

**HAMPTON UNIVERSITY**  
**School of Business - Department of Management**  
**Course Syllabus – Spring 2010**  
**MANAGEMENT 499 - BUSINESS POLICY AND STRATEGY**

<u>SECTION</u>	<u>DAYS</u>	<u>TIMES</u>	<u>CLASSROOM</u>	<u>INSTRUCTOR</u>
MGT 499-02	MWF	1:00-1:50 pm	BU-207	Makamson
<u>PROFESSOR</u>	<u>OFFICES</u>	<u>OFFICE HOURS</u>		
Dr. Lee Makamson	Buckman 211	Office Tel. 727-2153		MWF - 8:00-9:00am
	Home Office Tel: 838-1597	Residence Tel.: 827-4738		MWF -12:00-1:00am
E-mail: <a href="mailto:emakamson@cox.net">emakamson@cox.net</a>	Website: <a href="http://www.mgmtguru.com">http://www.mgmtguru.com</a>			MWF -2:00-3:30pm
				And, by appointment

**REQUIRED TEXT AND MATERIALS:**

Hampton University, School of Business, Business Policy and Strategy, MGT499, Readings. HBS Publishing. Articles are available on-line through the HU library at <http://www.hamptonu.edu/universityservices/library/>  
Cases are available through HBS Publishing On-Line. (Before you buy, make sure that the cases and readings are those for this semester- see last page of syllabus.) You may buy cases and articles at <http://www.hbsp.harvard.edu/>

**CATALOG DESCRIPTION:** The application of knowledge and methods from accounting, economics, finance, marketing, and management to business competition. The conceptual framework is that development of a firm’s relative competitive advantage is affected by the larger environment of economy and society, the structure of industry, and distinctive competencies of the firm. The course aims to develop the student’s synthesis of knowledge, use of judgment, and applied research skills through case analyses.

**Prerequisites:** Last semester of senior year. Business majors should have completed core courses. Non-business majors require permission of the instructor.

**COMPENTENCIES AND ASSESSMENT:**

Below are the Management Competencies addressed by this course. To the right are descriptions of how outcomes are assessed in this course.	How Assessed								
		Read 10 articles in strategy and write/discuss in class.	1 Test - assess basic economics, finance, and management understanding.	1 Research short paper to demonstrate basic business research and use of financial skills.	1 Research short paper to demonstrate basic economic and statistical skills	1 Research short paper to test a theory in strategy regarding M&A	2 formal case analyses as collaborative assignments.	1 comprehensive test at end of course covering management, finance, economics, marketing.	
<b>Student Competencies Developed by this Course:</b>									
<b>Course Weight for each Assessment:</b>		10%	10%	5%	5%	5%	45%	10%	
G1-1.1. Management Theories, Concepts and Practice: Understand the discipline of Management including major theories and concepts that define the field									
G1-1.2. Management Theories, Concepts and Practice: Know the essential components of areas of Management including Human Resource Management, Operations Management, Policy and Strategy, International Business and Business Law.									
G1-1.3. Management Theories, Concepts and Practice: Effectively practice management skills									
G-1-2.1. Demonstrate concepts and theories of leadership: Show acquisition of terminology and basic concepts that typify management’s construction of leadership, group dynamics, individual contributions, and conflict.									
G-1-2.2. Demonstrate appreciation of cultural diversity, conflict management and negotiation: Through group participation exhibit the ability to practice these concepts.									
G1-3. Demonstrate an understanding of differing ethical and value systems and their consequences: Recognize individual and societal differences in ethical values and how these differences influence behavior and decisions.									
G2-1. Critical thinking: Demonstrate problem solving skills by evaluating and analyzing a business problem									
G2-2. Global perspective: Recognize basic managerial concepts related to globalization of business.									
G2-3. Global perspective: Show a basic understanding of how the changing political, legal, social, technological, demographic and physical environments affect management.									
G2-4. Perform basic mathematical calculations to understand and apply statistical measures.									
G2-5. Research: Complete a research project to test hypotheses.									
G2-6. Apply concepts and theories from various business disciplines to critically analyze and solve business problems									
G3-1.1. Demonstrate effective oral communication in presentations, interpersonal skills and conflict resolution.									
G3-1.2. Produce effective written communication in essays, papers and reports.									
G3-1.3. Conduct research, write research report and compile a management journal.									
G3-2.1. Use of Technology: Use the computer and business-related software for spreadsheets, word processing and presentations.									
G3-2.2. Use of Technology: Use the computer to accomplish research using the Internet.									
G4-1. Professional Development: Prepare for entry into diverse management careers and advanced graduate study.									

<p>Below are the specific learning objectives for this course and to their right is their linkage to Management competencies, above.</p>	Theories, Concepts and Practice: Understand	Theories, Concepts and Practice: Knowledge	Theories, Concepts and Practice: Practice	Problem-Solving Skills	Leadership/Teamwork/	Diversity: Understanding	Leadership/Teamwork/	Diversity: Practices	Accountability and Ethics:	Adaptability: Global Perspective	Adaptability: Environment change	Mathematical Skills: statistical measures	Communication: oral	Communication: writing	Communication: Organization	Use of Technology: applications	Use of Technology: research	Professional Development:	
	1. Integrate knowledge gained from prior courses to solve complex, multi-faceted business problems, including:																		
	Use knowledge of economics to evaluate a business's environment:																		
	Interpret and use financial data and common financial reports to identify a business' strengths and weaknesses and to relate financial and stock information to the strategic decisions of a business for value creation:																		
	Use simple statistical tools to forecast the future state of the market using common economic indicators.																		
	Use basic marketing theories and concepts to assess product/service strategies																		
	Apply managerial theories and tools to evaluate governance, operational, and organizational problems and to propose solutions.																		
	2. Recognize and evaluate key environmental forces, and be able to analyze the structure of an industry to explain how these forces shape the competitive pressures on a business and affect profitability.																		
	3. Understand sources of a firm's strengths and weaknesses, and be able to evaluate how these should be managed to create distinctive competencies to succeed domestically and globally.																		
	4. Differentiate among corporate-level, business-unit, and functional-level management, describe how businesses compete at each level, and explain why these strategies work. This includes ability to:																		
	Describe how diversified corporations with businesses in multiple industries attempt to create value through coordination of business units;																		
	Analyze and explain why businesses pursue mergers and acquisitions or linkages with other firms;																		
	Identify and assess the advantages/disadvantages of the general strategy that a described business is executing (domestic and global markets);																		
	Prescribe production and functional organization to execute a strategy.																		
5. Working with teams, given information about a company and its market situation, construct a reasoned argument to support a recommended strategy.																			

**COURSE REQUIREMENTS, ASSESSMENTS AND GRADING:**

Requirement	Value	Explanation of the Requirement and How it is Graded
1. Individual Assignments	55%	Individual assignments explain most of the variability of student grades; that is, they explain failing the course and earning higher than average grades.
a. Participation	10%	Class format is lecture and dialectic (question-response/ issue- discussion). Participation is required and is graded by attendance. The grade is simply a % of a student's attendance to total classes for which roll is taken, beginning with the first class. Do not ask for an "excused absence" unless you have a very exceptional rationale.
b. Articles	10%	There are 16 assigned articles. Students are required to read and submit <u>a 1-page summary</u> of 10 articles. Each is 1-point. Do not plagiarize or quote the author. Simply summarize the article and discuss it in class.
c. Tests	20%	There are 2 comprehensive tests; one is near Mid-Term (10%) and one is a required final test (10%).
d. Research Assignments	15%	There are 3 structured, applied research assignments in which the student must use sources, interpret raw data, and apply basic analytic methods. This is graded on the basis of completion and accuracy of content from 0-5 points - or 5% of the course grade.
2. Group Assignments	45%	Collaboration skills are developed through managing 2 major assignments with a group. Working with especially bright students in groups will help, but is not sufficient for high performance.
a. Case Analyses	20+25%	Teams will conduct 2 written case analyses and present the case analyses in class. No paper can be submitted late. Cases are graded using a rubric that can be found at <a href="http://www.mgmtguru.com">www.mgmtguru.com</a> . First case = 20%; second case=25%.
3. Other		The student will be required to use Excel in the course. I provide assistance through my website, but I do not provide instruction on these technologies. You must know them or learn them. All papers submitted for a grade must be printed, not manuscript.

## **GRADING SCALE:**

A+ 98-100% A 94-97% A- 90-93%	An "A" level grade indicates that the student has demonstrated exceptional individual mastery of the material as evidenced by reading comprehension, ability to do applied research, and ability to analyze business problems in cases. The student has demonstrated exceptional collaborative skill by working with groups that conducted thoughtful analyses of business problems. The student has demonstrated a strong work ethic by performing work on time, through class attendance, and by individual preparation. Students in the A-range have consistently demonstrated over-all business competencies and are prepared for graduate studies in business and entry to a professional career. A grade above "A-" is rare and designates an exceptional student.
B+ 88-89% B 84-87% B- 80-83%	A "B" level grade indicates mastery of the course. The grade typically reflects strong performance on collaborative case analyses. When group case analysis grades are inconsistent with the individual case assignment grades the student is usually deficient in making use of all learned skills, such as financial analysis, but is able to compensate through collaboration. The student may have variable test grades, indicating inconsistent preparation. Students with high grades on individual assignments, but low group grades are academically prepared, but need to work on collaborative skills. A B-range student may have failed to submit an assignment, but this is not a recurring problem. While grades are highly correlated with attendance, and although attendance cannot guarantee a higher grade, students in the B-range typically have good class attendance indicating a good work ethic. The B-range student has demonstrated strengths in most of the course objectives or has sustained a higher than average performance across all objectives and is prepared for graduate studies in business and entry to a professional career.
C+ 78-79% C 74-7% C- 70-73%	Students in the C+/C range typically have lower grades on individual assignments and tests and may have low performing groups, indicating lack of preparation, poor self-assessment, failure to seek clarifications, and difficulty with collaborative skills. Assignments may be missed, but this was not a recurring problem. Typically attendance is at the lower range of what is expected of students. The C+/C student should self-assess identified deficiencies and consider graduate studies, possibly after gaining the business experience that will strengthen self-discipline needed for success at the MBA level. The C+/C student has demonstrated an acceptable level of business competencies.
D+ 68-69% D 64-67% D- 60-63% F 0-59	Earning a grade lower than C, for Business majors, is serious as this course is comparable to the business capstone course at most colleges and is the required capstone at HU for management majors. A grade less than "C" may affect the student's graduation schedule. Students who fail the course tend to have low attendance and poor performance either on individual assignments and group activities, or fail to complete the required case analyses. Failing the course is never attributable to intellectual capacity of the student, but may indicate a lack of maturity or seriousness for business studies. Because of missed assignments, lower individual assignment and test grades, poor class attendance, and/or poor group collaboration, the student should reassess personal commitment to business studies, and should continue studies, to include repeating this course, after resolving those issues that have detracted from the kind of achievement for which the Hampton University student is capable.
I	An "Incomplete" is typically not available as a grade in this course. An "I" converts to "F" unless completed within one year. See the professor immediately if you anticipate problems in completing the course.

**BIBLIOGRAPHY:** See my web site for a list of recommended readings.

## **IMPORTANT DATES:**

See your contract for individual and team assignments. Research assignments are scheduled in the syllabus.

Mid-Term Exam:	Final Exams:	Graduating	Continuing
499-02 Feb 19	499-02	Apr 26 , 3:10-5:00PM, H-H	May 3, 8-10:00AM, BU-207

## **TEACHING & LEARNING STRATEGIES:**

This course at most universities is the "capstone" course for business students. It is intended to develop the student's integration of knowledge across disciplines and critical thinking skills, while reinforcing basic tools and concepts. The course content is how managers "navigate" the firm within its environment by building valued abilities; this is "business strategy". "Strategy" provides a broad context to support acquisition of higher level, more complex problem solving and critical thinking competencies.

Competencies are emphasized through individual assignments including focused research, the reading and interpretation of seminal literature, and tests that measure acquisition of concepts and vocabulary; and, through collaborative case analyses that engage the student in cooperative critical thinking, decision-making, and production of papers. My pedagogy relies on interaction with students and use of Power Point presentations. This requires that students prepare for class and be able to present informed, reasoned positions.

To perform at a higher than average level the student will benefit from the following suggestions: (1) Read the assigned material to understand – especially the contracted articles for review. (2) Do focus your energy on case analyses. Form a team with students "smarter" than you are. Nearly half your grade is earned collaboratively; this typically ensures a student "average" grades on these assignments. To protect your grade do not depend upon others to do the work – no one will be more invested in your grade than you are. If you are the "weakest link" on the team you also need to be careful. The team can "fire" you – and, you cannot do the course work alone. Learn how to collaborate with productive team members. (3) Don't count on "cramming" for the tests to get you through, rather learn the material as it is presented and used in cases. (4). Meet the scheduled deadlines and come to class. Except in highly unusual circumstances **there is no "make-up" for assignments.** (5) Come to class. (6) Follow my rules. I reward attendance, penalize absences, and eject students from the class for lack of courtesies. I believe that students who come to class tend to be aware of what is going on in class and when assignments are due – they make passing grades. I am required to enforce the dress code in my classes.

## **EXPECTATIONS OF STUDENTS:**

I have observed that syllabi have tended to grow longer as professors attempt to "contract" and describe every possible contingency, and this invites a few students to engage the syllabus legalistically for opportunistic interpretations of what is permissible and what is not. At my website and below I provide answers to the most frequently asked questions about my course management, but it is only informative guidance. What I really expect is that we both follow the Code of Conduct and that we define our roles and relationship as "Professor" and "student". To me this means that I have a responsibility to teach, evaluate, and manage my class. The student has a responsibility to study, learn, perform, and meet the expectations that, I think, should be fully understood

after a student’s career in education. If a student really does have ambiguity about what is permitted, one should ask. In class, I am there to work. I expect the same of my students. Importantly, this classroom is the right place for you to seek clarification, ask for context and examples, and share your ideas. When we have this exchange, there is “teaching” and “learning”.

**Class Decorum:** The classroom is where we come to explore and learn; and, it is my work place. I hope for lively discussion that includes every student’s ideas. We advance the exchange of ideas through our mutual respect for each other. I will ensure class decorum by ejecting students from class who cannot meet this expectation. Students may not return without my permission. Expectations include: compliance with the “hats-off” and dress policies; remaining in the classroom for the duration of the class and asking for permission to depart prematurely (if you leave without permission – you will need it to return to class); turning your “iPod” and cell phone or other communicator “off” and removing blue-tooth or other ear device.

**Attendance:** Students are asked to be in class on time and remain until our time is expired. If a student has competing priorities, students are adults and are asked to make a mature decision as to where this time ought to be spent. I document attendance through an oral roll call at the beginning of class for purpose of reporting a class “participation” grade, as follows:

Present at Roll Call	Credit
Late (Not more than 15 minutes)	Half Credit – student must report at end of class
Absent or Late more than 15 minutes	No Credit
Unexcused departure from class	-1 penalty

My recording of attendance will be authoritative. If you have a reason for a prolonged absence, please communicate with me directly and bring confirmation of the rationale. If you claim an excuse for medical reasons, please have the Student Health Services validate your excuse. Students may attend my other section to “make-up” attendance for the same day but must identify self at Roll Call. Historically in my classes attendance highly correlates with course grade. If I ask you to leave, follow my instruction and discuss this with me in my office later.

**Tests, assignments and make-up work:** If a test is missed, do not ask for a “make-up” unless you have a confirmed excuse. A “make-up” requires me to construct a different test than the one I normally administer; and, I will not do this just for a student’s convenience or because you “overslept”. All assignments are due in class when scheduled. Do not email me your assignments unless I have instructed you to do this – emailed work will not be graded. I will not accept any work after the date on which it is due. While “0”s for assignments not completed do not reflect your intelligence, they do reflect discipline and constitute an informative part of the grade as a measure of ability to meet schedules. **All electronic devices are prohibited during tests.**

**Grades:** Grades measure a student’s acquisition of competencies on multiple tools – tests, case analyses, assignments. The criteria for grading your work rely either on facts that are available directly from the readings or class lecture, or on the judgment of the professor typically supported by a rubric. To contest a grade on an assignment, request an appointment as soon as practicable, and no later than two weeks after receiving the grade. Students who contest a grade need to demonstrate concrete reasoning and facts pertaining to the contested content – not academic standing, scholarship jeopardy, or personal problems. In the absence of content related reasoning, the grade will be penalized half a letter to discourage opportunistic grade negotiations- reflecting poor ethical conduct. Students need to monitor grades which I will post at my website. On conclusion of the last scheduled class meeting grades, except for the final test grade, are closed to permit me time to calculate course grades. Once the final test grade is posted students have 24 hours to contest the test grade. After that time, the course grade is reported to the Registrar and is deemed final, requiring petition for administrative review to contest the grade.

**Academic Honesty:** I believe that learning means making mistakes, but this is not the same as errors of character. I do not tolerate cheats. Students who plagiarize, cheat, or engage in any form of academic dishonesty, will be penalized to include dismissal from the university. If your name is affixed to a paper, you are submitting it for a grade. You are responsible to ensure that any group assignment that you have signed is, in fact, an honest academic effort. I may use a commercial application, such as Turnitin.com, to verify originality of submitted work.

**THE HAMPTON UNIVERSITY CODE OF CONDUCT:**

*Joining the Hampton Family is an honor and requires each individual to uphold the policies, regulations, and guidelines established for students, faculty, administration, professional and other employees, and the laws of the Commonwealth of Virginia. Each member is required to adhere to and conform to the instructions and guidance of the leadership of his/he respective area. Therefore, the following are expected of each member of the Hampton Family:*

- |  |  |
|--|--|
| To respect himself or herself.                                 | To practice personal, professional, and academic integrity, and    |
| To respect the dignity, feelings, worth and values of others.  | To discourage all forms of dishonesty, plagiarism, deceit, and     |
| To respect the rights and property of others and to discourage | disloyalty to the Code of Conduct.                                 |
| vandalism and theft.   | To foster a personal and professional work ethic within the        |
| To prohibit discrimination, while striving to learn from       | Hampton University Family.   |
| Differences in people, ideas and opinions.                     | To foster an open, fair, and caring environment.                   |
|  | To be fully responsible for upholding the Hampton University Code. |

---

Students are encouraged to participate in all cultural events at Hampton University.

---

## COURSE SCHEDULE

The following is the instructor's plan for the course. Assignments and schedules may be changed by prior announcement.

<p><b>Week 1:</b> Jan 11-15</p>	<p><b>Topic:</b> Introduction to the course; Markets, Management, and Strategy</p> <p><b>Reading Assignment:</b> Teaching Note, Markets, Management, and Strategy, <i>ManagementGuru</i></p> <p><b>Learning Objectives:</b></p> <ol style="list-style-type: none"> <li>1. Know how price regulates markets and how the market selects “winners” and “losers”.</li> <li>2. Describe the firm in the market model</li> <li>3. Describe the evolution of modern managers and the modern firm</li> <li>4. Explain how the modern corporation differs from the firm in the market model</li> <li>5. Explain how through vertical and horizontal integration the modern firm usurps market functions</li> </ol> <p><b>Assignment:</b> Go to <a href="http://www.mgmtguru.com">http://www.mgmtguru.com</a>. Orient yourself to my website and know course requirements. Organize your group for cases and report Team membership with your contract by the end of next week.</p>
<p>Jan 11-12 Jan 18</p>	<p>Late Registration Dr. Martin Luther King, Jr., Birthday – No classes</p> <p style="text-align: right;">Jan 15    End of ADD/DROP Period</p>
<p><b>Week 2:</b> Jan 18-22</p>	<p><b>Topic:</b> The Strategy Concept – The topic of Week 1's Teaching Note may extend into Week 2.</p> <p><b>Readings:</b> Teaching Note, Strategy, <i>ManagementGuru</i> The Enduring Logic of Industrial Success, Alfred Chandler (<i>HBR</i>, Mar-Apr 1990) 90202 What Is Strategy? Michael E. Porter (<i>HBR</i>, Nov-Dec 1996) 96608</p> <p><b>Learning Objectives:</b></p> <ol style="list-style-type: none"> <li>1. Understand the historical and modern complexities in defining “strategy”</li> <li>2. Develop a perspective on strategy as an incremental process versus radical change.</li> <li>3. Answer the question: “How do you tell what business you are in?”</li> </ol> <p><b>Assignments:</b> Turn in your Contract and Team membership of 3-4 colleagues- Fri., Jan 22. <b>Article 1:</b> The Enduring Logic of Industrial Success. Due Jan 18 (1 point), in class 1-page summary <b>Article 2:</b> What Is Strategy? Due Jan 20, in class (1 point), 1-page summary</p>
<p>Jan 24</p>	<p>Founder's Day</p>
<p><b>Week 3:</b> Jan 25-29</p>	<p><b>Topic:</b> Corporate Governance and Social Responsibility</p> <p><b>Readings:</b> Teaching Note, Corporate Governance and Social Responsibility, <i>ManagementGuru</i>. How to Do the Case Analysis, <i>ManagementGuru</i>. Changing the Role of Top Management, Christopher A. Barley &amp; S. Ghosal. (<i>HBR</i>, Nov-Dec 1994) 94601 The Lessons from Stakeholder Theory for US Business Leaders, Ronald W. Clement (<i>Business Horizons</i>, 2005, #48, pp. 255-264)</p> <p><b>Learning Objectives:</b></p> <ol style="list-style-type: none"> <li>1. Describe the agency problem conflict between the manager and owners in stockholder theory and contrast this with the stakeholder view.</li> <li>2. Provide a perspective on: “What is the duty of the GM in corporate management, strategy, and social responsibility?”</li> <li>3. Understand the role of the corporate board and relate your understanding to the current investigations of business practices.</li> </ol> <p><b>Assignments:</b> <b>Article 3:</b> Changing the Role of Top Management. Due Jan 25, in class (1 point), in class 1-page summary <b>Article 4:</b> The Lessons from Stakeholder Theory. Due Jan 27, in class (1 point), in class 1-page summary <b>Case #1:</b> Al Dunlap at Sunbeam (9-899-218). Due: Jan 29. See Instructions on case papers.</p>
<p><b>Week 4:</b> Feb 1-5</p>	<p><b>Topic:</b> Core Competencies- Analyzing Financial Competencies</p> <p><b>Readings:</b> Teaching Note, Financial Analysis, <i>ManagementGuru</i></p> <p><b>Learning Objectives:</b></p> <ol style="list-style-type: none"> <li>1. Read and interpret a simple income statement and balance sheet.</li> <li>2. Be able to interpret common financial ratios and relate them to a firm's strengths and weaknesses through comparative analysis.</li> <li>3. Explain the differences in profitability measures.</li> <li>4. Interpret a firm's capital structure – use of leveraging and use of equity.</li> <li>5. Understand the difference between market share and book value and explain what is meant by “value creation”.</li> </ol> <p><b>Assignments:</b> <b>Research Assignment #1.</b> Financial Analysis. See detailed requirement, below. Due Feb.5.</p>

<b>Week 5:</b> Feb 8-12	<b>Topic:</b> Core Competencies as Strategic Advantage <b>Readings:</b> Teaching Note, Resource Based View, <i>ManagementGuru</i> Competing on Resources: Strategy in the 1990s. David J. Collis & Cynthia A. Montgomery ( <i>HBR</i> , Jul-Aug 1995) 95403 <b>Learning Objectives:</b> 1. Differentiate corporate and business level strategy. 2. Have an understanding of how a business defines its scope. 3. Identify the core competency of a business as the basis for growth and profitability. 4. Know how to determine core competency through VRIO. 5. Understand the “Value Chain” as an analytic model. <b>Assignments:</b> <b>Article 5:</b> Competing on Resources: Strategy in the 1990s. Due Feb 8, in class (1 point). <b>Case #2.</b> Adolph Coors in the Brewing Industry (9-388-014). Due: Feb 12. See Instructions on case papers.
<b>Week 6:</b> Feb 15-19	<b>Topic:</b> Business Environment <b>Readings:</b> Teaching Note, Business Environment, <i>ManagementGuru</i> <b>Learning Objectives:</b> 1. Have a general understanding of how the economy works, to include business cycles and the linkages with unemployment, interest rates, and inflation. 2. Interpret key economic data and understand its importance to business. 3. Understand the limitations of quantitative analysis and the role of judgment and incrementalism in business strategy. <b>Assignments:</b> <b>Research Assignment #2.</b> Environmental Analysis. See detailed requirement, below. Due Feb 17 in class. <b>Test#1:</b> Friday, Feb 19. This is a comprehensive test covering materials through Week 6.
<b>Week 7:</b> Feb 22-26	<b>Topic:</b> Industry Analysis <b>Readings:</b> Teaching Note, Industry Analysis, <i>ManagementGuru</i> How Competitive Forces Shape Strategy. Michael E. Porter ( <i>HBR</i> , Jul-Aug 1997) 79208 <b>Learning Objectives:</b> 1. Understand and be able to apply Porter’s 5 forces in the analysis of an industry. 2. Explain “strategic fit” or “positioning” in the context of industry analysis. 3. Relate industry characteristics to business profitability. 4. Know how the generic strategies defend against industry forces. <b>Assignments:</b> <b>Article 6:</b> How Competitive Forces Shape Strategy. Due Feb 22, in class (1 point). <b>Case #3:</b> Cola Wars Continue: Coke and Pepsi in the 21 <sup>st</sup> Century (702442). Due: Feb 26. See Instructions.
Mar 1-5: Mid Semester Evaluation <b>MIDTERM GRADE REPORT:</b> Your midterm will be calculated using the following weights: 5-Articles = 20%    Participation = 10%    2-Research Assignments = 20%    MidTerm Test = 50%    Total = 100% If you are not passing at Mid-Term or if your attendance is less than 75% you need an appointment for a conference with Prof. Makamson to develop a strategy for successful completion of the course. About 25% of course requirements are completed by MidTerm reporting. The MidTerm grade is not weighted the same as for the final course grade as cases are not included.	
<b>Week 8:</b> Mar 1-5	<b>Topic:</b> Organization and Leadership <b>Readings:</b> Teaching Note, Organization and Leadership, <i>ManagementGuru</i> Leadership That Gets Results. Daniel Goleman ( <i>HBR</i> , Dec 2001) RO111F The MultiUnit Enterprise, David A. Garvin & Lynne C. Levesque, ( <i>HBR</i> , Jun 2008) R0806G <b>Learning Objectives:</b> 1. Know the structural archetypes. 2. Relate structure to strategy, processes, and performance. 3. Understand the elements that create unique structural types. 4. Formulate a reasoned opinion on the role of leadership in strategy. <b>Assignments:</b> <b>Article 7:</b> Leadership That Gets Results. Due Mar 1, in class (1 point). <b>Article 8:</b> The MultiUnit Enterprise. Due Mar 3, in class (1 point). <b>Case #4:</b> Procter & Gamble: Organization 2005 (A) (9-707-519). Due: Mar 5. See Instructions.

Mar 6-14

Spring Vacation

Mar 17-19

Black Family Conference

Mar 19

End of period to withdraw WP, WF

Mar 20

Honors Day

<p><b>Week 9:</b> Mar 15-19</p>	<p><b>Topic:</b> Strategic Management and Corporate Culture  <b>Readings:</b>  Corporations, Culture, and Commitment: Motivation and Social Control in Organizations, Charles O'Reilly, (<i>California Management Review</i>, 31, 4, 1989) CMR-021  What Really Works? Nitán Nohria, William Joyce, &amp; Brice Roberson (<i>HBR</i>, Jul 2003) R0307C  <b>Learning Objectives:</b>  1. Explain corporate culture and how to identify it.  2. Understand the tension between individual and cultural socialization.  3. Understand the “learning organization” and its 5 disciplines.  <b>Assignments:</b>  <b>Article 9:</b> Corporations, Culture, and Commitment. Due Mar 15, in class (1 point).  <b>Article 10:</b> What Really Works?. Due Mar 17, in class (1 point).  <b>Case #5:</b> Jet Blue: Starting from Scratch (9-801-354). Due: Mar 19. See Instructions.</p>
<p>Mar 22-Apr 16 Early Registration for Fall semester</p>	
<p><b>Week 10:</b> Mar 22-26</p>	<p><b>Topic:</b> Corporate Strategy: Vertical Integration, Outsourcing, and Alliances  <b>Readings:</b>  Teaching Note, Vertical Integration, Outsourcing, and Alliances, <i>ManagementGuru</i>  When and When Not to Vertically Integrate, John Stuckey &amp; David White (<i>Sloan Management Review</i>, Vol 34, 3, 1993) 3435  Strategic Sourcing: From Periphery to the Core, Mark Gottfredson, Rudy Puryear, &amp; Stephen Phillips (<i>HBR</i>, Feb., 2005) R0502  <b>Learning Objectives:</b>  1. Define “vertical integration” and cite instances where it makes sense.  2. Know the limitations of vertical integration and the advantages of outsourcing.  3. Describe forms of alliances and the problems associated with them.  <b>Assignments:</b>  <b>Article 11:</b> When and When Not to Vertically Integrate. Due Mar 22, in class (1 point).  <b>Article 12:</b> Strategic Sourcing: From Periphery to the Core. Due Mar 24, in class (1 point).  <b>Case #6:</b> Celulosa Arauco: Forward Integration or Horizontal Expansion? (9-705-464) Due: Mar 26. See Instructions.</p>
<p><b>Week 11:</b> Mar 29- Apr 2</p>	<p><b>Topic:</b> Corporate Strategy: Diversification, Mergers and Acquisitions  <b>Readings:</b>  Teaching Note, Diversification, Mergers and Acquisitions, <i>ManagementGuru</i>  Growth Outside the Core, Chris Zook &amp; James Allen, (<i>HBR</i>, Dec., 2003) R0312E  <b>Learning Objectives:</b>  1. Describe advantages and problems with diversification.  2. Explain different types of diversification.  3. Have a general understanding of portfolio techniques and why they have failed.  <b>Assignments:</b>  <b>Article 13:</b> Growth Outside the Core. Due Mar 29, in class (1 point).  <b>Research Assignment #3:</b> Mergers and Acquisitions – Due Apr 2. See detailed requirements, below.</p>
<p>Apr 2 High School Day</p>	
<p><b>Week 12:</b> Apr 5-9</p>	<p><b>Topic:</b> Diversification, Mergers and Acquisitions  <b>Readings:</b>  Teaching Note, M&amp;A, <i>ManagementGuru</i>  Stock or Cash? The Trade-Offs for Buyers and Sellers in Mergers and Acquisitions, Alfred Rappaport &amp; Mark L. Sirower (<i>HBR</i>, Nov-Dec., 1999) 99611  <b>Learning Objectives:</b>  1. Explain why companies engage in M&amp;A.  2. Differentiate equity and debt financing. Explain advantages/disadvantages of each;  3. Analyze a M&amp;A.  <b>Assignments:</b>  <b>Article 14:</b> Stock or Cash? Due Apr 5, in class (1 point).  <b>Case #7:</b> Time Inc.'s Entry into the Entertainment Industry (A) (9-293-117) Due: Apr 9. See Instructions.</p>
<p><b>Week 13:</b> Apr 12-16</p>	<p><b>Topic:</b> Innovation and Technology  <b>Readings:</b>  Teaching Note, Innovation and Technology, <i>ManagementGuru</i>  Disruptive Technologies: Catching the Wave, Joseph L. Bower &amp; Clayton M. Christensen (<i>HBR</i>, Jan.-Feb., 1995) 95103  <b>Learning Objectives:</b></p>

	<ol style="list-style-type: none"> <li>1. Identify types of technologies;</li> <li>2. Differentiate sustaining and disruptive innovations impact on business;</li> <li>3. Describe the S-curve and its relevance to strategy;</li> <li>4. Know the key issues in managing the innovation process.</li> </ol> <p><b>Assignments:</b>  <b>Article 15:</b> Disruptive Technologies: Catching the Wave. Due Apr 12, in class (1 point).  <b>Case #8:</b> Managing Innovation at Nypro, Inc. (A) (9-696-061) Due: Apr 16. See Instructions on case papers.</p>
Apr 16	Early Registration Ends.
<b>Week 14:</b> Apr 19-23	<p><b>Topic:</b> Strategy in a Global Context</p> <p><b>Readings:</b>  Teaching Note, Strategy in a Global Context, <i>ManagementGuru</i>  The Competitive Advantage of Nations, Michael E. Porter (<i>HBR</i>, Mar-Apr, 1990) 90211</p> <p><b>Learning Objectives:</b></p> <ol style="list-style-type: none"> <li>1. Know Porter's "diamond" in relating business to economic development.</li> <li>2. Explain the rationale for "going global" and key issues for strategy, including barriers.</li> <li>3. Know common strategies for international entry and global growth.</li> </ol> <p><b>Assignments:</b>  <b>Article 16:</b> The Competitive Advantage of Nations. Due Apr 19, in class (1 point).  <b>Case #9:</b> Haier: Taking a Chinese Company Global (9-706-401). Due: Apr 19. See Instructions.</p>
Apr 21	End of Classes for Candidates for Graduation <span style="float: right;">Apr 21 Reading Day for Candidates</span>
<b>All course work (except for Final Exams must be completed. No work accepted after Apr 21.</b>	
<b>Week 15:</b> Apr 26	<b>Course Conclusion</b>
Apr 26	End of Classes for Continuing Students <span style="float: right;">Apr 27 Reading Day</span>
<b>Final examination is required for ALL students.</b>	

## GUIDELINES FOR COURSE ASSIGNMENTS

### A. WRITTEN CASE ANALYSES

The team is required to complete 2 formal case analyses. Teams will submit one typewritten paper per case for a grade. I strongly recommend that you read the information at <http://www.mgmtguru.com> before attempting the case analysis. I provide information on how the paper is graded. The required grade form is only available there for downloading. I require 2 weeks for grading.

The minimum requirements for the submitted paper are, as follows:

- 1) A signed cover sheet: Do not buy a cover for your paper (or go to any expense or time for "pretty" display, such as color title pages), but do staple the pages. Names must be typed on a cover page, students must sign the cover page. By signing the paper students acknowledge that the paper is submitted with their agreement to be graded on its content for their grade. Once the paper is submitted, it is considered complete and accurate as to student contribution. If you do not sign the paper, assume that your name was omitted. Caution: If you sign a paper that is plagiarized you are acknowledging collusion in academic dishonesty. Be confident that any paper submitted with your name is personally acceptable to you. Do not sign a paper for someone else.
- 2) Format: I require that the paper be organized into 3 distinct sections. (See the Grade Sheet for grading elements.)
  - i. Introduction. – The introductory section is termed the "Problem Identification" in many texts and this correctly states the content for the section. State concisely the problem or issue confronted - that is, state what the case is about. Do not restate the firm's history or summarize the case. An "Introduction" longer than a paragraph is probably too long. It may help to state the problem or issue as a question to focus the analysis and clarify what your solution needs to address.
  - ii. Analysis. - This section will be your longest section. This is where you demonstrate your ability to identify the relevant facts and data and reason through the information, showing how the data is important. **DO NOT** simply restate the case. The analysis should be in a narrative form, but make sure you use any quantifiable date to verify the statements offered. I will assess the intelligibility and thoroughness of the analysis ("Is what you wrote understandable and complete?"). This a business course, so avoid "flowery prose" and the irrelevant. Make your statements brief, to the point, and move from one item to another in a logical development of an argument. Do not Xerox and include text materials unless you are interpreting or analyzing it and you feel that presentation of the data is instrumental to your overall analysis. "Filler", or superfluous material, is not helpful and if the material is not analyzed it will lower your grade.
  - iii. Conclusion. - Your concluding section is a resolution of the case. It ought to follow from your reasoning presented in the Analysis section, and it ought to resolve or, at least, address the problem(s) or issue(s) stated in the Introduction. A "Conclusion" longer than a couple of paragraphs is probably too long.
- 3) The Case Grade Sheet must be attached. I use this for grading, so look at it to ensure that your paper is complete.

### B. GUIDELINES FOR RESEARCH ASSIGNMENTS

The objective of the research assignments is to ensure that each student can conduct simple business research, interpret raw data, and use basic business tools. The submitted work will normally 1-2 pages in length and should report only the information required.

The narrative for each assignment is to be limited to what is necessary to complete the assignment. Assignments are due as scheduled by the syllabus. They ought take longer than an hour to complete. The 3 assignments are 15% of the course grade, each is 5% of the course grade. Be sure you reference all sources of your data.

**1) ASSIGNMENT 1: Comparative Financial Ratios (1-2 pages)**

The objective of this assignment is that you demonstrate an ability to interpret financial data. Select 3 firms in an industry - you may use any industry in which you have an interest. Report and interpret 3 financial ratios for 3 years for each of the three firms. The kind of ratio used should be appropriate to surface interesting information about the industry. Your interpretation of data should be brief - 1 or 2 sentences - for each ratio. Try not to restate the definition of the ratio, but interpret what the three-year comparative data report as organizational strengths or weaknesses of the firms. For data source, see Standard & Poor's NetAdvantage available at:

[http://www.hamptonu.edu/UniversityServices/library/research/Database\\_Subject.html#Bus](http://www.hamptonu.edu/UniversityServices/library/research/Database_Subject.html#Bus)

Grading: 9 ratios = 4 points, Interpretations= 1 point. Paper= 5 points.

**2) ASSIGNMENT 2: Interpreting the Business Environment (1-2 pages)**

The objective of this assignment is that you demonstrate an ability to:

- (1) test a simple hypothesis  $H_1$  : Time predicts future value of a critical business measure ( $H_0$  = No relationship)
- (2) use a simple statistical technique and interpret the results.

You are to use a simple forecasting technique and demonstrate an understanding of time series analysis. You will be assigned an environmental measure. You are to collect 7 data points, using 6 data points forecast the next interval of datum, and compare your forecast with the actual datum. Lastly, verify the proportion of the economic indicator explained by time by calculating the  $R^2$ . For example, if your measure were GNP using annualized data, you would collect GNP data for 1989, 1990, 1991, 1992, 1993, and 1994. Using linear regression you would forecast GNP for 1995, then compare your forecast with the 1995 actual GNP. Do not be concerned if your forecast is not correct. The  $R^2$  will be low if the model does not fit. The drill is the collection of data, the use of linear regression, and the problems with linear estimation techniques. Your typed written submission will be brief: simply cite the data collected and the source; show your forecasting; show the difference between the actual and forecast data; and show the  $R^2$ . Use linear regression - you may calculate the intercept and slope coefficients manually or use computer software, such as Excel. The time interval is not especially important, but it must be uniform. You may use annualized data, monthly, or quarterly data that is historical or current. (Check *ManagementGuru*, *Google*, or library for data sources.) If you need help with the statistics, check out the tutorial hyperlink on the syllabus at *ManagementGuru*. In one sentence state your conclusion as to  $H_1$ . Be prepared to discuss your findings in class.

Environmental Measures [ ✓ the measure assigned to you]:

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Stock price movement: S&P 500 index | <input type="checkbox"/> No. of Company Bankruptcies     | <input type="checkbox"/> T-Bill Rate               |
| <input type="checkbox"/> Stock price movement: NASDAQ        | <input type="checkbox"/> No. of Initial Public Offerings | <input type="checkbox"/> U.S. Trade Deficit        |
| <input type="checkbox"/> Unemployment Rate                   | <input type="checkbox"/> Per Capita Income               | <input type="checkbox"/> ISM Manufacturing Index   |
| <input type="checkbox"/> Inflation Rate (CPI)                | <input type="checkbox"/> Price of Gold - any market      | <input type="checkbox"/> U.S. GDP (inflat. adj'd.) |
| <input type="checkbox"/> Any Leading Economic Indicator      | <input type="checkbox"/> Price of Oil - any market       | <input type="checkbox"/> Fed Funds Rate            |

Grading: Report all (7) data points= 1 point; Accurate Forecast using 6 points with spreadsheet = 3 points (you must use the linear model); Calculation of  $R^2$  = 1 point. Failure to report Hypothesis conclusion = -1.

**3) ASSIGNMENT 3: Mergers and Acquisitions**

The objective of this assignment is that you demonstrate an ability to interpret stock price and conduct basic business research. You are to select a merger/acquisition that is currently in the press or investigate an historical case. Recent mergers are easier, because the stock data that will be needed can be difficult to find in our library for M&A more than a few years old. See my website using the index and find "Research Assignments" for help with this assignment.

Your assignment is to:

- 1. Report the names of the firms involved.
- 2. Provide a one or two paragraph summary of each firm's history, including its products or services and current CEO. Assistance for this is available at *ManagementGuru*.(1 point)
- 3. Report the general terms of the merger/acquisition agreement - for example, offered price and proposed financing. You may have to do some online research to find out about this. (1 point)
- 4. Track and report the stock price of each firm for six months prior to the announcement of a merger/acquisition. If consummated, report the stock price of the consolidated firm for three months post merger/acquisition. If not consummated, report the stock prices for the two firms after the public announcement if stocks are traded. Assistance for this is available at *ManagementGuru*.(2 points)
- 5. Interpret the stock price movements you find. (1 point)

If you cannot find stock data for one of the merged firms using Internet resources, try <http://bigcharts.marketwatch.com/historical/>. Very old stocks may require that you find a library with back issues of Value Line or S&P, or that you look up stocks in back issues of Wall Street Journal.

**C. GUIDELINES FOR REVIEWS OF ARTICLES**

The product is 1-2 pages, typed paper – do not exceed this page limit. There are 16 articles. The requirement is that you do 10 short summaries indicating that you have read the articles. Articles will be discussed in class. The assumption is that if you have read and

summarized the article, you can intelligently discuss the article in class. If called upon to discuss the article, a failure to provide thoughtful contribution will negate the attempted grade. Each article is 1 point.

**STUDENT'S CONTRACT:** Check the individual and team assignments that you will complete and submit for a grade. Identify your team members. Turn the contract in to Prof. Makamson by Jan 23rd. When approved, a copy will be provided to you.

Contract Requirements:

1. Select 10 articles for written review. Select 5 from Group 1 and 5 from Group 2. This is individual work.
2. You are required to participate in a 3-4 member team for case analyses. Identify your team members.
3. With your team select 2 cases. Dr. Makamson can assign these to ensure coverage. One case submission is required from each Group A **and** B. See website for detailed instruction and grading. Discussion questions are posted at the course website.

**You are required to keep a copy of all materials submitted for a grade if submission is contested.**

<input checked="" type="checkbox"/>	Due	Articles- Student Select 5 from Group A	<input checked="" type="checkbox"/>	Due	Articles- Student Select 5 from Group B
<input type="checkbox"/>	Jan 18	1. The Enduring Logic of Industrial Success	<input type="checkbox"/>	Mar 15	9. Corporations, Culture, and Commitment
<input type="checkbox"/>	Jan 20	2. What Is Strategy?	<input type="checkbox"/>	Mar 17	10. What Really Works?
<input type="checkbox"/>	Jan 25	3. Changing the Role of Top Management	<input type="checkbox"/>	Mar 22	11. When and When Not to Vertically Integrate
<input type="checkbox"/>	Jan 27	4. The Lessons from Stakeholder Theory	<input type="checkbox"/>	Mar 24	12. Strategic Sourcing
<input type="checkbox"/>	Feb 8	5. Competing on Resources	<input type="checkbox"/>	Mar 29	13. Growth Outside the Core
<input type="checkbox"/>	Feb 22	6. How Competitive Forces Shape Strategy	<input type="checkbox"/>	Apr 5	14. Stock or Cash?
<input type="checkbox"/>	Mar 1	7. Leadership That Gets Results	<input type="checkbox"/>	Apr 12	15. Disruptive Technologies
<input type="checkbox"/>	Mar 3	8. The MultiUnit Enterprise	<input type="checkbox"/>	Apr 19	16. Competitive Advantage of Nations
<b>Required Research Assignments</b>					
<input checked="" type="checkbox"/>	Due	Research Topic			
<input checked="" type="checkbox"/>	Feb. 5	Financial Analysis.			
<input checked="" type="checkbox"/>	Feb 17	Environmental Analysis			
<input checked="" type="checkbox"/>	Apr 2	Mergers and Acquisitions			

<input checked="" type="checkbox"/>	Team Analysis	Due	Cases- Team Select 1 for Team Paper from this Group A	<input checked="" type="checkbox"/>	Team Analysis	Due	Cases- Team Select 1 for Team Paper from this Group B
<input type="checkbox"/>		Jan 29	Al Dunlap at Sunbeam (9-899-218)	<input type="checkbox"/>		Mar 19	Jet Blue: Starting from Scratch (9-801-354)
<input type="checkbox"/>		Feb 12	Coors in the Brewing Industry (9-388-014)	<input type="checkbox"/>		Mar 26	Celulosa Arauco: (9-705-474)
<input type="checkbox"/>		Feb 26	Cola Wars Continue: (702442)	<input type="checkbox"/>		Apr 9	Time Inc.'s Entry into Entertmt. Ind. (A) (9-293-117)
<input type="checkbox"/>		Mar 5	Procter & Gamble: Organization 2005 (A)	<input type="checkbox"/>		Apr 16	Managing Innovation at Nypro, Inc. (9-696-061)
				<input type="checkbox"/>		Apr 19	Haier: Taking a Chinese Company Global (9-706-401)

3-4 Members of My Team Are (Include yourself and make sure each member agrees to this collaboration. Four is maximum size.):

1. \_\_\_\_\_ E-Mail: \_\_\_\_\_
2. \_\_\_\_\_ E-Mail: \_\_\_\_\_
3. \_\_\_\_\_ E-Mail: \_\_\_\_\_
4. \_\_\_\_\_ E-Mail: \_\_\_\_\_

In addition to these assignments, the following are required:

2- Comprehensive examinations. A Mid-Term test and a Final Test.

Participation through attendance and contribution/presentation on assigned articles and cases.

I understand that plagiarism and other forms of cheating are grounds for dismissal from Professor Makamson's course:

SIGNED: \_\_\_\_\_ DATED: \_\_\_\_\_

ACCEPTED: \_\_\_\_\_ Prof. Makamson to Initial and Return Contract. Contract details will be posted at mgmtguru.com.