MBA 678: STRATEGY AND ORGANIZATIONAL LEADERSHIP

Semester: Fall 2011

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Course: Section 01; R (7:20-10:00pm) University Hall; 1200
Section 02; R (1:30-4:15pm) Art and Design Building; 2003

Office hours: R 4:30-7:00pm and by appointment

Course material: (a) Contemporary strategy analysis 7th edition, by R.M. Grant
(b) Harvard Business School online case book:
    http://cb.hbsp.harvard.edu/cb/access/9892477

Course website: BlackBoard (mymason.gmu.edu)

COURSE DESCRIPTION

Firm performance is rarely homogeneous – some firms outperform others. Many argue that strategy differences help explain why some firms outperform others. A firm’s operational scope (i.e., served product and services markets) and how a firm competes given its operational scope are two examples of the myriad issues addressed by a firm’s strategy.

To this end, this course is an advanced (i.e., graduate level) integrated concept driven (e.g., theoretical) and quantitative exploration of industry structure, industry dynamics, and business strategy. This course uses a combination of lectures, case analyses, and most importantly class discussions to assess firm competition, strategy, and performance from a firm-centric perspective. The class will examine strategy in firms, integrating knowledge from prior and concurrent core course work. Specifically, knowledge from finance, accounting, information technology, and marketing will be assumed, required, and used. Moreover, this class will make use of economic concepts (e.g., supply and demand curves, equilibrium points, and marginal, average, and total costs and revenue curves) as the overarching conceptual framework for understanding strategy in modern medium to large publicly traded for-profit firms. This course is a graduate-level capstone class with the associated challenges and expectations.

PREREQUISITES

Students are responsible for taking the necessary pre-requisites and co-requisites for this course.
COURSE MATERIALS
We will use *Contemporary Strategy Analysis* 7th Edition by R.M. Grant as the dominant source for course content. Additional readings, if necessary, will be available from BlackBoard and GMU electronic library sources. The case packet can be purchased from Harvard Business School Publishing. PowerPoint slides used during class discussion will be posted.

LEARNING GOALS AND OBJECTIVES
The following is an abridged list of the graduate program goals pertinent to this class. Consult the graduate office for the complete list of goals, if you so wish.

Goals:
- To improve analytical decision making.
- To integrate the various functional disciplines.

More importantly, the following is a list of course objectives. This list in 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 familiarize 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, analytic, and critical-thinking skills.

This class integrates core concepts you learned up to this point in the George Mason University, Graduate School of Management curriculum. You will examine firms and industries from historical and current economic perspectives. Your written analyses will include the principles of finance, accounting, management, and marketing. Information technology will be viewed as both the “glue” that links the functional specialties together and as a driving force behind emerging strategies. Understanding how the various functional areas fit together and determine the performance of the firm is a key foundation of this capstone course. You will also learn traditional strategy concepts including: industry analysis, firm resource analysis, strategy formulation (i.e., corporate and business level strategies), vertical integration, and diversification. When necessary, microeconomics and institutional economics will be used.

This course will refine your strategic thinking skills. You will master and apply strategic management frameworks to current events and your class assignments. In addition to the course content, the class will help you further develop important skills: research, analysis, creative thinking, critical thinking, and problem solving.

Learning approach:
This course is designed to be centered on discussion and application rather than traditional lectures. Research strongly suggests that the method used in this class is more effective and more interesting than traditional lecture-based teaching methods. Success requires a major investment. You will need to study the assigned readings before each class, do a fair amount of thinking and writing, and be prepared to contribute to the class discussion. You should become a partner in the learning process, which means asking questions, sharing your reactions, giving feedback to your colleagues and instructor, and staying on top of the workload.

We will use a combination of lectures, discussions, and case analyses during most class sessions. For each
topic area, we will usually discuss the key strategic management concepts and frameworks first. Then, we will devote class time to the application of these frameworks using current events, cases analyses, and your selected assignments as context. Electronic recording of class sessions is not helpful. As such, electronic recording is prohibited without written permission from the instructor.

Student responsibilities:
You should take advantage of the opportunities in this class to develop your analytical and strategic thinking abilities. It will be difficult to perform well in this class without attending office hours. As such, you should plan to spend a significant amount of time on this course and make sure that you are in a position to succeed. If you have any questions about whether or not this is a reasonable time to take this course, given your competing school and non-school responsibilities, your instructor will be happy to sit down with you before the drop/add date to determine if you are in a reasonable position to succeed. Put simply, you are responsible for providing yourself enough time and energy to succeed in this course – being “present” in class will not result in a semester grade of B or higher. Finally, all students will behave professionally and in a manner consistent with the School of Management Community Standards.

ASSIGNMENTS AND GRADING
Class performance will be assessed using the following items:

- 45% Case write-ups
  - First: 10%
  - Second: 15%
  - Third: 20%
- 35% Term paper
- 20% Class participation

In previous semesters, your earned grade was assigned on a straight scale based on the assignments and the associated points. However for this semester, a distribution will first be created from the total semester points of all the people in the class. Then your final semester grade will be determined, vis-à-vis this class distribution, using your total semester points and where you “place” on the distribution. Normalizations may be used to insure consistency with assignment weights. NOTE: You must earn at least 70% of the total possible points before the distribution is used. Otherwise a “straight” grading scale will be used.

Case write-ups:
There will be three case write-ups due during the semester. Case write-ups can be completed individually or with other people. Select two cases from the following list and answer the posted preparation questions.

- Crown Cork & Seal in 1989
- IMAX: Larger Than Life
- Innovation at Progressive (A): Pay-As-You-Go Insurance
- Southwest Airlines 2002: An Industry Under Siege
- Sony PlayStation 3: Game Over?
- Curled Metals Inc. – Engineering Products Division

The third case write-up (i.e., “Monforte Diary”) is mandatory.

The write-ups are due at the beginning of the class during which the case is scheduled to be discussed. You should thus plan accordingly. Late papers or papers submitted during the break will not be accepted. Arrange to have the paper printed before you come to class. All case write-ups should be no longer than three pages of 11-point font double spaced text with one-inch margins on all sides. You are permitted an additional one half page for every additional person (5 people maximum per case write-up). However, an
increase in length (i.e., two or more people) requires an increase in quality. There is no page limit for exhibits. Submit a hard copy.

Although you are highly encouraged to answer some of the questions that are posed with the case assignment (i.e., failure to directly answer a critical question may hurt your overall assessment), it is not possible to answer all the questions. Because it is not enough to provide simplistic, general, or ambiguous answers, analyze and answer the questions most pertinent to your thesis. Furthermore, you may want to address other pertinent questions because case assignment questions are usually the start of the analysis.

Each write-up will be assessed on how well you understand the issues and demonstrate insights into the particular problems posed by the case using key course concepts. You should include references to the readings that are appropriate to the case you are analyzing. Assigned readings can be used to substantiate your arguments and provide a theoretical basis for your analysis.

It is critical that you do not restate the facts of the case. You must use key course concepts in your analysis. There is a limited amount of space to convey your ideas. Use it wisely and try to allocate a roughly equal number of paragraphs to each question. Common mistakes are repeating case facts or paraphrasing the textbook. Another common mistake is to devote two pages to answering the first question and one page to answering the last two or three questions. You should use endnotes (in an appendix) to reference statements or exhibits from the case to support your thesis. Finally, make use of exhibits. They can help convey information in a visual format that is compact but very compelling. What is not compelling (and what detracts from your grade) is if you simply include an existing exhibit from the case or a reading. In other words, exhibit “dumping” will be penalized. Instead, you should recombine information, integrate relevant conceptual material, and present it as support for the arguments that you make in the text of your write-up. For further details, read the “Case write-up guideline” posted on the course website.

**Term Paper:**
There will be one term paper due at the end of the semester. You will be asked to synthesize and apply the concepts and insights from class readings, assignments, and discussions, and use them to perform an external and internal analysis. The term paper is due at the beginning of **Session 14**. Late papers will not be accepted. For further details, read the “Term paper guideline” posted on the course website.

The term paper will be assessed on how well you analyze, using MBA678 concepts and materials, the issues and demonstrate insights. You should include appropriate references. Assigned readings and class discussions can be used to substantiate your arguments and provide a theoretical basis for your analysis.

The main text of the term paper must _not_ be longer than eight pages of 11-point font double spaced text with one-inch margins on all sides. Each term paper can include a maximum of five people. An increase in the number of people requires an increase in term paper quality. There is no limit on the number of exhibits. Submit two hard copies.

**Class participation:**
An important part of the course pedagogy is participation in class discussions. Participation is a direct function of material mastery – assigned readings and the cases. You are expected to come to every class and be prepared to contribute significantly to the class discussions. It is expected that your participation will stimulate and enrich the in-class discussions. Engaging in “air time” participation is highly discouraged. The quality and consistency of participation will determine the participation assessment. Class participation is not “filler points” – they are real. You start the semester with nothing and build points by demonstrating consistent patterns of behavior. Being unprepared for a single class, for example,
will not affect your participation grade but missing several classes or showing a consistent pattern of no or poor preparation, participation, or both will. In other words, if you never positively contribute to in-class discussions, your class participation will be very poor – or even zero.

**Class expectations:**
Careful writing (e.g., grammar, spelling, and succinct verbiage) is expected in all assignments and will be a factor in all assessments. Work that does not meet standards for graduate-level work will be penalized. We are nonetheless cognizant of mitigating factors (e.g., native versus a foreign speaker) and will take them into account if needed. Of course, concise and lucid writing will be assessed higher than longer and convoluted writing.

Discussion is encouraged and often required to complete an assignment but collaboration on answers is not permitted. Extenuating circumstances aside, late assignments will not be accepted. The merit of any extenuating circumstances will be assessed on a case by case basis by the course instructor. There will be no way to make-up a missed assignment if a student elects to not submit it. (By university policy, special arrangement will be made for those students who cannot be present due to a religious holiday)

If you have any concerns or questions about how these policies may apply to this course (or to a specific assignment), ask for clarification.

**Honor code:**
You are expected to adhere to the George Mason University code of academic conduct. It is available at [http://www.gmu.edu/facstaff/handbook/ad.html](http://www.gmu.edu/facstaff/handbook/ad.html). If you have any questions, consult your instructor promptly for clarification. Specifically, you will complete original work for this class. Research is important and you must cite all your sources for all papers in this course. 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. Ask if you are unsure what constitutes original work and what constitutes honor code violations.

**DISABILITY ACCOMMODATION**
If you are a student with a disability and you need academic accommodations, please see me and contact the Disability Resource Center (DRC) at 993-2474. All academic accommodations must be arranged through the DRC.
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