



## Department of Management

*"Developing tomorrow's leaders today"*

### MANAGEMENT 5336

*Organizational Strategy*

*"Be better than you have to be" anonymous*

Fall 2014	Tuesdays and Thursday
Professor: M. Ann McFadyen	TH 21
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### I. COURSE DESCRIPTION

Strategic Management takes the view of the general manager of an organization. It addresses how firms use their resources to pursue goals and adapt to the environment. Resources may be technological or managerial know-how, employees, capital, etc. Elements of the environment are competition, customers, economic, political, or sociological conditions, global and domestic markets, etc. The general manager sets the objectives of the firm together with its stakeholders, and formulates and implements strategies to achieve competitive advantages in certain markets. Strategic Management is about setting priorities for the firm and then charting a course to achieve those priorities. Consequently, this class is integrative in nature, using the skills developed in other courses such as accounting, marketing, finance, and information systems.

### II. MATERIALS

Required materials:

Textbook: Competing for Advantage(3<sup>rd</sup> edition). Hoskisson, Hitt, Ireland, Harrison. Cengage Publishing (2013)

Readings and short cases – available through UTA Library Electronic Journals, electronic reserves, handouts in class, and Harvard Business Press Course pack (3 cases – purchase required)

Wall Street Journal (reduced rate subscriptions are available)

### III. COURSE OBJECTIVES

Strategic Management serves as a practice-oriented capstone course. The course is intended to provide the opportunity for you to integrate the concepts, knowledge and skills that you have acquired in each of the various functional areas. Strategic Management takes the perspective of the top management team and will explore why firms differ. This course involves substantial reading, writing, speaking and critical thinking.

A case study problem solving approach is taken to increase your understanding of the issues and challenges that most organizations face. It is designed for interactive participative learning. Please be prepared to participate and contribute to all class discussions.

#### IV. Grading

Grades for the course will be computed as follows:

Participation	10 points
Extra Credit	2 points
Group Case	20 points
Midterm	35 points
Individual Case	35 points
Total Points	102 points/100points

Final Grade Scale:

Evaluation	Points	Letter Grade
Excellent	93-100	A
Outstanding	90-92	A-
Superior	87-89	B+
Very Good	83-86	B
Good	80-82	B-
Average+	77-79	C+
Average	73-76	C
Below Average	70-72	C-
Unsatisfactory	<69	D-F

#### ACTIVITY DESCRIPTIONS:

**Participation.** Your participation grade is a critical element of this class, comprising 10 percent of your overall grade. You owe yourself and your fellow students your *presence* in the classroom, your *preparation* of the required material, and your *participation* in a timely manner. It is your responsibility to have read in advance the materials that will be covered during lecture. Please come to class prepared. You should ask yourself why each reading has been assigned and how it fits into the overall course. Preparation and participation is expected and monitored. Simply attending class does not garner participation points.

Participation is assessed on both the quantity and the quality of the contribution to the discussion. Please read the materials, consider the issues raised by the cases and assignments, and arrive at a thoughtful position concerning the ethical issues facing the firms and managers we discuss. Please develop a personal position on the issues that the cases and readings raise. Unless you have thought about and adopted a personal position, it is difficult to learn from others' contributions in the class. Thus, you must complete the assigned readings and cases prior to each class and be fully prepared to discuss them.

An effective participant:

- is a good listener
- makes points relevant to the ongoing discussion
- makes comments that add to our understanding of the reading or case
- is willing to challenge ideas that are being expressed
- integrates material from past classes and other courses.

#### **Group Case:**

Please form 6 teams of 5 people. We will randomly draw which team will present which case. We have three cases, two teams will be assigned to each case (please see the HBR case package). Please use the Applegate Stakeholder Analysis Tool to analyze and present your case. After each team presents their analysis, the students not involved in the presentation will provide written input. This will count towards your participation grade. More will be discussed in class. This project is worth 20% of your grade. Peer evaluations will also impact your final grade, regardless of the team's grade. All presentations are due Thursday, September 30<sup>th</sup> at the beginning of class. Please have your team leader email me a copy and provide a hardcopy in class.

**Midterm Exam:** In class midterm exam worth 35% of your grade (Tuesday, September 16<sup>th</sup>).

**Individual Case:** We are challenged to create organizational strategy that addresses our customers, owners, employees, suppliers, and ourselves. The purpose of this exercise is to apply the knowledge you are learning in class for the benefit of an organization. It will also provide you a “to do” list that you can work on for many years to enhance organizational strategy.

This assignment requires that you conduct a SWOT and Stakeholder analysis on the Bank of America HBS case (see case package). Please complete use the SWOT analysis outline to identify and list strengths and weaknesses for BofA as well as the competing stakeholders. Demonstrate your ability to apply the tools developed in class. The assignment should be between 8 – 10 single spaced, outline form with fully developed paragraphs, headings and subheadings. This assignment is worth 30 points (35% of your grade). All individual case write-ups are due at 10pm on Thursday, October 9<sup>th</sup>.

## **V. OTHER INFORMATION**

### **Academic Integrity Violations**

Simply put, scholastic dishonesty will not be tolerated in this course. All work in this course is to be an individual effort. If I suspect that you have been assisted by another to complete your work required for this course or if I suspect that you have aided another to complete his/her work in this course, I will write up the suspected violations and turn the incident directly over to the Office of Student Conduct. Any and all violations of academic integrity will be prosecuted. You will receive a 0 on the work in question, an F in the course and recommended to take a class on ethics. Depending on the severity, I may also recommend dismissal from the university. Information on what constitutes scholastic dishonesty and how the university addresses it may be found at <http://www.uta.edu/studentaffairs/judicialaffairs/academicintegrity.html>.

### **Late Penalty**

Late assignments will not be accepted for credit.

### **Americans with Disabilities Act**

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please contact Disability Services for Students at 817-272-3364 or visit the website: <http://www.uta.edu/disability/links.php>. No accommodations will be provided to students unless they are registered with the Disability Services for Students.

**TENTATIVE COURSE SCHEDULE**  
**MBA 5336**  
**FALL 2014**

Week 1 - August 21

Topic:	Syllabus What is Strategy?
Readings:	Henderson, B.D. 1989. "The Origin of Strategy", <u>Harvard Business Review</u> , Nov/Dec, pp. 139-143.  Porter, M.E. 1996. "What is Strategy?", <u>Harvard Business Review</u> , Nov/Dec, pp. 61-78.  Campbell, A. & M. Alexander 1997. "What's Wrong with Strategy", <u>Harvard Business Review</u> , Nov/Dec, pp. 42-51.  Freeman, Edward R. 2010. "Managing for Stakeholders: Trade-offs or Value Creation" Journal of Business Ethics, Vol. 96: 7 - 9  Chapter 1: Introduction to Strategic Management
Issues:	Establish a solid working definition that will serve as a foundation for the semester. We'll spend the semester examining concepts, models and cases that are important derivatives of this fundamental idea.
Assignments:	WSJ review

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Week 2- August 26

Topic:	Introduction continued  Strategic Leadership  Stakeholders  External Environment
Readings:	Chapter2: Strategic Leadership  Chapter 3: The External Environment  Clement, R.W. 2005. The lessons from stakeholder theory for U.S. business leaders. Business Horizons, 48(3):255-264
Issues:	Understand role of leaders, define leadership, understand importance of top level management  Understand role of stakeholders  Explore the importance and impact of the general environment and the industry on firm performance. The success of a firm's strategies is dependent upon the forces surrounding it. Examine the general environmental factors that indirectly impact all firms and Porter's Five Forces that directly impact all firms within the industry.
Assignments:	WSJ review

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### Week 3- September 4

Topic: Internal Environment

Readings: Chapter 4

Issues: Firms differ because of the resources and capabilities they possess. Determine how to examine the firm's strengths and weaknesses.

Assignments: WSJ review

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### Week 4- September 9

Topic: Business Level Strategy

Corporate Level Strategy

Readings: Chapter 5: Business Level Strategy

Chapter 8 Corporate Level Strategy

Chapter 6: Competitive Rivalry and Competitive Dynamics

Issues: Business level strategies focus around customers. Examine two broad business level strategies – low cost leadership and differentiation.

Corporate level strategies involve looking at the corporation as a portfolio of businesses. The goal of corporate level strategy analysis is to determine the most appropriate portfolio of businesses and how to manage them.

Assignments: WSJ review

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### Week 5- September 16

Topic: Acquisition and Restructuring Strategies

Readings: Chapter 7: Cooperative Strategies

Chapter 8: Acquisition and Restructuring Strategies

Issues: How can organizations derive the most from growth strategies?

Assignments: WSJ review

MidTerm Exam (Tuesday, Sept 16)

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### Week 5- September 23

Topic: Corporate Governance

Readings: Chapter 11 Corporate Governance

Useem, M. 2006. "How Well-Run Boards Make Decisions." Harvard Business Review; 84 (11): 130-138.

Nadler, David A. 2004. Building Better Boards. Harvard Business Review 82(5):102-111

Topic: Future directions

Readings: Christensen, C.M. & van Bever, D. 2014. The capitalist's dilemma. Harvard Business Review. 92(6):60 – 68.

Martin, R. L. 2014. The Big Lie of Strategic Planning. Harvard Business Review 92(1/2):78 – 84

Barton, D., & Mark Wiseman. 2014. Focusing capital on the long term. Harvard Business Review 92(1/2):44 – 51

Porter, M. E., & J. W. Rivkin. 2012. The looming challenge to U.S. competitiveness. Harvard Business Review, 90(3): 54 – 62.

Meyer, C., Kirby, J. 2012. Runaway Capitalism. *Harvard Business Review*. 90(1/2): 66-75

Assignment: WSJ Review

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#### Week 6 – September 30

Topic: Presentations

Assignment: WSJ review  
All presentations are due – please send a copy of your presentation via email and turn in a copy in class.  
Groups 1 and 2 presentations

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#### Week 7 – October 7

Topic: Presentations and Wrap up

Assignment: WSJ review  
Group presentation  
Individual projects (Thursday, Oct 9)

## Case Analysis Outline

### I. Introduction

### II. External Environment

#### A. General Environment (O/T) [15 points]

Political/Legal

Economy

Global

Demographics

Sociocultural

Technology

#### B. Porter's Five Forces Industry Environment (O/T) [15 points]

Threat of Buyers

Threat of Suppliers

Threat of New Entry

Threat of Rivalry

Threat of Substitutes

#### C. External Stakeholders (see Appleman Stakeholder Analysis Tool)

Identify all external stakeholders

List stakeholders interests and expectations (+ for positive, - negative)

Rate importance of each stakeholder

Identify action to take

#### D. Overview of All O/T

### III. Internal Environment (S/W)

#### A. Internal Analysis [50 points]

Core Competence

Analyze Value Chain and Fit for support

Business Level

Analyze Value Chain

Corporate level

Analyze Value Chains

#### B. External Stakeholders (see Applegate Stakeholder Analysis Tool)

Identify all external stakeholders

List stakeholders interests and expectations (+ for positive, - negative)

Rate importance of each stakeholder

Identify action to take

#### C. Overview of S/W

### IV. SWOT and Stakeholder analysis [10 points]

Match previously identified (from II and III above) Opportunities and Threats (External Environment and Industry Analysis) with Strengths and Weaknesses (Internal Analysis)

SW = OT

Identify which stakeholders are satisfied, and which are not

### V. Evaluate viable Strategic Alternatives [10 points]

Present 3 viable strategic alternatives

Choose best option which optimizes returns and stakeholder value