approximately one month. Download and save the cases locally.

Honor code:

You will behave professionally and consistent with the School of Business Community Standards. You will adhere to Mason’s honor code. If you have any doubts or questions, consult your instructor promptly for clarification. Specifically, we expect that:

- Exams may be closed book. The use of material may not be permissible.
- Because team work features prominently, the entire group may be liable if a violation occurs.
- You will complete original work for this class. This requirement applies to both “drafts” and “final submissions.” Cite all data sources for all papers and presentations. You must present any and all references if requested. You may not paraphrase or quote without proper reference. You may not use materials prepared for other courses. You may not use material prepared by other students in the same or other sections of this course, past or present. You must seek clarification if you are unsure what constitutes original work and what constitutes a code violation.
- To ensure equity across sections of BUS 498 and across groups of a given section of BUS 498, electronic means may be used to check originality of submitted work.
- Collaborations among groups on group assignments are not permitted.

If a possible violation of the Honor code is suspected, the matter will be escalated to the appropriate School of Business and George Mason University committees.

Grade components:

You must demonstrate that you understand and can correctly apply course concepts and skills to “pass” the course. Class attendance, by itself, is grossly insufficient. Repeating concepts (e.g., mechanical memorization and reiteration) for example without the ability to correctly apply them will be insufficient. All assignments must be submitted at the beginning of class – except “Syllabus Page 9” assignment. Late assignments (defined as 10 minutes or more after the scheduled start time of the class session) will not be accepted.¹ The group must plan accordingly. Unless stated otherwise, submit two paper copies of all assignments. Any electronic attachment that you digitally submit or forward to the instructor must be prefixed with the person’s last name and assignment name as part of the file name – if not then the attachment will be ignored.

All assessment questions, if any, including end of semester grades must be raised (in writing) within five days although resolving it may take longer. Most assessments will be returned in one week. Given the

¹ If an unforeseen event transpires and you (singular and plural) are unable to submit an assignment at the beginning of a session, you must at a minimum forward an electronic copy of the deliverable prior to the submission deadline. Subsequent discussion will assess the validity of the unforeseen event.
quantity of emails, expect on average a 48-hour turn-time. The reverse – namely a response from the student if warranted – also requires a 48-hour turn-time.

(1) Individual components (60 points)

a. Exams (45 points)
Exams I and II contribute 20 points and 25 points, respectively towards your earned course grade. The first exam (Session 14) will cover all material associated with Sessions 1-13. The second exam (finals week) will emphasize course material associated with Sessions 14-28 but prior mastery of first half semester concepts and logic are required. In short, Exam 2 is not cumulative but corporate strategizing requires mastery of business strategizing concepts and economic logic. The allotted time for both in-class exams is 75 minutes. No make-up exams will be given without prior (i.e., minimum of two weeks) permission or significant unforeseen extenuating circumstances. All decisions regarding the veracity and merit of unforeseen events will reside with the course instructor.

b. Participation: (5 points)
In-class discussion participation is an essential factor in determining the success of this class. You will take an active role in the discussions by asking questions, raising interesting points, and contributing positively to in-class assignments. Quality of class participation of course will be emphasized over quantity. By implication, poor quality or ‘negative’ class participation will be penalized. Be aware that air time does not represent participation. To reiterate, quality of contribution will be emphasized – although quality and quantity are sometimes highly associated. Case discussion and presentation sessions will contribute more towards your class participation than other sessions.

Class participation is not “filler” – they are real. You start the semester with nothing and build points by demonstrating consistent patterns of behavior. Being unprepared for a single class will not affect your participation grade but missing several classes or showing a consistent pattern of poor preparation, participation, or both will. In other words, if you never positively contribute to in-class discussions, your class participation will be zero. Be aware that participation self-assessments are highly biased upwards.

c. Syllabus Page 9: (3 points)
Each student must complete page 9 of the syllabus and submit a signed paper copy at the end of Session 2. Moreover, this assignment cannot be completed if you are absent from Sessions 1 and 2 – if absent then promptly attend office hours.

d. In-class exercises (“quizzes”): (7 points)
Sessions will routinely begin with an in-class exercise or “quiz”. These short in-class assignments will focus on content specific to a session (e.g., case discussion and analysis). In-class assignments will serve as a basis for class discussions. Specific questions are often announced prior to the start of the session. In short, a key goal of in-class exercises is to facilitate consistent progress.

(2) Team components (40 points)

Groups randomly will be formed at the end of Session 2. If you are not present then you will be “group less” and must complete the group assignments individually. Each group will contain a maximum of five members. Significant learning transpires in group discussions – be it inside or

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2 If you will be or are absent when the section forms groups, you must inform the instructor-of-record in advanced and explicitly document your absence rationale.
outside scheduled course sessions. As such, you must be prepared to work closely and effectively with your group members. Each group will complete and submit three assignments. Finally, you must notify the instructor immediately if group membership changes. No changes to group membership (e.g., moving from one group to another group) will be permitted after Exam I although a member may be asked to leave the group. Group-work cannot be accomplished “online” – face-to-face meetings are required. The group must also meet with the instructor during office hours. Document all group interactions. They may be needed if problems arise. Finally, one week prior to the due date is the deadline for seeking feedback on written work.

a. Industry report: (10 points):
At the beginning of Session 14, each team will submit an industry structure analysis of the U.S. natural gas electricity generating industry. This analysis must use the appropriate concepts and logic to analyze firms’ external environment. Do not emphasize a specific firm. Emphasize the whole industry and analyze the focal industry structure. This strategic analysis cannot exceed 5 double-spaced pages. The group is permitted an unlimited number of supporting exhibits and appendices. Exhibits cannot be copied “as is” from a URL or “dumped.” A list of URLs (i.e., merely identifying online sources, copying an existing exhibit, or both) is not research. The industry report assignment is posted on BlackBoard. Submit two paper copies.

Although the final report is due at the beginning of Session 14, interim and assessed deliverables exist. See schedule for specific deliverables and dates.

b. Firm report: (15 points)
At the beginning of Session 28, each team will submit an internal, business strategy, and strategic positioning analysis of a specific firm competing in the U.S. natural gas electricity generating industry. The analysis must assess the strength, weakness, or parity of the focal firm’s material capabilities, business strategy, and strategic fit – namely focal firm’s strategic position. Brief recommendations on how the firm can improve its strategic position are required. The firm specific analysis or report must be consistent with the Industry report. The firm report cannot exceed 5 double-spaced pages of text. The group is permitted an unlimited number of supporting exhibits and appendices. Exhibits cannot be copied or “dumped.” A list of URLs is not research (i.e., merely identifying online sources, copying an existing exhibit, or both). The firm report assignment is posted on BlackBoard. Submit two paper copies.

Although the final report is due at the beginning of Session 28, interim and assessed deliverables exist. See schedule for specific deliverables and dates.

c. Case analysis, presentation, and competition: (15 points)
In Sessions 18 and 19, each team will make a professional presentation to a hypothetical audience of senior managers at a firm (“a2 Milk company”). This presentation will be no more than 12 minutes and must emphasize a business strategic positioning analysis of the firm and recommendations for improving the firm’s performance. You will make the presentation during possibly two events. First, every group will present the group’s analysis in one of the course sessions. Second, one team will be chosen to advance to the School of Business Case Competition. It is scheduled for November 15, 2019 12:30pm - 5:00pm. The case competition is a single elimination two-round competition. The one case competition team may make their presentation twice. Additional incentives may exist for advancing to or attending the school-wide case competition. The case competition assignment is posted on Blackboard.

No feedback is permitted until after the School of Business Case competition. All teams must submit their presentation slides (i.e., two paper copies of the PowerPoint slides) at the beginning of Session
18. Presentation order will be determined randomly. You may use the “notes” section to add additional information. If your team is invited to participate in the school-wide case competition, the team must respond in the affirmative within 24 hours.

At the end of the semester, each member of the team will evaluate the contribution of the other members to ensure grade equity. This means that you may receive a grade for group assignments that is above or below what the team earns. Inform the instructor immediately if group issues are suspected. This assessment and all supporting documentation, if any, must be submitted with the firm report.

**Grading:**

End-of-semester outcome will be determined from your total semester points in three steps.

Your end-of-semester outcome will first be determined using a **straight** scale. Specifically, the following total point range – letter grade pairs denote the end-of-semester outcome. [93, 100+] ↔ A, [90, 93) ↔ A-, [87, 90) ↔ B+, [83, 87) ↔ B, [80, 83) ↔ B-, [77, 80) ↔ C+, [70, 77) ↔ C, and [0, 70) ↔ F.

Your end-of-semester outcome will then be determined using a **semiparametric** scale. A distribution will be created from the total semester points of all the people in the section. Your rank in the distribution will denote a possible end-of-semester outcome. A 50th percentile rank often denotes a B, 60 points will denote C or higher, and less than 60 points will denote a F. Normalizations may be used to insure consistency with assignment weights.

Your semester grade will equal the higher of the straight scale and semiparametric scale letter grades.

**Disability accommodation:**

If need you need academic disability accommodations, see me and contact the Disability Resource Center (DRC) at 993-2474. All accommodations must be documented with the DRC and instructor-of-record and appropriate additional documentation submitted if needed. For example, DRC permitted recordings requires specific and signed documentation.

**Participation in Mason sponsored activates:**

It is each person’s responsibility to comply with all relevant academic policies (e.g., 1.6.1).
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<td>Strategizing</td>
<td>Read: Chapter 1 (4-11; 20-22)</td>
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<td>Firm performance and advantage</td>
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<td>Read: Porter(^1) (61-65; 68-70)</td>
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<td>External analysis</td>
<td>Read: Chapter 8 (264-265)</td>
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<td>6(^{th}) force and innovation</td>
<td>Read: Chapter 7 (208-212; 217-238)</td>
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<td>6(^{th}) force and innovation: Continued</td>
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