Strategic Management

MGT511E: Fall 2012

Tuesday/Thursday 8:30am – 9:50pm

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Office hour: by appointment

T.A.: To be announced

I. Course Description

Modern corporations have been playing a crucial role for the local and world economy. People around the world now become main consumers as well as employees and other types of stakeholders of many globalized and local corporations. Knowing the nature and the behavior of modern, particularly globalized corporations is now very critical to become a "sound" global citizen, particularly who endeavors to be a future corporate leader.

To this end, this course is to motivate you to consider what the key natures of the modern corporation are, how the modern corporations behave and why, and what could be the economic and social consequences of such corporations' behavior.

Strategic management of a modern corporation is a key theoretical approach in this course. From a strategic-management perspective, top managers of modern corporations who lead corporate expansion and globalization ultimately attempt to address the following questions: 1) What should a firm do for performing better than others, 2) how can the firm sustain such an outperforming status in the long run, and 3) how can the firm implement the decisions made over the aforementioned questions?

To this end, top managers formulate and execute strategies for sustainable competitive advantages. That is, strategic management is concerned with a firm's 1) achieving "competitive advantages" (i.e., the status of outperforming rival firms), 2) sustaining such competitive advantages in the long run, and 3) executing "strategies." Since firm strategies guide resource allocations within a firm, the 'visible hand' of top managers substitutes for the 'invisible hand' in the market as a mechanism in allocating firm resources. This identifies the uniqueness of theoretic issues of strategic management.

II. Course Purpose

This course is to develop students' skills in analyzing complicated business situations and applying their learning experiences into the real business world. Mainly through case study, this course will expose students to diverse managerial contexts: large and small organizations, manufacturing and service industries, growing and mature firms, domestic and international settings. In this course, students are encouraged to act as if they were advisors to business leaders or top managers themselves.

III. Course Methods

Lecture: Lecture is to motivate students to consider theoretic frameworks and specific theories that assist to analyze various issues of strategic management. For lecture class, students are encouraged to read the textbook and class handouts.

> **Textbook:** ***Strategic Management*** by Ireland, Hoskisson, & Hitt (8th ed.) South-Western (Should be available at the school bookstore)
>
> Lecture notes and supplementary handouts should be available at "lecture forum" under the "public folder" on the school website.

Case study: Case study follows each lecture. It is very essential to prepare the assigned cases to actively participate in case discussion. Through case study and discussion, students can exercise their knowledge on strategic theories learned from lecture. To this end, each student should read assigned cases thoroughly and write up the answers to the questions that the instructor raises regarding the cases (no more than two pages (A4) or five power-point slides). This course encourages students to lead case discussion in group. Each group in turn should prepare for leading case discussion in a manner that instigates strong interactions in class. Details of individual case write-up and leading group discussion are available in the next section.

Group project and presentation: Group projects for a written report and oral presentation are also critical to learn strategic management. This course requires two group projects. (1) One is the strategic analysis of a real business case given, as the mid-term project. Project groups (4 or 5 people in group) will compete to analyze the given case to provide strategic suggestions. (2) The other is a more extensive strategic analysis of another real business case. For this final project, each group should choose

one company **within the second month of the semester** and conduct the strategic analysis of the company to produce potential strategic recommendations. Details are available below.

IV. Grading Policy

Class Participation	35%	350
Case Analysis (12 cases)	12%	120
Small Case Analysis (8 cases)	8%	80
Mid-term Group Project	15%	150
Final Group Project	30%	300
Group Oral Presentation	15%	150
Group Written Report	15%	150

Class participation (35%): A *huge emphasis* of this course is on the degree of each student's contribution to the class. This includes leading active case discussion, raising interesting questions, bringing in any new materials relevant with chapter readings and cases, inviting guest speakers, and whatnots. As such, class meetings of this course will be a venue to seek for better strategic answers rather than 'right' answers. Careful debate, creative ideas, and professional communication will be highly appreciated.

Case analysis (12%): After lecture on each chapter, we discuss cases from the business world. We have 12 cases. Study questions about each case are designed to help focus our discussion. You are required to submit typed answers to the case questions before class discussion. Each case analysis is worth 10 points. Each case write-up is limited to 2 pages including the tables and figures, if necessary, or 5 power-point slides. [The case analysis could be discussed in group, although the written analysis should be prepared and turned in individually. If your group leads class discussion, you don't have to turn in individual analysis.]

Small case analysis (8%): To motivate our discussion on the lecture materials, we will begin with considering small cases mostly from the current business news articles. We expect to discuss 8 small cases that should be posted on the course website before each of lecture sessions. Students are supposed to prepare their answers to the questions asked while posting their response write-up before lecture.

Mid-term Group Project (15%): One business case with specific questions will be given to the class for the mid-term group project. Each group (formed with 4 or 5 students, **by the 3rd meeting**) will analyze the given case and provide strategic suggestions. The outcomes will be presented in class by group. Each group is supposed to turn in their hard copies of the presentation slides after the presentation. No specific formats are required. Rather, highly creative and reasonably articulated ideas and formats will increase the likelihood to gain better marks from the competition.

Final group project (30%): Each group is also supposed to do its final term-project that analyzes a chosen company for potential strategic recommendations. Specifically, each group will prepare for a presentation on long-term strategic planning of a selected firm with the related conditions and goals. The theme of this project is developing 5-10 year long-term strategic plans to accomplish strategic goals (e.g., increasing the revenue at least 3 times within 5-10 years). The strategic plans should include both business and corporate level strategies for the selected divisions and the corporation as a whole.

For this final project, each group should complete two things: **1) oral presentation on the project results (15%) and 2) submission of presentation slides (15%) used for oral presentation plus backup slides as a written outcome**. Each group will prepare about 25-minute long presentation for its oral presentation that should be conducted at the end of the semester. Although grade will be given to each group, each student's project grade will be determined on the basis of other group members' evaluations. *[In case that a project group functions inappropriately, members dropped out of the assigned group must take a cumulative mid-term and final exam instead of the final group project.]*

Grade scheme: Your final letter grade will be determined as follows:

A+>990; **A** ≥ 950; **A-** ≥ 900; **B+** ≥ 850; **B** ≥ 750; **B-** ≥ 650; **F** < 650.

V. Other Course Policies

Absence Policy: Attendance is mandatory. Each absence after the 1st week will cost you 1% of your total grade. **More than 5 absences** will result in a failing grade.

Assignment submission policy: No assignments will be accepted after the due date. All assignments must be typed and prepared in a professional manner.