BEEDIE SCHOOL OF BUSINESS
SIMON FRASER UNIVERSITY

COURSE:	BUS 478, Section D400	**INSTRUCTOR:**	Jerry Sheppard
TITLE:	Strategy		Office: WMC 4387
SEMESTER:	Spring 2024 (1241)		Hours: Tuesday: 15:30 – 16:10
CLASSROOM:	E100 AQ 3149 Tuesday, 16:30		Thursday: 10:40 – 11:20
	D400 WMC 3250 Thursday, 11:30	Phone:	778-782-4918
			E-mail: sheppard@sfu.ca

Pre-requisites:

Bus. 207, (or Econ. 201 or Econ. 301), Bus. 312, 343, 360W & 374 or 381, all with a grade of C- or better, & 90 credits.

Objectives

1. Develop a capacity to think strategically about a firm, its business position, how a firm can gain a competitive advantage.
2. Conduct strategic analyses in a range of industries, firms and situations to develop a grasp of the competitive trials of a global environment.
3. Get acquainted with managerial tasks related to strategy formulation, and what managers can do to promote competent implementation.
4. Integrate knowledge from other courses to see how business functions fit together and why all parts of a firm need to be managed in harmony.

Textbook

Hitt, Ireland & Hoskisson, *Strategic Management, Competitiveness and Globalization, Concepts,* 12th edition or later. Cengage. ISBN: 9781305502208.

Grades

Individual Written Grades
　Strategy Formulation 16%
　Integrate- Recommend- Implement 16%
　Written Executive Summary 16%

Individual Participation Grades
　Participation 11%
　Presentation Performance 7%
　Peer Evaluated Group Contribution 6%

Group Work Grades
　Written Case Synopsis 8%
　Case Presentation 10%
　Written Executive Summary 10%

Class participation

Group participation and a positive contribution to class discussion are integral parts of the course; *coming to class is not enough!* Attendance accounts but contribution to discussion accounts more. The best way to contribute is to be prepared by reading the material in advance and saying something in class. Keep in mind that the quality of your contribution will also be evaluated.

Individual Analyses & Executive Summary

Individual firm strategic formulation and implementation analyses, along with an Executive Summary are on the **Coop** case. The case is an introduction to the firm; you should do additional research to update and complete, as much as possible, information on the business. Your analyses should use the doc. files linked to "Blank strategy formulation template" and "Blank integration, recommendation and implementation template" available on the class Bus. 478 Canvas website.

Scale Conversions

Scale conversions on all assignments are as follows:
　GPA Grade = [% Grade / 7] ^ .5
　% Grade   = [GPA scale ^ 2] X 7

Group work

You'll form groups of four to six people in the first week. Groups should have folks who have a range of skills, and can work well together. You will be evaluating others in the group. The average grade for the group is to be 3.1. If you choose not to fill out a grade form, all group members will receive a 3.15.

Groups also write a 5-8 page synopsis of a firm of your choice covering firm history, environment, current state & main strategic challenges. At term's end groups present a 30-min. analysis of the firm. Groups then have two days to complete a written Executive Summary of their analysis.

Session Breakdown

Most sessions include a short 'Essentials' lecture on main chapter points, a strategy based exercise and / or a case (a 20%, 40% 40% split).

If you want them more in-depth coverage of the concepts, you can find full concepts chapter lectures. These are Power Point presentations with audio that plays once you start the slide show & when prompted you have to click 'NEXT' to get to the next point.

Ethical Considerations

You must do your own work on individual assignments. Failure to do so, plagiarism, or insufficient citation may result in a zero for the assignment.

Course Coverage

The onus is on students for discussion; the professor's role is to facilitate. To this end the goal is to expose you to many organizations and strategies.

Schedule

	Class	Topic_Detail	Tasks	Hand in
Formulation & Integration	Thur. Jan. 11	Intro. to Strategic Management. Strategy Case Analysis.	Read Chapter 1. Look over the Case PowerPoint Slides.	
	Thur. Jan. 18	External & Internal Environment.	Read Chapters 2 and 3. Prepare to discuss The IMI Case.	
	Fri. Jan. 19	Group lists.	Hand in Group lists.	**Group Lists**
	Thur. Jan. 25	Business Level Strategy. Corporate Level Strategy	Read Chapters 4 and 6. Prepare to discuss the in class Exercises A & B on the RV Industry.	
	Thur. Feb. 01	Competitive Rivalry & Dynamics. International Strategy.	Read Chapters 5 and 8 Prepare to discuss The Tom's Case.	
	Thur. Feb. 08	Cooperative Strategy.	Read Chapter 9 Prepare to discuss the Carlsberg Case. Devise a critique of the Carlsberg slides.	
	Sat. Feb. 10	Formulation Analysis.	Hand in Individual Formulation Analysis.	**Formulation analysis for Coop**
	Thur. Feb. 15	Organization Structure and Controls.	Read Chapter 11. Prepare to discuss the Deepwater Horizon Case.	
	Thur. Feb. 29	Restructuring.	Read Chapter 7. Prepare to discuss Exercise C: A to Z.	
Implementation	Sat. Mar. 02	Individual Integration, Recommendation & Implementation Analysis.	Hand in individual Integration, Recommendation and Implementation Analysis.	**Coop integration, recommendation & implementation**
	Thur. Mar. 07	Corporate Governance.	Read Chapter 10. Prepare to discuss Exercise D: Bayer.	
	Thur. Mar. 14	Leadership.	Read Chapter 12. Prepare to discuss the Vestas Case	
	Sat. Mar. 16	Individual Executive Summary	Hand in Individual Executive Summary.	**Coop Exec. Sum.**
	Thur. Mar. 21	Strategic Entrepreneurship. The Future.	Read Chapter 13 and the article *How to do Strategic Planning like a Futurist.** Prepare to discuss Exercise E: Futures.	
	Sat. Mar. 23	Group Case Synopsis	Group Case Synopsis.	**Group Synopsis**
Ends	Thur. Mar. 28	**Case Presentations**	Case Presentations	
	Sat. Mar. 30	Group Executive Summary	Group Executive Summary	**Group Exec. Sum.**
	Thur. Apr. 04	**Case Presentations**	Case Presentations	
	Sat. Apr. 06	Group Executive Summary	Group Executive Summary	**Group Exec. Sum.**
	Thur. Apr. 11	**Case Presentations**	Case Presentations	
	Sat. Apr. 13	Group Executive Summary	Group Executive Summary	**Group Exec. Sum.**

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* This can be found at https://hbr.org/2019/07/how-to-do-strategic-planning-like-a-futurist

Bus 478 Group Selection

COURSE: BUS 478-3

TITLE: Strategy

NOTES: http://www.sfu.ca/~sheppard/index.html

INSTRUCTOR: Dr. J. Sheppard

Office: WMX 4387

E-mail: sheppard@sfu.ca

Phone: 778-782-4918

Title	Name	Last 4 Digits of Student ID #	Concentration
Chief Executive Officer			
Chief Operations Officer			
Chief Marketing Officer			
Chief Financial Officer			
Chief of Human Resources _If you have one_			
Chief Information Officer _If you have one_			

Preferences

First Choice	**March 28 / 30**	**April 04 / 06**	**April 11 / 13**
Second Choice	**March 28 / 30**	**April 04 / 06**	**April 11 / 13**
Third Choice	**March 28 / 30**	**April 04 / 06**	**April 11 / 13**

Comments

Formulation Analysis Evaluation

Section of report *Range is 0.0 –4.4*	Form	Content
Mission, Objectives, Goals, stakeholders	♦ Updated Information ♦ Current Mission ♦ Goals & Objectives ♦ Stakeholders	• If case info. needs updating, update it and bring the audience/reader up to speed. • Provide the firm's current Mission & Goals. • Who're the stakeholders & what do they want?
General and Industry Environment	♦ Macro Environment (Demographics, Economy, etc.) ♦ Industry Environment (Porter's 5) ♦ Competitors (top 3 or so) ♦ What are the industry dynamics	• Clearly outline these elements. • Industry dynamics include the likelihood of competitor attach and response and the form these attacks and responses are likely to take given conditions in the environment
Resources and Capabilities / Core Competencies	♦ Resources (Tangible / Intangible) ♦ Capabilities (by Functional Area) ♦ Core Competencies (VIRO) ♦ Performance	• Details will be needed (e.g. you should say "Their physical plant is the most modern and efficient in the industry and it allows them to…." rather than simply listing "physical Plant" under a list of tangible resources).

Business, Corp. and International Strategies	♦ Business Level Strategy
	♦ Corporate Level Strategy
	♦ International Strategy
	♦ Cooperative Strategy
		• Tell me what is their:
		  - Generic Bus. level strategy is (Cost Leadership, Diff, Focus, etc.)
		  - Corp. level strategy (Conglomerate, Vert. Integration Single bus., etc.)
		  - International Strategy (Global, Transnational, Multidomestic).
		  - Any Joint Ventures, etc.

Average		

Integration, Recommendation and Implementation Analysis Evaluation

Section of report *Range is 0.0 –4.4*	Form	Content
Synthesis	♦ Firm Strengths & Weaknesses ♦ Enviro. Opportunities & Threats ♦ SWOT Matrix ♦ Does the strategy fit the SWOT	• Summarize not only the strengths & weaknesses / opportunities & threats but relate them to each other – how does all that you've said so far fit together.
Selecting a Course of Action	♦ Criteria by which you will evaluate a good recommendation. ♦ Recommendation. ♦ Targets and Goals ♦ Evaluation of Recommendations.	• Tell me what challenges a good recommendation will address. • Have a definitive recommendation. • Tell me what are the targets of your recommendations. • Tell me how your recommendations meet your criteria and potential targets.
Implementation	♦ Describe an Action Plan for implementation ♦ Discuss the logic of Action Plan ♦ Are any new organizational structure or controls needed ♦ Criteria to evaluate change success.	• Logical & appropriate Action Plan for implementing your recommendations (1st this, then) • Review any new organizational structure or controls needed • Criteria by which you will evaluate whether the change was successful.
Remaining Considerations	♦ Cover ♦ References ♦ Figures (like organization charts or time lines) ♦ Tables.	• Cover has all the relevant elements (ID's, Art). • Sufficient consistently properly presented alphabetical references. • Sufficient labeled clearly presented figures. • Sufficient labeled clearly presented figures.
Average		

Executive Summary Evaluation

Section of report *Range is 0.0 –4.4*	Form	Content
Introduction	◆ Format allows quick access to info. ◆ Compelling statement of interest. ◆ Analysis goals and objectives. ◆ Recommended strategy.	• Explains what the firm does. • There's a compelling interest statement. • Does it note goals of the analysis? • Does it include a recommended strategy?
The Problem or Challenge	◆◆ Opportunities & threats (competitor, industry and macro environment). ◆◆ Strengths & limitations (resources, capabilities & core competencies).	Clearly discuss these elements: •• Opportunities & threats (competitor, industry and macro environment). •• Strengths & limitations (resources, capabilities & core competencies).
The Solution	◆ Obvious & clear action statements. ◆ Clear outline of action steps. ◆ Clear timeline. ◆ Clearly stated goals.	• What do you want to the firm to do? • What steps need to be taken (logical & appropriate action plan for implementation). • How soon do we start; with what steps? • How will we measure success (criteria by which you evaluate success of changes).
Why Now	◆◆ External circumstances driving change. ◆ Internal resources for recommendation. ◆ Compelling statement of urgency.	Explain: •• External circumstances driving change. • Internal resources for recommendation. • Why change now?
Average		

Executive Summary Outline

No more than one page, no cover, citations, or table of contents, no less than 11 point, New Times Roman, no less than ½-inch margins, and 1.25 spacing (in *Word*, Home → Paragraph → ◰ → Line Spacing → Multiple → type in 1.25). Mix any tables and figures into the text as they are mentioned.

INTRODUCTION

- Explain what the firm does.
- There's a compelling interest statement.
- Does it note goals of the analysis?
- Include a recommended strategy?

THE PROBLEM / CHALLENGE

Clearly discuss these elements: □

- Opportunities & threats (competitor, industry and macro environment).
- Strengths & limitations (resources, capabilities & core competencies).

THE SOLUTION

- What do you want to the firm to do?
- What steps need to be taken (logical & appropriate action plan for implementation).
- How soon do we start; with what steps?
- How will we measure success (criteria by which you evaluate success of changes).

WHY NOW

Explain:

- External circumstances driving change.
- Internal resources for recommendation.
- Detail the need for change now.

Group Presentation Evaluation

Sections	Comments / Questions	— Grade —	
		Form	Content
1. Describe the main challenges / problems for the organization. (A get-to-the-point <u>overview</u>.)			
2. Show an <u>analysis</u> backing how you arrived at your conclusion of what the organizational challenges are (Mainly an <u>external analysis</u>.)			
3. Tell me what <u>resources & capabilities</u> the organization has that help address the challenges / problems for the organization.			
4. Tell me what <u>restraints</u> the organization has to limit its actions.			
5. Sum-up the above by telling what a good recommendation does. (<u>Criteria for good recommendation.</u>)			
6. Make a <u>recommendation</u> that is clear and achievable.			
7. Explain an <u>implementation</u> showing a sense of urgency.			
8. Show me what things will look like when you are done. (i.e. how you <u>measure success</u>).			
9. Address the <u>questions</u> raised.			
Average			

Individual Presentation Grade is based on:

Cogent Content . . . . Did what you discuss make sense and support the analysis?
Confidence . . . . Did you seem self-assured about what you were saying?
Enthusiasm . . . . I'm not looking for cheerleading but at least seem interested!
Volume and Clarity . . . . . Were you loud & clear enough to be heard & understood in the back?
Attention to Audience . . . Did you make eye contact with the whole audience, not just the prof.?
Rehearsed . . . . You can use notes but look up occasionally and keep your place.

<table>
<tr><td colspan="13">STUDENT INPUT FOR CLASS PARTICIPATION GRADE (Due last Class)</td><td>Name _____</td></tr>
</table>

STUDENT INPUT FOR CLASS PARTICIPATION GRADE   (Due last Class)

Name _____

Student # _____

General attendance (Missed Classes)	A+	A	A-	B+	B	B-	C+	C	C-	D	F	
	⓪	⓪	⓪	①	②	③	④	⑤	⑥	⑦	⑧	Comments: _____

_____
_____
_____

On-time attendance (Late Classes)	A+	A	A-	B+	B	B-	C+	C	C-	D	F	
	⓪	⓪	⓪	①	②	③	④	⑤	⑥	⑦	⑧	Comments: _____

_____
_____
_____

Minutes of Sleep or work on other class classwork	A+	A	A-	B+	B	B-	C+	C	C-	D	F	
	⓪	①	②	③	④	⑤	⑥	⑦	⑧	⑨	⑩	Comments: _____

_____
_____
_____

Contribution Quantity	A+	A	A-	B+	B	B-	C+	C	C-	D	F	
	⑩	⑨	⑧	⑦	⑥	⑤	④	③	②	①	⓪	Comments: _____

_____
_____
_____

Contribution Quality	A+	A	A-	B+	B	B-	C+	C	C-	D	F	
	⑩	⑨	⑧	⑦	⑥	⑤	④	③	②	①	⓪	Comments: _____

_____
_____
_____

Other (Specify)	A+	A	A-	B+	B	B-	C+	C	C-	D	F	
	⑩	⑨	⑧	⑦	⑥	⑤	④	③	②	①	⓪	Comments: _____

_____
_____
_____
_____
_____

Bus 478 Group Evaluation

Group _____

Grades range from 0.0 - 4.4.	Fill in only the column that applies to your group			Comments
Title	4 Person Group	5 Person Group	6 Person Group	
CEO:				
COO:				
CMO:				
CFO:				
CHR:				
CIO:				
Total:	12.4	15.5	18.6	

Introduction Slides:

Business 478: Strategy
Course & Delivery

Strategic Management: Competitiveness & Globalization

PART 0 Help with Strategy

Learning Objectives

Studying this material should provide you with the strategic management knowledge needed to:

1. Know how to pass this class.
2. Know how to find the resources to perform an acceptable strategic analysis in this class.
3. Know that you could maybe not possibly ask for more!

Intro. to Bus. 478: Strategy / '24 D400 Thurs. Spr. (1241)

Prerequisites:	Bus. 207, 312, 343, 360 & 374 or 381 & 90 credits.
INSTRUCTOR:	Jerry Sheppard
CONTACTS:	778-782-4918 Sheppard@sfu.ca
OFFICE:	WMC 4387
HOURS:	Tue. 15:40-16:20, Thurs. 10:40 -11:20 & by Appt. For an appointment contact me in person, by phone or E-mail & we'll set-up an appt.

The Web page includes cases & exercises.

Course Description & Text

Course Description:
Provide you with an introduction to Strategy.
- Goal: enhance your ability to <u>insightfully</u> develop, articulate, implement a strategy.
- Coverage: strategic mgmt. process:
  – i.e. strategy formulation and implementation.
- Short lectures, case studies and classroom exercises will support lecture & discussion of course topics.

Text:
Hitt, Ireland, & Hoskisson
Strategic Management: Competitiveness & Globalization, Concepts, 12th or later Ed.

Grading (more on this when I get to grade sheets)

Individual Grade (72%)

Written Component
- 16% Formulation Analysis.
- 16% Integrate, Recommend, and Implement.
- 16% Executive Summary.

Participation Component
- 11% Individual Participation.
- 7% Presentation Performance.
- 6% Peer Evaluated Group Contribution.

COOP Denmark is the individual written case

Grading (more on this when I get to grade sheets)

Group Grade (28%)

Final Group Case
- 8% Written Case Synopsis
- 10% Case Presentation
- 10% Written Executive Summary

These folks look WAY too happy!

GPA ~ % Conversion

GPA Grade = $[\% \text{ Grade} / 7]^{0.5}$
% Grade = $[\text{GPA grade}]^2 \times 7$

CONVERSION

Ethical   Not doing your own work on individual assignments, plagiarism or insufficient citation may get you a zero.

Group Selection Form

Name	Student ID #	Title	Concentration	
Steve Jobs	20311-1234	CEO	Marketing	You need to find a group & a company to analyze by Jan 19.
Andy Grove	20302-1415	COO	Mgmt. Science	
Phillip Kives	20210-1234	CMO	Marketing	
Mike Milkin	20311-5678	CFO	Finance	I'll put you in a group if you can not find one.
Richard Branson	20102-1234	CHR	D. Technology	
Bill Gates	20302-4321	CIO	D. Law	

Class Assignments: The Basics

Date	Topic	Class Details	Readings
Thur. Jan. 11	Strategic Mgmt.	Strategic Mgmt. & Cases	Ch. 1, *Case PowerPoints*
Thur. Jan. 18	External / Internal Environment	Enviro, & *the IMI Case*	Chapters 2 and 3 & *The IMI Case*
Fri. Jan. 19	GROUP LISTS DUE		
Thur. Jan. 25	Business & Corp. Level Strategies	Strategies & *Exercises A & B*	Chapters 4 and 6 & *Exercises A & B*
Thur. Feb. 01	Competitive Rivalry & International Strat.	Rivalry, International & *The Toms Case*	Chapters 5 and 8 & *The Toms Case*
Thur. Feb. 08	Cooperative Strategy	Cooperative Strat. & The *Carlsberg Case & Slides*	Chapter 9 & the *Carlsberg Case and Slides*
Sat. Feb. 10	*Individual Formulation Analysis Due on Coop (Dk.)*		
Thur. Feb. 15	Organizational Structure & Control	Structure and Control & The *Deepwater Horizon*	Chapter 11 & The *Deepwater Horizon Case*

Class Assignments: Applications & Ends

Date	Topic	Class Details	Readings
Thur. Feb. 29	Restructuring	Restructuring & *Exercise C*	Chapter 7 & *Exercise C*
Sat. Mar. 02	*Individual Integration Recommendation and Implementation Analysis Due on Coop (Dk.)*		
Thur. Mar. 07	Corp. Governance	Corp. Governance, & *Ex. D*	Ch. 10 & *Exercise D*
Thur. Mar. 14	Leadership	Leadership, & Vestas Case	Ch. 12 & Vestas Case
Sat. Mar. 16	*Individual Executive Summary Due on Coop (Dk.)*		
Thur. Mar. 21	Strat. Entrepreneurs & the Future	Strategic Entrepreneurship, the Future & *Exercise E*	Ch. 13, Being a futurist & *Exercise E*
Sat. Mar. 23	Group Case Synopsis Due		
Thur. Mar. 28	Case Presentations (Group Exec. Sum. due Mar. 30)		
Thur. Apr. 04	Case Presentations (Group Exec. Sum. due Apr. 06)		
Thur. Apr. 11	Case Presentations (Group Exec. Sum. due Apr. 13)		

Grade for Formulation Analysis

Section of report Grade range is 0.0 – 4.3	Form	Content	SUBHEADINGS!
Mission, Objectives, Goals, Stakeholders	3.0	3.3	Include Corp. Philosophy and stakeholder analysis.
General & Industry Environment	3.0	3.4	General External Environment, Porter's 5 Forces, Competitor Analysis & Dynamics.
Resources, Capabilities & Core Competencies	3.3	3.3	Subheadings. Including explaining the firm's core competences (VRIO).
Bus., Corp., Co-op. & International Strategies	3.3	3.4	Subheadings include Business, Corp., International & Co-op. Strategies.
Average		3.25	Average

Essential Intro. Slides 10/20 | Course Introduction | Text & Course Description | Grades & Grading | Group Selection | Class Assignments | Strategic Analysis | Group Peer Evaluations | Self Evaluation & Sundry

Grade for Integration, Rec. & Impl.

Section of report Grade range is 0.0 – 4.3	Form	Content	SUBHEADINGS!
SWOT & Synthesis	3.5	3.3	SWOT & how Strengths match Opportunities & how Weaknesses exacerbate Threats.
Criteria, recommend target, evaluate,	3.5	3.5	Create criteria for a recommendation, recommend, set targets, evaluate.
Implementation	3.3	3.4	State an action plan, timeline, needed structural & control changes required.
Remaining Considerations	3.5	3.4	Cover, reference, figures, tables.
Average		3.35	Average

Equal Weighting & pretty much as described.

Essential Intro. Slides 11/20 | Course Introduction | Text & Course Description | Grades & Grading | Group Selection | Class Assignments | Strategic Analysis | Group Peer Evaluations | Self Evaluation & Sundry

Grade for Executive Summary

https://www.inc.com/guides/2010/09/how-to-write-an-executive-summary.html

➢ **First Paragraph Introduction:**
  ✧ If asked to read a big paper, you'd want to know why.
  ✧ Explains what a firm does & compels further reading.
    - If you've a compelling A-Ha! moment, or identified a market segment not adequately served, you might start there.
    - Think about your core strengths.
    - Use bullet points to present your ideas more concisely.
    - What attributes does your firm have that make it special?

Essential Intro. Slides 12/20 | Course Introduction | Text & Course Description | Grades & Grading | Group Selection | Class Assignments | Strategic Analysis | Group Peer Evaluations | Self Evaluation & Sundry

Grade for Executive Summary

➤ Then tell me: • The Problem • Your Solution • Why Now
  ❖ Problems include threats, opportunities &/or limitations.
  ❖ Solutions should address what you want to do & when.
  ❖ Why Now is important since it makes a summary timely.
    • Do NOT leave a reader thinking there's plenty of time to act.
    • If there's no urgency to a summary, the plans won't get read.

EXECUTIVE SUMMARY versus INTRODUCTION

Group Peer Evaluations

Peer Evaluation

Group Name: _____

Grade range is 0.0 - 4.3. Title	Fill in only the column that applies to your group 4 Person Group	Comments
CEO:	3.7	OK
COO:	3.5	So-So
CMO:	3.8	Good!
CFO:	1.4	zzzzzz
CHR:		
Total:	12.4	

Don't be the free rider!
You get a higher grade by not filling this out !
This is due Apr. 13, 2024

Sundry Material

• Most sessions will average 20% short lecture, 40% strategy exercise, 40% case analysis.

• On-line lectures are from concepts chapters.

• Power Point Audio Lectures are available at: http://www.sfu.ca/~sheppard/478index.html

• All power point presentations include:

SOUND

Arose means Uber-Text notes

A star means an important point

There's also some material on the bottom of the slide so you know how much longer the prof. is going to ramble on.

Case Slides:

Strategy Case Analysis / Preparing an Effective Case Analysis

Strategic Management: Competitiveness & Globalization

EXTRA

PART 0 Help with Strategy

Learning Objectives

Studying this material should provide you with the strategic management knowledge needed to:

- Study the product of the analysis: the report.   3.
- Discuss, generally, what's involved with the synopsis.   4.
- Note the requirements for the analysis paper.   5.
- Note the analysis presentation requirements.   6.

Case Studies   CASE STUDY

The Strategic Management Process

Analysis

Chapter 2: The External Environment
Chapter 3: The Internal Organization
Chapter X1: Strategy Case Analysis
Chapter X2: Strategic Performance
Above Average Returns
Vision & Mission
Chapter 10: Corporate Governance
Chapter 4: Bus.-Level Strategy
Ch. 11: Org. Structure & Controls
Chapter 12: Strategic Leadership
Chapter 5: Competitive Dynamics
Chapter 6: Corp.-Level Strategy
Chapter 13: Strategic Entrepreneurship
Chapter 7: Acquisition & Restructuring
Chapter 8: International Strategy
Chapter 9: Cooperative Strategy
Strategic Competitive-ness
Implementing for Performance
Strategies

Essentials in Preparing a Case

+ **Cases force you to confront reality:**
  - The absence of needed information;
  - An imbalance among needs & resources;
  - Conflicts among competing objectives.

+ **Cases require you to:**
  - Relate analysis and action.
  - Develop realistic and concrete actions, despite complexity & partial knowledge.

+ **The primary responsibility for learning is yours.**
  - The quality of discussion entails some mastery of case facts & some analysis.
  - Read & think carefully about each case.

Essentials in Preparing a Case

Essential elements include preparation:

- Careful reading and thinking about case facts,
- Reasoned analyses,
- Development of alternative solutions to case problems.

Recommended alternatives should flow logically from core problems identified through study of the case.

Preparing for a Case

1. Gaining Familiarity
  - In general, determine who, what, how, where & when (the critical facts in a case).
  - I.D. situation's places, persons, activities, & contexts.
  - Recognize informational certainties & uncertainties.

PLANNING & PREPARATION PREVENT PISS POOR PERFORMANCE

2. Recognizing Symptoms
  - List all indicators (including stated *"problems"*) that something is not as expected or as desired.
  - Ensure symptoms are not assumed to be a problem (symptoms lead to identifying problems):
    - You may want to correct symptoms, not true problems.
    - True problems are states or situations requiring solution before firms' or persons' performance can improve.

Preparing for a Case
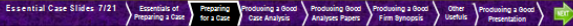
3. Identifying Goals

- Identify critical statements by major parties.
- List all goals of the major parties that exist or can be reasonably inferred.

4. Conducting the Analysis

a. Decide what ideas, models, theories are useful.
b. Apply these conceptual tools to the situation.
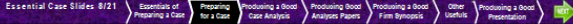c. As new info. is revealed, go recycle back to 'a.'

PLANNING & PREPARATION PREVENT PISS POOR PERFORMANCE

G⊙AL

Preparing for a Case

5. Making the Diagnosis

- Identify predicaments (goal inconsistencies).
- Identify problems (goal performance divergence).
- Prioritize problems by timing, importance, etc.

6. Doing the Action Planning

- Specify & prioritize criteria used for alternatives.
- Discover or invent feasible action alternatives.
- Examine likely consequences of alternatives.
- **Recommend a course of action.**
- Design an implementation plan / schedule.
- Create a plan to assess implemented actions.

PLANNING & PREPARATION PREVENT PISS POOR PERFORMANCE

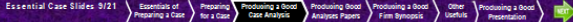action planning

---

Producing a Good Case Analysis

1. Mission, Objective, Goals & Stakeholders

FORM
- **Updated Information**
- **Current Mission / Goals & Objectives**
- **Stakeholders & what they want**

- If the case info. needs updating, you should update it & bring the audience up to speed.
- Provide what you think are the firm's current Mission & some goals.
- Provide a list of stakeholders & what you think they each desire from the firm.

CONTENT

Producing a Good Case Analysis

2. External Environment: General, Industry & Competitive

FORM

- **General (Macro) Environment:**
  - Demographics, Economy, etc.
- **Industry Environment:**
  - Porter's 5 forces.
- **Competitors:**
  - Detail the top three.
- **Dynamics:**
  - Likelihood of attack & response.

- **Clearly detail the above elements.**

CONTENT

Producing a Good Case Analysis

3. Internal Analysis:

FORM

Resources, Capabilities, Core Competencies
- **Resources**
  - Tangible   Intangible
- **Capabilities (by Functional Area).**
- **Core Competencies (VRIO).**
- **Financial Performance results.**

- **Details will be needed.**
  - (You might say "Their physical plant is the most modern and efficient in the industry. It allows them to…" rather than just listing 'Physical Plant' under tangible resources).

CONTENT

Producing a Good Case Analysis

4. Strategy

FORM

- **Business Level Strategy.**
- **Corporate Level Strategy.**
- **International Strategy.**
- **Cooperative Strategy.**

- **State the firm's Generic Bus. level strategy**
  - (Cost Leadership, Differentiation, Focus)
- **State the firm's Corp. level strategy**
  - (Conglomerate, Vert. Integration, Single bus.)
- **State the firm's International Strategy**
  - (Global, Transnational, Multidomestic)
- **Say with whom they have cooperative arrangements & how they benefit the firm.**

CONTENT

Producing a Good Case Analysis

5. SWOT & Synthesis

FORM CONTENT

SWOT Synthesis (with SWOT Matrix)

	Strengths	Weaknesses
Opportunities	What strengths allow the firm to uniquely take advantage of opportunities	What weaknesses prevent the firm from taking advantage of opportunities
Threats	What strengths allow the firm to defend against threats.	What weaknesses exacerbate threats to the firm.

How does all that you have said so far fit together.

Producing a Good Case Analysis

6. Criteria, Evaluations & Recommendations

FORM
- Criteria for Evaluation of Recommendation.
- **Recommendation.**
- **Targets and Goals.**
- **Evaluation of Recommendation.**

- What are the criteria for a good recommendation.
- **Recommend a course of action.**
- **Tell me what you seek to achieve through your recommendations.**
- **Evaluate your recommendation based on the criteria.**

CONTENT

Producing a Good Case Analysis

7. Implementation

FORM
- Plan of Action (What to do 1st, 2nd, etc.)?
- **Are new Organizational Structures & Controls needed (If so, What types?).**
- **Criteria by which we Evaluate Changes.**

- **Generate a list actions needed for change and explain your logic for them.**
- **Evaluate whether new Organizational Controls are needed & if so what types.**
- **Discuss how we will know whether the change has been effective.**

CONTENT

Writing Good Formulation & Integration-Recommendation-&-Implementation Analyses

The Individual Analyses:

- **Formatting:**
  - One and 1/2 spaced (I will check).
  - Page limit is eight pages, excluding cover and citations.
  - NO Table of Contents needed.
  - Min. 12 point Times New Roman with max. .3 compression.
  - Minimum margins of 1 inch or 2.54 centimeters.

The course outline says what individual analyses are & when they are due!

- **Tables:**
  - They save space (avoid cut & paste).
  - Short term memory rule: 7 ± 2 for lists.

The Web Page has a blank analyses with very useful advice.

- **Citations:**
  - Cite in any consistent format; only for quotes & odd facts.
- **Grammar: No incompressible misspelled sentences.**

For a Good Executive Summary

- **INTRODUCTION**
  - Explain what the firm does.
  - Give a compelling interest to read.
  - Does it note goals of the analysis?
  - Include a recommended strategy.
- **THE PROBLEM / CHALLENGE**
  - Opportunities & threats (competitor, industry and macro environment).
  - Strengths & limitations (resources, capabilities & core competencies).
- **THE SOLUTION**
  - What do you want to the firm to do?
  - What steps need to be taken (logical & appropriate action plan).
  - How soon do we start; with what steps?
  - How will we measure success (criteria by which you evaluate).
- **WHY NOW**
  - Explain external circumstances driving change.
  - Note internal resources for recommendation.
  - Detail the need for why change now.

One page,11 pt., New Times Roman, ½-inch margins, 1.25 spacing

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For a Good Company Synopsis

Groups will write a 5-8 page company synopsis.

- **This is a mini-case to familiarize the rest of the class with the firm your group will analyze.**
  - It will be posted on-line for everyone in class to read.
- **Your synopsis should cover:**
  - Firm history.
  - Current situation.
  - Environment.
  - Main strategic challenges.
- **I will need a Word™ AND a pdf version of your groups' synopsis e-mailed to me in good form.**
  - Without student ID numbers on the cover.
- **There is a link to previous terms synopses on the Groups page of the Business 478 Webpage.**

For a Good Presentation

Over the Last Three Classes

- A presentation should include all parts of an exec. summary.
  - Evidence all analysis parts were done.
- Presentations should be about 30 minutes, & 10 min.s for ?s.
  - You all present, but its a group grade.
  - Consistent written look so it seems like the group coordinated what's shown.
    - This means the same typeface, same system of typeface sizes & bullets, etc.
    - Minimum 18 point type.
    - Spelling & Grammar count.
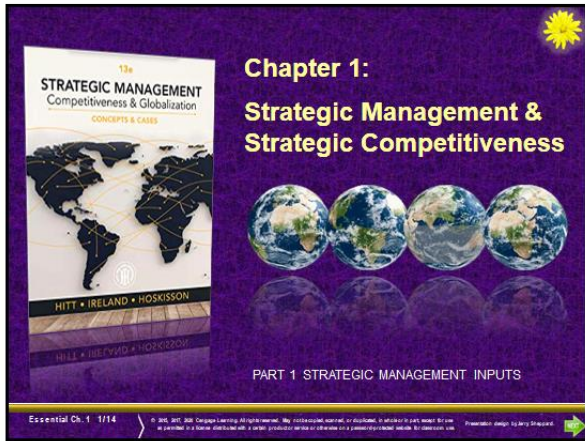- The Word™ Exec. Summary is due two days after presenting.

Section of report Grade range is 0.0 – 4.3	Form	Content
Introduction		
The Problem		
The Solution		
Why now?		
Average		

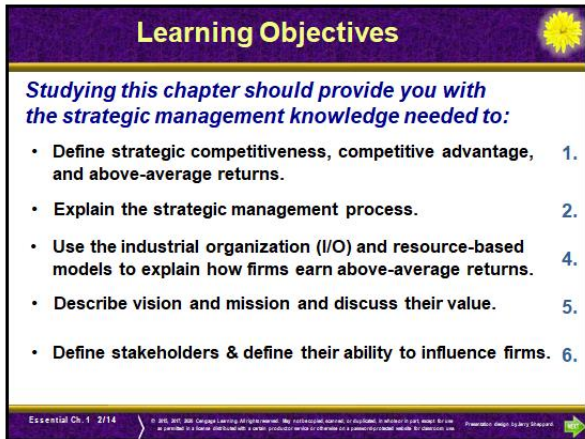| Section of report Grade range is 0.0 – 4.3	Covered	Section of report Grade range is 0.0 – 4.3	Covered
Mission, Objectives, Goals, Stakeholders	✓	SWOT & Synthesis	✓
General & Industry Environment	✓	Criteria, Recommend., Targets & Evaluation	✓
Resources, Capabilities & Core Competencies	✓	Implementation	✓
Bus., Corp., Co-op. & International Strategies		Remaining Considerations	

Essential Case Slides 19/21 | Essentials of Preparing a Case | Preparing for a Case | Producing a Good Case Analysis | Producing Good Analyses Papers | Producing a Good Firm Synopsis | Other Useful | Producing a Good Presentation

The Strategic Management Process

Analysis

Chapter 2: The External Environment
Chapter 3: The Internal Organization

Above Average Returns

Chapter X1: Strategy Case Analysis
Chapter X2: Strategic Performance

Vision & Mission

Chapter 10: Corporate Governance
Ch. 11: Org. Structure & Controls
Chapter 12: Strategic Leadership
Chapter 13: Strategic Entrepreneurship

Chapter 4: Bus.-Level Strategy
Chapter 5: Competitive Dynamics
Chapter 6: Corp.-Level Strategy
Chapter 7: Acquisition & Restructuring
Chapter 8: International Strategy
Chapter 9: Cooperative Strategy

Implementing for Performance

Strategic Competitive-ness

Strategies

1

2

3

4

5

6

The I/O Model & Its Assumptions

Diversification

Product differentiation

Barriers to market entry

Industry concentration

Economies of scale

The Firm's Strategic Choices

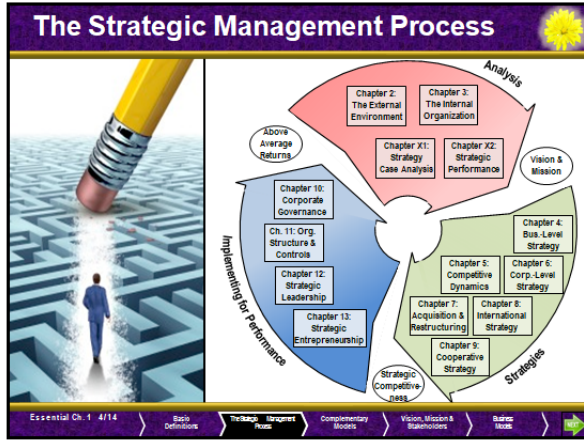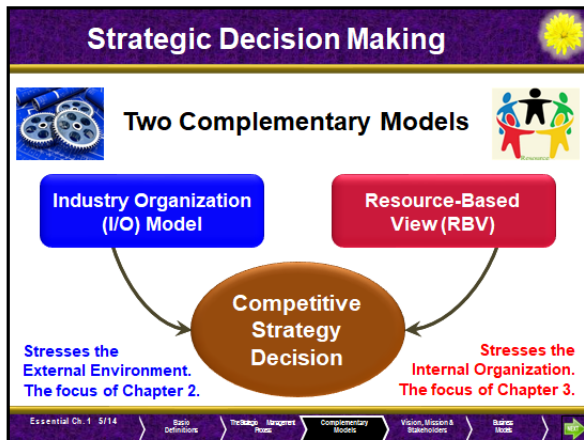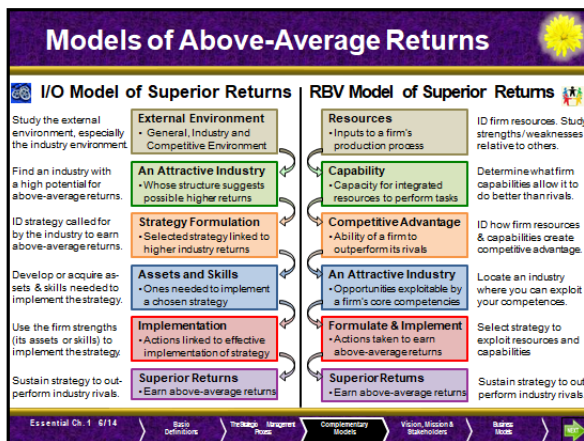Market frictions

1. The external environment imposes pressures and constraints that determine strategic choices.
2. Similarity in strategically relevant resources causes competitors to pursue similar strategies.
3. Resource differences among competitors are short-lived due to resource mobility across firms.
4. Strategic decision makers behave as rational profit optimizers.

Thus the I/O model is very reliant on the Porter five forces model

Essential Ch. 1 7/14 | Basic Definitions | The Strategic Management Process | Complementary Models | Vision, Mission & Stakeholders | Business Models

7

Five Forces Model & Its Assumptions

Potential Entrants

Suppliers

Industry Rivalry

Buyers

Substitutes

- Industry profitability (rate of return on invested capital relative to cost of capital) is a function of interactions among the 5 forces.
- Industry attractiveness equates to its profitability potential for earning above-average returns to:
  – Produce standard goods or services at costs below rivals (cost leaders).
  – Or produce differentiated goods or services for which customers are willing to pay a price premium (differentiation).

Essential Ch. 1 8/14 | Basic Definitions | The Strategic Management Process | Complementary Models | Vision, Mission & Stakeholders | Business Models

8

The RBV Model & Its Assumptions

RBV Model of Above Average Returns

Building competitive advantage

Resources
Physical, human, and organizational capital (tangible and intangible)

Capabilities
An integrated set of resources

Core competence
A source of competitive advantage

Resources As Core Competencies

V R I O   Test

Costly to imitate

Valuable

How resources become core competencies

Rare

Organized to be exploited

1. Firms acquire different sets of resources.
2. Unique capabilities are based on how firms combine resources.
3. Resources and certain capabilities are not highly mobile across firms.
4. Differences in resources/capabilities are basis of competitive advantage and firm performance, not the industry's structural characteristics.

Essential Ch. 1 9/14 | Basic Definitions | The Strategic Management Process | Complementary Models | Vision, Mission & Stakeholders | Business Models

9

Vision Statement

A Successful Vision is:
- An enduring word picture of what the firm wants to be and expects to achieve in the future.
- One that stretches and challenges the firm's people.
- One that reflects the firm's values and aspirations.
- Most effective when its development includes all stakeholders.
- One which recognizes the firm's internal organizational and external competitive environments.
- Supported by upper management decisions and actions.

Tim Hortons — *"Our vision is to be the quality leader in everything we do."*

Essential Ch.1 10/14 — Basic Definitions | The Strategic Management Process | Complementary Models | Vision, Mission & Stakeholders | Business Models

10

Mission Statement

An Effective Mission:
- Specifies business or businesses in which the firm intends to compete & customers it intends to serve.
- Has a more concrete, near-term focus on current product markets and customers than the firm's vision.
- Should be inspiring and relevant to all stakeholders.

Tim Hortons — *" Our guiding mission is to deliver superior quality products & services for our customers & communities through leadership, innovation & partnerships."*

Essential Ch.1 11/14 — Basic Definitions | The Strategic Management Process | Complementary Models | Vision, Mission & Stakeholders | Business Models

11

Stakeholders

Primary stakeholders (individuals, groups, and organizations)
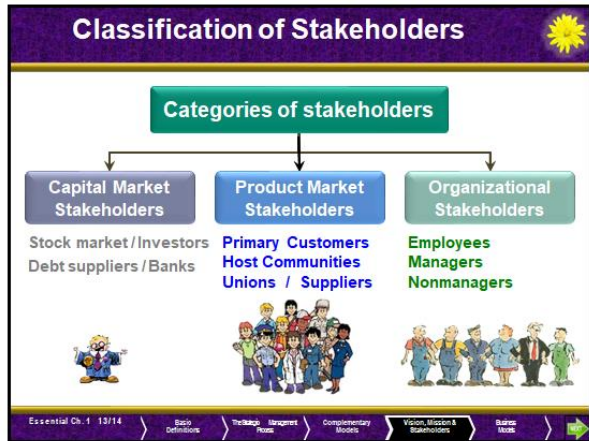- Can affect development of the firm's vision and mission
- Are affected by the strategic outcomes achieved by the firm
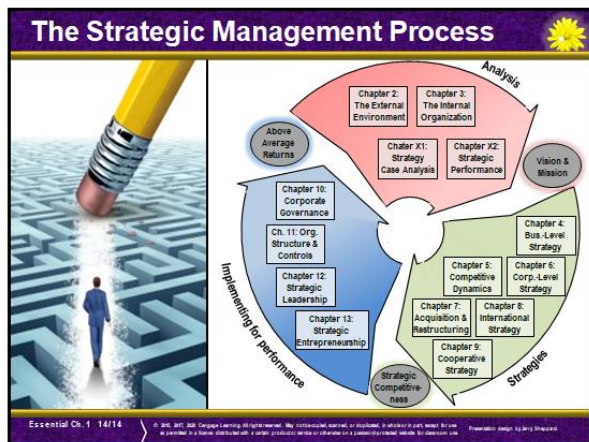- Can have enforceable claims on the firm's performance
- Are influential when in control of critical or valued resources

Essential Ch.1 12/14 — Basic Definitions | The Strategic Management Process | Complementary Models | Vision, Mission & Stakeholders | Business Models

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