BEM 371 – Strategic Management  
Dr. Page West

Why do some companies consistently outperform other companies? Why can some companies sustain superior performance over long periods of time? How is this possible amidst an onslaught of competitive challenges and through the ups and downs of economic activity? Why do some companies just seem to get it right regularly (e.g. Apple), while others struggle for long periods (HP, Sears) and still others fail (Kodak, Blockbuster)? The answers to these questions set the framework for the study of strategic management.

This course is designed to provide a broader view of the issues of business organizations than would a course concentrating solely on such functional areas as accounting, finance, marketing or operations. The center of our attention is the total enterprise—the industry and competitive environment in which it operates, its long-term direction and strategy, its competitive approach, and its prospects for sustaining success. Since strategy does not lend itself to self-evident answers, an emphasis in this course is both problem formulation and analytical problem solving.

**Know.** The course emphasizes practical tools and analytical frameworks to provide an understanding of the following:
- Industries and the external firm environment.
- How value is created, and sources of strategic sustainability.
- Relationship between firm performance and strategy.
- Evidence about successful mergers and acquisitions.
- Frameworks for managing multi-business corporations.
- Global strategy approaches.
- Managing culture and structure.
- Monitoring progress on strategic initiatives.

**Do.** This course is also intended to assist you in developing the following:
- The ability to deconstruct complex and ill-structured situations into tractable problems for analysis.
- The ability to synthesize information in meaningful analyses.
- The ability to recognize promising business strategies and those which demand further attention.
- The ability to present well-supported oral and written arguments.
- The ability to critically analyze the attributes of the firm’s competitive environment and formulate plans to leverage the strengths and weaknesses of the firm’s internal capabilities.

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**Classes**

January 10 – April 27  
Monday & Wednesday  
Sec A: 09:30 – 10:45, room A27  
Sec B: 11:00 – 12:15, room A27

**Office Hours**

Monday 2:00 - 4:00 pm  
Or by appointment

**Course Culture**

**Discussion.** This course will heavily rely on class discussion. What you get out of the course depends on your preparation before each class. This will enhance the quality and depth of discussion about cases and companies, and will make a huge difference in how much you learn.

**Think!** The problems in strategy are complex, and there is usually not a clear "black and white" answer. Analysis is an important starting foundation. Quality of thinking using logic and reasoning is important to go beyond analysis.

**Electronics.** Turn off your cell phone prior to entering class. Laptop use is restricted to course assignments and readings.

**No food.** Coffee and drinks are OK. But please do not eat during our class time.
Required Class Materials

Textbook

The textbook for this course is the following:
Riderwood Publishing.

This textbook is available digitally through VitalSource, the leading platform for digital textbooks in the United States.

**Purchase the Digital Text.** Go to the VitalSource site, and establish a new account, or log in to your existing account. [https://www.vitalsource.com/](https://www.vitalsource.com/)

Once signed in, search for the following in the upper right search box:
9781733174435

Purchase the book. Once purchased, click the orange button "+ Add to Library". Then, to the right of the search box, select "My Library" in the drop-down menu. Your book should be displayed in the library page. Click on the book image, or click the blue "Read Now" button if it appears. A new "Bookshelf" reading window will open in your browser program.

**Download the Bookshelf App.** The VitalSource version of this textbook can be read on multiple devices using the "Bookshelf" app. This includes not only laptops and PCs, but also on the iPad, Kindle Fire, both Android and Windows 8 tablets, and smartphones. Once you have established your VitalSource account, you can download the free Bookshelf app from their website:

**Read Offline.** You can read offline. If you do not have access to a wireless connection or if you're traveling, you can still be productive. Install the Bookshelf app for your device (see above link). After you sign in using the Bookshelf app, you will be prompted to begin downloading your textbook.

**Highlights and Notes.** When you use a VitalSource book, you can highlight text from within the app, precisely as you used to do with a physical text. You will continue to see the highlights on the page. Simply select text, and a highlight / notes dialog box opens automatically. Select the color for the highlight. Note that different colors are available for different highlight uses, for example exam (yellow), important (green), or "needs clarification" (blue). This is a nice variation for when you study, since it makes it easy to identify material for particular study occasions.

When selecting text material, the dialog box also presents a radio button to add a note. This is the same as jotting down notes in the margin of a physical book.

**Review Highlights and Notes.** To view a list of all your Highlights and Notes, click on the "Notebook" button in the margin in the reader screen. A new searchable panel will open showing all your highlights and notes.

**Syncing highlights and notes.** Highlights and notes sync automatically across all your devices. When you read something offline and then re-connect later on, all highlight and notes are synced to other devices you use to read the textbook.

Case Packet

The university bookstore has stocked a packet of cases and readings that are required for the course.

Capstone Simulation

Go to [www.capsim.com](http://www.capsim.com), click the “Get Started” button on the right hand side. See additional instructions below in this syllabus.
Course Assignments & Weights

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<tr>
<th>Course Element</th>
<th>Individual / Group</th>
<th>% Weight</th>
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<td>Capstone strategy simulation</td>
<td>Team</td>
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<td>Team project</td>
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<td>Exam – Midterm</td>
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<td>Exam – Final</td>
<td>Individual</td>
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<tr>
<td>Class contribution &amp; demonstrated engagement</td>
<td>Individual</td>
<td>15</td>
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Capstone Simulation
Class teams will be randomly composed. Each team will each serve as an executive management team at a multi-million dollar company, competing against other teams in the class. Each team will make strategic decisions in an effort to grow the business and achieve superior performance. See Appendix A for complete instructions on access.

Team Project
The same teams will each conduct an analysis of a contemporary acquisition. Each will present its findings to the class in an executive briefing, and will turn in a research paper at the end of the term.

Course Exams
There will be two exams given – one midterm and a final. Each exam may include multiple choice, analysis problems, short answer, and short discussion type questions based on the readings, handouts, class discussions, and case discussions. You will be asked questions that require analysis and reasoning, and questions that require you to have an “informed” opinion supported by both the strategic frameworks we will have discussed in class as well as your own logic and reasoning.

Engagement and Peer Evaluation
Your engagement is critical to improved comprehension and skillful application of the ideas associated with sound strategic management. A high level of contribution and engagement is expected on an ongoing basis. Each team will be randomly assigned to lead the discussion of three cases, or portions thereof. Since teamwork represents 50% of the course grade, excellence in team contribution is expected. Evaluations for each of these aspects of the course grade are explained below. See Appendix B for advice on preparing for class discussions.

Academic honesty
Students are expected to adhere to the University policy on academic honesty. Academic dishonesty includes: a) cheating, b) fabrication and falsifications, c) multiple submissions, d) plagiarism, or e) complicity in academic dishonesty. All individual and group analyses are to be original work prepared by you or your team. Receiving any assistance from previous strategy students is a violation of the honor policy. All material and ideas from other sources must be cited and included in a bibliography. No team member should put his / her name on the team’s work without making an equal and dedicated contribution.

Grading Parameters

Grade scale.
A (93-100), A- (90-92.9)
B+ (87-89.9), B (83-86.9), B- (80-82.9),
C+ (77-79.9), C (73-76.9), C- (70-72.9),
D+ (67-69.9), D (63-66.9), F (<63).

Written work. All work must be single-spaced with 1-inch margins around, in 11-pt Times New Roman font.

No late submissions. No submissions of required work will be accepted late.

Make-up. A make-up exam is not given. If you have a valid reason for missing the exam (see the University guidelines) and have given prior notification, you will be allowed to take the exam prior to the regularly scheduled date.

Attendance. Your attendance in class is critical to your business education and your grade. Absences lowers your contribution to the class and your understanding. If you have to miss a class meeting, please let me know ahead of time.

Special accommodations. If you need special consideration or have a learning disability, contact the Learning Assistance Center and the professor early in the course.
Class Contribution & Demonstrated Engagement

At the end of the course the professor will exercise judgment about the level of contribution made by each student over the course of the term. Contribution will be evaluated based on the thoughtfulness and impact of your remarks during class in case discussions, and in other circumstances such as discussions during office hours. The foundation for any good case discussion is advanced preparation. Coming to class with a detailed analysis and recommendations can improve your ability to contribute thoughtfully and meaningfully to discussion. Penetrating questions which provoke thought and drive class conversations are also important.

Each student will receive a 0, 1 or 2 evaluation for demonstrated engagement for each class session. The grading scale is based on the following criteria:

- 0  Student was absent, did not participate materially, or was unprepared.
- 1  Student was present in class, was engaged and made modest comments on par with her / his classmates.
- 2  Student was fully engaged in class discussion, made multiple contributions throughout the class session, led a class discussion, and/or engaged other students substantively.

Engagement grades may be obtained at any point by emailing the instructor. The professor’s judgment is final as to the level of engagement recorded.

Peer Evaluation of Team Contribution

Teamwork is critical in this course. No team member should put his / her name on the team's work without making an equal and dedicated contribution. Each individual's contribution to her / his team will be evaluated by other members of the team using a confidential "peer evaluation" at the end of the term. Individual performance on teams may serve to either raise or lower the individual's team grade. The professor’s judgment is final as to any individual grade adjustments based on the peer feedback. Failure to turn in a completed peer evaluation form by the announced due date will result in a grade deduction based on the professor's judgment.

Contingencies

University officials have asked that faculty create contingency plans to allow a course to proceed long-distance if the school should ever become closed for an extended period of time (for example, due to a natural disaster or an outbreak of illness). Having such a backup plan helps to ensure that your progress toward graduation would not be hindered by such a catastrophe.

In the event of a long-term closure, instructions for completing the Strategic Management will be provided via email and through the use of the course Sakai site. To keep up each student should

1. Complete the readings according to the syllabus dates.
2. Analyze the cases that are due for class discussion.
3. Write answers to each of the Discussion Questions posted in the syllabus about each day's topic(s).
4. Be prepared to submit these answers at any time to your professor in a Word document.
5. Be prepared to answer other questions and/or take an examination online in the Sakai environment.
## Class Schedule, Readings, and Assignments

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<th>Text Chapter</th>
<th>Case</th>
<th>Simulation</th>
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<td>10 Jan</td>
<td>Course introduction</td>
<td>1 The Need for Strategy</td>
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<td>12 Jan</td>
<td>Mission and vision</td>
<td>3 Vision, Mission, Values</td>
<td>Whole Foods in Detroit</td>
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<td>17 Jan</td>
<td>MLK holiday</td>
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<td>19 Jan</td>
<td>Strategy &amp; performance</td>
<td>2 Strategy and Performance</td>
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<td>Complete introductory lesson</td>
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<td>24 Jan</td>
<td>Industry analysis</td>
<td>4 Industry analysis, 113-145</td>
<td>Complete rehearsal tutorial</td>
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<td>26 Jan</td>
<td>Industry analysis</td>
<td>4 Industry analysis, 145-152</td>
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<td>31 Jan</td>
<td>Industry analysis</td>
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<td>01 Feb</td>
<td>Value chain analysis</td>
<td>5 Value Chain Analysis</td>
<td>Cola Wars Continue</td>
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<td>02 Feb</td>
<td>Value chain analysis</td>
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<td>Practice round 1</td>
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<td>07 Feb</td>
<td>Value chain analysis</td>
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<td>Learning Through Toys</td>
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<tr>
<td>09 Feb</td>
<td>Sustainable advantage</td>
<td>6 Resource-Based Advantage</td>
<td>Practice round 2</td>
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<td>14 Feb</td>
<td>Business level strategy</td>
<td>7 Business Level Strategy</td>
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<td>16 Feb</td>
<td>Business level strategy</td>
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<td>Competition round 1</td>
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<td>21 Feb</td>
<td>Business level strategy:</td>
<td>Walmart Stores Discount Operations</td>
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<td>low cost leadership</td>
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<td>23 Feb</td>
<td>Business level strategy:</td>
<td>Celestial Seasonings</td>
<td>Competition round 2</td>
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<td>differentiation</td>
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<td>28 Feb</td>
<td>Midterm Exam</td>
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<td>02 Mar</td>
<td>Examination review</td>
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<td>Competition round 3</td>
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<td>07 Mar</td>
<td>Spring break</td>
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<tr>
<td>09 Mar</td>
<td>Spring break</td>
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<td>14 Mar</td>
<td>Growth &amp; innovation</td>
<td>8 Industries, Life Cycle Stages</td>
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<td>9 Competitive Dynamics</td>
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<td>16 Mar</td>
<td>Corporate strategy</td>
<td>10 Corporate Strategy, 321-335</td>
<td>Competition round 4</td>
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<tr>
<td>21 Mar</td>
<td>Corporate strategy</td>
<td>10 Corporate Strategy, 335-349</td>
<td>United Technologies</td>
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<td>23 Mar</td>
<td>Corporate strategy</td>
<td></td>
<td>United Technologies</td>
<td>Competition round 5</td>
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<tr>
<td>28 Mar</td>
<td>Corporate strategy</td>
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<td>EnClean: Malcolm Waddell's Story</td>
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<tr>
<td>30 Mar</td>
<td>Global strategy</td>
<td>8 International Strategy, 275-284</td>
<td>Competition round 6</td>
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<td>04 Apr</td>
<td>Global strategy</td>
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<td>Walmart Around the World</td>
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<td>06 Apr</td>
<td>Structure &amp; culture</td>
<td>11 Strategy and Structure</td>
<td>Hubble Error</td>
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<td>11 Apr</td>
<td>Strategic leadership</td>
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<td>13 Apr</td>
<td>Balanced scorecard</td>
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<td>Round The Corner</td>
<td>Competition round 8</td>
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<td>18 Apr</td>
<td>Review &amp; debrief</td>
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<td>Simulation debrief</td>
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<td>20 Apr</td>
<td>Team presentations</td>
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<td>25 Apr</td>
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<tr>
<td>27 Apr</td>
<td>Team presentations</td>
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Appendix A
Capstone Simulation

Capstone is a strategy simulation game. Teams competing in the simulation have been randomly composed. Each team has a company to run, and strategic decisions to make. Your decisions and the decisions of the other teams will be processed throughout the semester to provide ongoing feedback on how your company is performing in the competitive struggle.

The Capstone Strategy Simulation has two components: 1) Individual and 2) Group Competition. Each student is required to work through the individual components prior to competing in the teams. Team grades are evaluated on competitive performance vis-à-vis other teams in the same industry and overall learning.

We will use both class time and outside of class time to run, manage, and complete the simulation. The web based program allows your company to perform analyses and make decisions according to your own schedule. Some class time has been set aside to discuss the simulation and to help you familiarize yourself with the program. You are responsible for reading the student guide and understanding how the game operates.

Each student must take the following steps

Register for the Simulation
1. Go to www.capsim.com, click the “Get Started” button on the right hand side.
2. Click the “Register Now” button in the Student Registration box.
3. Read the welcome message, if you agree to the terms, click the “I agree with the Terms of Usage” radio button.
4. Click the “Continue with initial registration for this course” button to move on to the next page.
5. Enter the Simulation ID number you have been assigned and click the “Submit” button. Your Industry ID for this course is: G98003_000.
6. Enter all the required fields.
7. At the next page, choose the “Pay Online” button. The next page will ask for your payment option for the simulation. Each student must have his / her own paid account.
8. Please contact Capsim Support if you have any problems (Phone: 877-477-8787 | Email: support@capsim.com)

Individual Homework Assignment
Do not be concerned about being an expert right away; there is a lot of information to take in as you familiarize yourself with the program. This is just to start your training. You will get more proficient as you progress through the simulation.
1. Log into your Capsim account from the main homepage (www.capsim.com)
2. Click on the Capstone logo
3. On the left menu, click on the “Training” option
   a) View Introductory Lesson – Click play button to start the video. There is a quiz at the end that you must also take. The video is about 5 minutes long. This is an orientation to your new job. Max. 30 minutes.
   b) The Guide — there is an electronic version of the Student Guide. Instructions on where to find the guide is noted on this tab. Please skim through the chapters so that you can familiarize yourself with where things are in this guide. Use this as a reference guide as you go through the simulation. Max. 90 minutes
   c) Complete the Rehearsal Tutorial – Read and follow the instructions for the Rehearsal Tutorial. You must complete all items of the Rehearsal Tutorial. This is all done at your own pace. Max. 120 minutes
   d) Complete the Situation Analysis – The Situation Analysis will help your company understand current market conditions and how the industry will evolve over the next eight years. 90 minutes.

Support for the Simulation
Contact Capsim if you have any problems with the simulation. Click the “Help and Support” link at the top of your account page. Send a message by clicking the “Send a Support Ticket” button, or send an email directly to support@capsim.com. Please allow 12 hour response time. You can also speak to a live person during office hours (USA Central Time Zones) by calling toll-free (877) 477-8787. The Capsim support group helps with specific questions but you must do the work. Support will not provide you with help on what decisions to make.
Appendix B
Advice on Preparing for Case Discussions

“Strategic Management” takes you beyond study to practice. The success of the course, and subsequently the quality of your experience, is dependent on your total involvement in the class.

A critical component of the course is the in-depth analysis and discussion of detailed case situations. The cases utilized in this course are usually comprehensive. You should come to class thoroughly prepared to discuss each case and to provide not only your opinions but evidence and logic to support your ideas and recommendations.

Advanced preparation is a key to success in class contribution. I suggest the following for case preparation:

- Form study teams and meet regularly to discuss each case prior to class. These are detailed cases – a study group will help you “share the load” as well as test out your ideas prior to each class discussion.
- Several days before the case is assigned, do a quick read, establish the key issues of the case.
- Prior to your study team meeting, analyze the case carefully. Set out the facts in an organized fashion. Determine the real underlying problem presented by the case. Carefully differentiate between the symptoms and the causes.
- Use strategy frameworks you have read about to analyze the situation.
- Gather evidence from the case to support your analysis.
- Examine financial statements and do financial analysis.

Posted discussion questions help to begin how you organize and structure your analysis of the case study. But you should also be thinking beyond the posted questions:

- What other issues are lurking here?
- What are the other important questions that are not being asked?
- What other information would I like to have?
- What other company / industry situations could help understand this, because they present roughly analogous circumstances?

The following suggestions will help you in developing a superior contribution:

- Expect the class to do most of the talking with me taking the role of questioner and listener.
- Volunteer your point of view. Back up your position with evidence. Expect me to follow up for reasons and supporting analysis.
- Look beyond the printed story and make logical conclusions as to future problems/opportunities.
- Expect and tolerate challenges to the views expressed and be willing to submit your conclusions for scrutiny and rebuttal.
- Fairly and thoroughly critique other class member’s analysis and solutions.
- Be willing to alter your analysis and solutions when the evidence strongly supports doing so.