Course: Strategic Management (MBA 678), Fall 2014
Class Times: Monday or Tuesday, 6:30 – 10:05 pm
Location: Founders Hall 111(Monday) and Merton Hall 1200 (Tuesday)
Professor: Dr. Matt Theeke
Office Hours: By appointment
E-mail: mtheeke@gmu.edu
Course Website Address: Blackboard through “mymason” portal

Course Materials:
  3. Cases: The following cases are available at: https://cb.hbsp.harvard.edu/cbmp/access/30756459
     i. LinkedIn Corporation, 2012
     ii. Cola Wars Continue: Coke and Pepsi in 2010
     iii. Whole Foods Market, Inc.
     iv. Wal-Mart
     v. eHaRmony
     vi. Apple in 2012
     vii. Walt Disney Company
     viii. Danaher Corporation
     ix. UTV and Disney: A Strategic Alliance (A)
     x. IBM’s Decade of Transformation
     xi. Southwest Airlines: In a Different World
  4. Textbook (optional):
     i. Marcus, A. Management Strategy (1st or 2nd ed.), McGraw-Hill.

Other Reading:
To supplement the readings, cases and textbook I will also periodically assign articles from business journals and publications that are related to course topics. Accordingly, it is also recommended that you read business publications such as Business Week, FT, Fortune, etc.

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COURSE OVERVIEW, LEARNING GOALS & OBJECTIVES:

Strategic management, at its core, is the search for firm competitive advantage. This search is carried out by individuals within organizations in environments that are quite often highly dynamic and uncertain. Studying strategic management allows us to answer questions such as:

- Why does one firm succeed while a closely-related competitor fails?
- Is success sustainable or will it always be transitory?
- Why are firms in some industries (e.g. high tech) typically far more profitable than firms in other industries (e.g. airlines, steel)?
- What types of decisions can general managers make to influence the success of their firm?
- What impact do managers’ decisions have on the performance of the firm?

To capture the high level of complexity under which strategic management takes place, this course will predominantly use the case method to examine how general managers create and maintain competitive advantage for their organizations. We will focus on how managers formulate strategic decisions and manage the strategy implementation process. In regards to strategy formulation, we will employ a variety of explicit frameworks for strategic action. These frameworks are important as they will often guide the case study evaluations. In regards to strategy implementation, most general management decisions are multi-functional in nature, thus we will integrate lessons from other functional area courses (e.g., accounting, finance, marketing) to explore and reconcile the tensions that accompany implementing strategic decisions across the entire organization.

The main learning goals are the following:

- To improve analytical decision making
- To integrate the various functional disciplines

The objectives are:

- 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
- To further refine research, analytical, critical-thinking, team building, and communication skills
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<thead>
<tr>
<th>Session</th>
<th>Day</th>
<th>Date</th>
<th>Topic</th>
<th>Assignments</th>
<th>Text Reading (opt.)</th>
<th>Article Reading</th>
<th>Case</th>
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<tbody>
<tr>
<td>1</td>
<td>Mon/Tue</td>
<td>3-Nov / 4-Nov</td>
<td>Introduction, Overview &amp; Organizing</td>
<td>Select groups</td>
<td>M1 ; G1 ; R1</td>
<td>1. What is Strategy? (HBR_Strat)</td>
<td>LinkedIn Corporation, 2012</td>
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<td>Framework</td>
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<td>2. Are You Sure You Have a Strategy? (Hambrick and Fredrickson)</td>
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<td>2</td>
<td>Mon/Tue</td>
<td>10-Nov / 11-Nov</td>
<td>External Analysis</td>
<td>M2; G2; R3</td>
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<td>1. The Five Competitive forces that Shape Strategy (HBR_Strat)</td>
<td>Coke &amp; Pepsi in 2010</td>
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<td>3</td>
<td>Mon/Tue</td>
<td>17-Nov / 18-Nov</td>
<td>Internal Analysis</td>
<td>M3; G3; R4</td>
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<td>1. Competitive Advantage and Internal Organizational Assessment [Duncan, Ginter, &amp; Swayne]</td>
<td>Whole Foods Market, Inc.</td>
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<td>2. Building your company’s vision (HBR_Strategy)</td>
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<td>4</td>
<td>Wed/Thu</td>
<td>19-Nov / 20-Nov</td>
<td>Analysis Presentations</td>
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<td>Slides due at beginning of class</td>
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<td>5</td>
<td>Mon/Tue</td>
<td>24-Nov / 25-Nov</td>
<td>Business-level Strategy: Strategic</td>
<td>M4; G4; R5</td>
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<td>1. Reinventing your business model (HBR_Strat)</td>
<td>1. Walmart</td>
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<td>Positioning</td>
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<td>2. reread - What is Strategy? (HBR_Strat)</td>
<td>2. eHarmony</td>
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<td>3. Marketing Myopia (HBR_Essentials)</td>
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<td>6</td>
<td>Mon/Tue</td>
<td>1-Dec / 2-Dec</td>
<td>Business-level Strategy: Innovation</td>
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<td>1. Meeting the challenge of disruptive change (HBR_Essentials)</td>
<td>Apple in 2012</td>
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<td>2. Innovation Killers (HBR_Essentials)</td>
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<td>3. Protecting their intellectual assets (Cohen, Nelson &amp; Walsh)</td>
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<td>Mon/Tue</td>
<td>8-Dec / 9-Dec</td>
<td>Corporate Strategy I: Diversification</td>
<td>M5; G7; R8-9</td>
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<td>1. Creating more value with corporate strategy (McKinsey &amp; Co)</td>
<td>Walt Disney Company: The Entertainment King</td>
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<td>and Vertical Integration</td>
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<td>2. The Core Competence of the corporation (HBR_Essentials)</td>
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<td>8</td>
<td>Mon/Tue</td>
<td>15-Dec / 16-Dec</td>
<td>Corporate Strategy II: Acquisitions</td>
<td>M6; G8; R10</td>
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<td>1. The five types of successful acquisitions (McKinsey &amp; Co)</td>
<td>1. Danaher Corporation</td>
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<td>and Alliances / Global Strategy</td>
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<td>2. Managing Strategic Alliances (Kale &amp; Singh)</td>
<td>2. UTV and Disney: A Strategic Alliance (A)</td>
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<td>Mon/Tue</td>
<td>22-Dec / 23-Dec</td>
<td>No Class - Winter Holiday Break</td>
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<td>3. Are Your Secrets Safe? Knowledge Protection in Strategic Alliances (Norman)</td>
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<td>Mon/Tue</td>
<td>12-Jan / 13-Jan</td>
<td>Strategy Implementation</td>
<td>G9; R11/12</td>
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<td>1. Using the balanced score card as a strategic management system (HBR_Essentials)</td>
<td>IBM’s Decade of Transformation</td>
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<td>2. Leading Change (HBR_Essentials)</td>
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<td>3. Turning great strategy into great performance (HBR_Strat)</td>
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<td>Mon/Tue</td>
<td>19-Jan / 20-Jan</td>
<td>Strategy Implementation</td>
<td>Firm Report Due</td>
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<td>1. Managing corporate culture through reward systems (Kerr &amp; Slocum)</td>
<td>Southwest Airlines: In a Different World</td>
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<td>2. The secrets of successful strategy execution (HBR_Strat)</td>
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<td>3. Transforming corner-office strategy into frontline action (HBR_Strat)</td>
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<td>4. Who has the D? (HBR_Strat)</td>
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The schedule and its contents are subject to change.

HBR_Strat = HBR’s 10 Must Reads on Strategy, Harvard Business Review
HBR_Essentials = HBR’s 10 Must Reads The Essentials, Harvard Business Review
Textbook reading is completely optional; M = Marcus, A. Management Strategy; G = Grant, R., Jordan, J. Foundations of Strategy.; R = Rothaermal, F. Strategic Management: Concepts. (e.g., M6 = chapter 6 from Marcus, A. Management Strategy)
GRADE WEIGHTING AND SCALE

1. Case write-up 1 (group) 20%
2. Case write-up 2 (individual) 25%
3. Class participation (individual) 20%
4. Analysis presentation (group) 12%
5. Interactive facilitation (group) 8%
6. Firm report (individual) 15%
Total 100%

Grade Cut-offs:
- A+ 97-100%
- A 94-96%
- A- 90-93%
- B+ 87-89%
- B 84-86%
- B- 80-83%
- C 70-80%
- F less than 70%

Case Write-ups:
There are two case write-ups (one individual and one group). Students will be required to apply concepts and frameworks from assigned readings and in-class discussions to analyze cases that are similar to the ones discussed in class. The specific cases will be communicated on November 26th (group mid-term case) and January 14th (individual final case) and a separate link to these new HBR cases will be provided. The mid-term case is due at the beginning of class on December 8th/9th and the final case is due via blackboard at midnight on January 24th. More details will be forthcoming.

Class Participation:
This is a case-based course that is heavy on discussion and interaction, and 20% of your grade will be based on your contribution to class discussion and activities. Needless to say, not coming to class prepared to discuss the topic for that day will make it difficult to score well on this, as well as other components of the grading assessment. Furthermore, if you do miss a class, it is your responsibility to find out from your classmates what material was covered and what handouts you may have missed.

Verbal component of class participation (15%)
Many people are intimidated by the “obligation” of speaking up in class. Don’t be. Your anxiety will be reduced only through practice. Here’s the secret to cutting your stress level: BE PREPARED. If you have familiarized yourself with the case and readings, you will succeed if you speak up. Please keep in mind that the only measurable output of your preparation is your class discussion – but airtime is a scarce resource, so please use it wisely. Comments based solely on a “gut reaction” generally do not add much value. Participation that does not add any value is treated the same as not participating. Frequent non-quality contributions are not rewarded and in some cases may be penalized.

What does class contribution entail? While not an exhaustive list, here are some key ideas:
1. Asking appropriate questions
2. Being a good listener
3. Making evidence-based comments and recommendations
4. Respecting the opinions of others
5. Distinguishing between data, opinions, and guesswork
6. Building on the comments of others
7. A high contribution-to-words ratio (i.e. simply taking up “air time” is not a valued contribution)
8. Demonstrating an understanding of the case

Ideally, a contribution will increase the average class understanding of the discussion taking place. This is a lofty goal, yes, and not all comments will have this effect, but keeping this criterion in mind should help you ferret out good and not-so-good comments.

Case introduction and conclusion

Appendix A contains questions for each of the cases that we will discuss in class. At the very start of each case discussion, I will sometimes call on one or two students, randomly, to take a few minutes to answer some of these questions or give their view of the major issues involved. Similarly, at the end of each case discussion, I may call on students, again randomly, to summarize the key findings of the case and the take-away lessons to be learned from it. Your input at this time builds towards your class contribution grade. Even if you are not called on in this manner, though, everyone should still come to class prepared with answers to the case questions and an action plan for the key protagonist in the case.

The GMU catalog states the following on attendance policies for graduate and undergraduate classes:

Students are expected to attend the class periods of the courses for which they register. In-class participation is important to the individual student and to the class as a whole. Because class participant may be a factor in grading, instructors may use absence, tardiness, or early departure as de facto evidence of non-participation. Students who miss an exam with an acceptable excuse may be penalized according to the individual instructor's grading policy, as stated in the course syllabus.

Written component of class participation (5%)

As mentioned previously, you should come to all classes prepared to answer the case questions from Appendix A. To help prepare you for the written case assignments, students are asked to turn in their written answers to the case questions for two (2) of the cases discussed during the semester (sessions 2 – 9). The typed answers are due before class starts and should not exceed 2 double spaced pages (with 1" margins and 12-point font).

Team Selection:

As some of the course activities will be completed in teams, please select your own groups of around five students. You will work with this same team to complete all of the group assignments. Since diversity and close coordination is a key part of management in dealing with complex, multi-functional organizational challenges, please consider complementary functional expertise and individual schedules and location to ease coordination. To the extent possible, I will try to accommodate your team selection requests, but there may be instances where we need to add team members or rebalance teams.

Contributions to Group Assignments

Throughout the semester you will be involved in various group projects. Like other professional settings, it is critical that all team members are effectively contributing to the group’s
All team members will get the same grade on each of the team assignments unless a majority of the team members (50% or more) decides to change to a peer performance appraisal system. Under such a system, members will rate one another’s contribution for the assignment, and individual grades will be adjusted (both upward and downward) based on these ratings. If you decide to invoke the peer performance appraisal system, prepare a document or e-mail to that effect signed by the majority of your team to be submitted with each team assignment(s) for which you wish to do this, and I will contact you for your evaluation of team members’ contributions. You cannot decide to do peer performance appraisal after you receive your grade. You must tell me and hand in the document when the assignment is due.

Analysis Presentation:
The strategic analysis presentations must not exceed 15 minutes. Additional time will be allotted for Q&A. Ideally, all team members should deliver part of the presentation or participate in the Q&A. All teams must provide a hardcopy of their slides (3 slides per page) on the assigned date. The presentations will be evaluated based on the following criteria: quality of group’s industry and macro environmental analysis (both qualitative and quantitative), quality of internal analysis (both qualitative and quantitative) used to identify firm’s key strengths and weaknesses, application of course concepts, use of appropriate evidence and presentation (professionalism, persuasion, enthusiasm, clarity, flow, spelling, grammar, etc). Support your arguments with facts and when data or information is missing, make reasonable assumptions, which you can articulate and defend. More details will be forthcoming.

Interactive Facilitation:
Each team will be assigned one class session to create and lead a short interactive activity related to the session’s discussion topic (for sessions 5 – 10). The goal of this assignment is to develop and facilitate a 15- 20 minute interactive activity that furthers our understanding of that day’s topic. To do so, groups should go beyond the assigned material to introduce ideas and facilitate a discussion that either extends or deepens the class’s understanding of the session’s discussion topic. For example, this could be achieved by reviewing a new Harvard Business Review article or book and leading a discussion that connects these new ideas to the material discussed during that class session. More details will be forthcoming.

Firm Report:
The firm report consists of researching and analyzing a firm in an industry of your choosing. The report must be typed and not exceed 6-double spaced pages, excluding exhibits, with 1” margins and standard fonts (12-point - Times New Roman). The reports will be broadly evaluated on incisive analysis, the application of appropriate concepts and frameworks, the logic of arguments (qualitative and quantitative), and presentation (professionalism, persuasion, clarity, flow, spelling, grammar, etc). Exhibits are highly recommended to enhance the text. Graphics, tables, and bullets will help to make points in the most concise way and to clarify issues discussed in the text. Exhibits should be germane to the analysis and arguments, and should be referenced as appropriate in the text. Note, however, that the point of the information presented in the exhibits must be covered in the writing of the report. Please make sure all appropriate materials are referenced, use a broad range of references, and provide current and complete references (title, source, date, etc.). More details will be forthcoming.
Assignment policy: All assignments and exams must be handed in on schedule and in-class (no e-mails). Late assignments and missed exams will drop a letter grade for every day they are late.

E-mail: I will occasionally send e-mail messages to the entire class. I will use the GMU mailing list associated with this class.

Honor System and Code: The Honor System and Code adopted by George Mason University will be enforced for this class: www.gmu.edu/departments/unilife/honorcode. In your work on all written assignments, keep in mind that you may not present as your own the words, the work, or the opinions of someone else without proper acknowledgement. You also may not borrow the sequence of ideas, the arrangement of material, or the pattern of thought of someone else without proper acknowledgement. Please note: Faculty are obligated to submit any Honor Code violations or suspected violations to the Honor Committee without exception.

Standards of behavior: The mission of the School of Business at George Mason University is to create and deliver high quality educational programs and research. Students, faculty, staff, and alumni who participate in these educational programs contribute to the well-being of society. High quality educational programs require an environment of trust and mutual respect, free expression and inquiry, and a commitment to truth, excellence, and lifelong learning. Students, program participants, faculty, staff, and alumni accept these principles when they join the School of Business community. In doing so, they agree to abide by the following standards of behavior:

- Respect for the rights, differences, and dignity of others
- Honesty and integrity in dealing with all members of the community
- Accountability for personal behavior

Integrity is an essential ingredient of a successful learning community. Ethical standards of behavior help promote a safe and productive community environment, and ensure every member the opportunity to pursue excellence. The School of Business can and should be a living model of these behavioral standards. To this end, community members have a personal responsibility to integrate these standards into every aspect of their experience at the School of Business. Through our personal commitment to these Community Standards of Behavior, we can create an environment in which all can achieve their full potential.

Disability: If you have a disability and you need academic accommodations, please see me and contact the Office of Disability Services (ODS) at 703-993-2474. All academic accommodations must be arranged through the ODS. Please take care of this during the first two weeks of the semester. More information about ODS is available at http://www.gmu.edu/student/drc

Religion: Students who will miss class for religious reasons should inform me of their anticipated absences during the first two weeks of the semester.

Counseling center: George Mason University has a counseling center that can provide assistance if you find yourself overwhelmed by life, want training in academic or life skills, or the like. More information is available at http://www.gmu.edu/departments/csdc/

Writing center: George Mason University has a writing center that can help you improve your English writing skills. http://writingcenter.gmu.edu/

Inclement weather: Information regarding weather related change in the university’s schedule (e.g., closing or late opening) will be provided on the University's main information line (703-993-1000) and will be given to all local media outlets (although media coverage cannot be guaranteed). When in doubt, check. I expect to hold class unless the Mason campus is officially closed.

Cell phones & devices: Cell phone and devices are distracting. Please turn off all audible signals before class.