

**MHR 423**  
**STRATEGIC MANAGEMENT**  
Spring Semester, 2002  
T & Th 1:00-2:15 2280 Grainger  
**WEB SITE: <http://instruction.bus.wisc.edu/tpollock>**

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### COURSE SYLLABUS

*This is a learning-by-doing course. Your agreement to actively participate on a regular basis is a prerequisite for your enrollment in this class. Please read, complete, and sign the course agreement at the end of this syllabus.*

**Course Description:** Through the combination of lectures, readings, case studies, and class participation, this course introduces you to the tools and vocabulary prerequisite to critical and effective strategic analysis, thinking, and communication. *Strategy* is a pattern in a stream of decisions or actions which link an organization's major goals, policies, and activity sequences into a cohesive whole. The concepts in Strategic Management integrate the knowledge and skills you acquired in earlier courses so that you may apply them using the same multi-disciplinary perspective demanded of a general manager -- irrespective of the industry or position you are targeting for employment or advancement.

**Course Objectives:** In Strategic Management you will exercise and improve (1) your ability to think strategically, (2) your knowledge of, and ability to apply strategy tools and strategy vocabulary, (3) and your written and verbal communication skills. You can accomplish these objectives through careful reading of your syllabus and assignments, detailed case analyses, regular attendance and attentiveness to class lectures, and active participation in class discussions.

**Required Course Materials:**

Strategic Management: Competitiveness and Globalization, Fourth Edition, by Michael A. Hitt, R. Duane Ireland, and Robert E. Hoskisson, South-Western College Publishing. There is also a case book that accompanies the text.

Readings Packet available in the Grainger Hall copy center.

**Grading:**

|                                    |                |
|------------------------------------|----------------|
| Attendance and Class Contributions | 75 pts         |
| Case Summaries                     | 25 pts         |
| Mid-Semester Case Analysis         | 150 pts        |
| Final Written Case Analysis        | <u>150 pts</u> |
| Total:                             | 400 pts        |

**Attendance:** Attendance at each scheduled class session is expected (and role is taken); you are responsible for the material discussed in your absence. One attendance point is assigned to each class and late attendance counts as a missed class session.

**Class Contribution** Top management teams are highly susceptible to group-think. As a result, they run the risk of taking actions by default instead of by design simply because no dissent or alternative perspective was voiced. Therefore, a significant portion of your learning will accrue through the constructive (and respectful) challenge of each other's ideas (including mine!) and the search for alternative solutions. Contributory participation, like *non*-participation, is a habit. You must be actively involved in class discussions to improve your thinking and communication skills. As a general manager, your active contributions to your management team's decision making activities are essential to its success. Similarly, your attendance and contributions are critical to your success in this course. One attendance point is assigned to each class meeting beginning with the second week of class. Late attendance counts as a missed class session. Up to 2 additional points can be earned if you make a contribution to the class discussion. Whether you receive 1 or 2 additional points depends upon the substantiveness of your contribution, as discussed below.

Your class contributions will be evaluated based on the quality of your input (not "air time" or irrelevancies masking lack of preparation). Specifically, I am looking for the following:

- you contribute to the advancement of the discussion
- you articulate an in-depth understanding of course material
- you persuasively and concisely convey your thoughts
- you willingly test "new" ideas, rather than "play it safe"
- you provoke a dialogue among participants
- you illuminate difficult concepts
- you support comments with facts and specifics

The point of our class discussions is not to formulate a lowest-common-denominator solution. Rather, we will learn about the dynamics of strategic management through the process of grappling with difficult problems. Indeed, both the frustrating and intriguing part about strategy is that each problem has multiple viable solutions; each solution, in turn, may result in both success and additional messy problems. The more thorough we are in the assessment of a particular strategy's weaknesses, the better we will be able to make adjustments that increase the probability of its successful implementation.

**Extra class contributions:** Depending on the size of our class, you will have the opportunity to introduce one case or provide a current event example for one of the text chapters. Each of these presentations will be worth up to **five** class contribution points. The number of points you receive depends upon the quality and depth of your presentation. Each class member may make only **one** presentation.

A **case introduction**, taking ten minutes or less, is a concise review of the key points covered in the case. You organize the review as you see fit but at a minimum it will cover the firm's history, product line, financial situation, ownership, performance record, management, and central challenges. You can also point up certain information excluded from the case that would have made your summary more substantive had it actually been included.

A **current event example**, again taking ten minutes or less, involves introducing a company that fits the topic of the chapter we are covering for that session. For example, if we are covering a chapter on business-level strategies, you might choose to talk about the business-level strategies being undertaken by a company covered in a current Fortune, Forbes, Business Week, or Wall Street Journal article. The only rules for this exercise are that (1) you provide me with a copy of the current article you are presenting at least one class session before the presentation, and (2) you do not choose a company that is already covered by one of our cases.

Case introductions and current event examples will be allowed on a first-come, first serve basis. No more than one person may introduce a case, and no more than one current event example or case introduction may be presented during a given class period. Therefore, if you wait until the end of the semester, you may not get an opportunity to present.

**Case summaries:** Each case summary you prepare will be a **2-page maximum** response to the preparation questions that are posted on the class web page. These summaries are intended to help you think through the issues in the case, and facilitate class discussion. Although you are free to structure the summaries in ways that are the most helpful to you (e.g., topic heading & bullet points, outline, narratives), at a minimum they should include information regarding the general and industry level environmental conditions facing the firm, its value creating activities, the key resources and core competency (if any) that provide the company with a competitive advantage, its business and corporate level strategies, and the competitive dynamics that exist within the industry.

I have assigned **twelve** cases over the course of the semester. I expect you to prepare written summaries for **five** of these cases. You are **required** to prepare a written summary of the first case discussed, **Lincoln Electric**. For the four remaining summaries, you may select from any of the other cases that you wish, **except** for **Copeland/Bain**. This **does not** mean that you are not required to read and prepare the other seven cases, only that you do not have to write them up. Each case summary will be worth 5 points. All summaries are graded on a plus (excellent), check (adequate), or minus (less than adequate) basis. If you fail to turn in a summary, you get a zero. Case summaries will be collected at the *end* of class, so that you may refer to your summary during class discussions.

**Mid-Semester and Final Case Analyses:** Two case analyses (not to exceed 8 pages excluding attachments) are required for your final grade. Refer to the guidelines for written work below. I will provide you with specific questions regarding the case, and your answers should be confined primarily to the facts as presented in the case. You are expected to use both the *concepts* and the *terminology* presented in this course in your write-ups. Both the mid-term and the final will be completed *individually*. You are not to communicate with anyone when completing your case analyses.

Be very careful to focus on variables that managers can control (i.e., put yourself in their shoes!!), not on those variables beyond their control (e.g. raising tariffs to block foreign competitors, eliminating the immediate influence of unions). I am particularly impressed with innovative plans that demonstrate your ability to think through a messy problem. Such plans should be anchored in reality (e.g. What prevented management from trying your plan before?) and should address the process of how these plans are to be achieved. Don't just tell me that the company should improve product quality or increase market share -- specify how these outcomes can be achieved. Your identification of the key issues and recommendations should be clearly stated, and comments as to why you think your plan would be more successful than other obvious alternatives or previous plans should be presented.

**Written Assignments:** Good writing habits are "portable" and will always reflect well on you. Shoddy written work can have enormous negative consequences (in terms of lost opportunities for new positions or advancement) when you hit the market. I expect a commitment to quality on your part. To this end, you should proof your work for content (i.e. cohesion of argument, clarity of logic, support of position, and conciseness), as well as for correct grammar, spelling, and punctuation (re-read even *after* running spell check!). Unless you are an uncommonly gifted writer and strategic analyst, your grade will inevitably suffer if you wait until the last minute to complete your written assignments. Plan ahead, and allow yourself plenty of time to think about your answers and revise your write-ups.

In general, all of your written assignments should include the following:

- Well-organized and concise arguments (avoid fluff or irrelevancies)
- Clear statements of assumptions and conclusions
- Rigorous use of facts and financial data to support arguments without summarizing the case or material (I've read the case too and I don't care to re-read it in your paper!)
- Original, not plagiarized text (give credit if you must quote)
- Well-supported creativity and extensions are encouraged
- All written work must be typed, double-spaced with one-inch margins, no greater or smaller than a **12 point font size** (like this syllabus), and stapled (folders, binders, or covers will not be returned)

**Lectures:** Although this is primarily a discussion-based course, lectures will be used to highlight key points discussed in the text and to introduce other relevant issues. There will not be adequate class time to cover all of the concepts and techniques discussed in the book. You are expected to complete and be familiar with all assigned readings and integrate them as appropriate into your written assignments, even if I don't talk about them in class. The readings

will also inform your class comments. Please consider me a resource (both in and out of class) to discuss the topics you do not understand. You may also find study groups to be helpful as well.

**Deadlines and Late policy:** All written assignments must be submitted at or before the scheduled times. Case summaries will be collected at end of class, so you may refer to them during the discussion. In the event that you miss a class and still wish to submit a summary of the case discussed that day, I will only accept the summary as a word document attached to an email that I receive **before** the regularly scheduled class period in which the case is discussed. As managers, you will not be afforded the luxury of missing deadlines (think of deadlines as “windows of opportunity”). Late assignments will be penalized 20% for each class day past the deadline (Note: on an A to F scale, this drops your score a full letter grade, and from a check to a minus on case write-ups!) If you try to hand an assignment in once the papers have been collected or class has begun, you are a day late. I do not accept excuses. If the printer in the lab screwed up, too bad. You shouldn’t wait until the last minute to print out your paper anyway. Students approved for incomplete grades in the course are required to complete such work by the end of the next academic session.

#### **Other Administrative Details:**

- Please advise me in advance of any anticipated schedule conflicts (e.g. interviews).
- If you know you will be missing a class in which a case is being discussed or an assignment is due, turn in the assignment to me or put it in my mailbox sometime before class meets.
- A roll-sheet will be circulated each session – this is not a correspondence course.
- Grades on class assignments no *sooner* than 48 hours after the assignment has been turned in.
- **Do not wait** until the end of the semester to see me regarding problems with the course material or your performance. Your performance in this class is important to me. Please call me early for an appointment.
- Suggested paper lengths are only upper limits. If you can convey your thoughts more succinctly in your written assignments, please do so!
- Feel free to form independent study groups to brain-storm about cases and readings outside of class.
- Like managers executing actual strategies, we may find that the course syllabus must be amended slightly as the semester progresses.

## COURSE CALENDAR - Spring 2002

| SESSION | DATE   |    | TOPIC/ASSIGNMENT  |
|---------|--------|----|---|
| 1       | Jan 22 | T  | Overview of the course.   |
| 2       | Jan 24 | Th | Readings: Chapter 1 - What is strategy and the strategic management process?<br><br>Exercise: Alaska Gold Mine (handed out in class)                        |
| 3       | Jan 29 | T  | Readings: Chapter 3 - Internal environment<br>Is your core competence a mirage?<br><br>Exercise: eBay Article   |
| 4       | Jan 31 | Th | Prepare to discuss case - Lincoln Electric<br>Read Pages C1-C13: Preparing an effective case analysis<br><br><b>♣ Required case summary to be handed in</b> |
| 5       | Feb 5  | T  | Readings: Chapter 2 - External Environment<br><br>Exercise: eBay Article  |
| 6       | Feb 7  | Th | Prepare to discuss case - Anheuser-Busch & Red Hook   |
| 7       | Feb 12 | T  | Readings: Chapter 4 – Business-level strategy<br><br>Exercise: Peet's Article   |
| 8       | Feb 14 | Th | Prepare to discuss case - Starbucks   |
| 9       | Feb 19 | T  | Readings: Chapter 6 - Corporate Strategy<br><br>Exercise: Gateway Article   |
| 10      | Feb 21 | Th | Prepare to Discuss Case - Walt Disney   |
| 11      | Feb 26 | T  | Readings: Chapter 8 - International Strategy<br><br>Exercise: Coke video  |
| 12      | Feb 28 | Th | Prepare Case - Outback Goes International   |

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|----|----------------|----|---|
| 13 | March 5        | T  | Readings: Chapter 5 – Competitive dynamics<br>Exercise: Rubbermaid vs. Zag Video  |
| 14 | March 7        | Th | Prepare to discuss case - The Browser Wars<br><b>Case is available online through the class web page.</b>                                       |
| 15 | March 12       | T  | Readings: Creating New Market Space<br>Prepare to discuss case – Amazon.com   |
| 16 | March 14       | Th | Readings: Chapter 7 - Acquisitions and restructuring<br>Exercise: HP-Compaq Article<br><b>♣Mid-term case distributed and posted to web page</b> |
| 17 | March 19       | T  | Prepare to discuss case - US Bancorp & Piper Jaffray  |
| 18 | March 21       | Th | <b>Work on Midterm - No Class Meeting</b><br><b>♣Midterm case due in my box by 4:30 p.m.</b>  |
|    | March<br>26&28 |    | <b>Spring Break</b>   |
| 19 | April 2        | T  | Readings: Chapter 9 - Cooperative strategy<br>Exercise: IBM Article   |
| 20 | April 4        | Th | Prepare to discuss case - Chrysler's Intl Operations  |
| 21 | April 9        | T  | Prepare to discuss case - Copeland/Bain   |
| 22 | April 11       | Th | Continue discussion of Copeland/Bain  |
| 23 | April 16       | T  | Readings: Power & Influence<br>Exercise: Wall Street Video  |
| 24 | April 18       | Th | Readings: Chapter 12 - Leadership<br>Exercise: Southwest Airlines Video   |

|    |          |    |   |
|----|----------|----|---|
| 25 | April 23 | T  | Readings: Pfeffer - Managing Political Dynamics<br>Kotter & Schlesinger<br><br>Prepare to Discuss Case - Continental Whitecap |
| 26 | April 25 | Th | Readings: Chapter 11 – Organizational structure and controls<br><br>Exercise: JIAN Video                                      |
| 27 | April 30 | T  | Readings: Pfeffer - Changing the Structure<br>Eccles & Nohria<br><br>Prepare to Discuss Case - Charlotte Beers                |
| 28 | May 2    | Th | Wrap-up<br><br><b>♣Final case distributed and web-posted</b>  |
| 29 | May 7    | T  | <b>Work on final case analysis - No Class meeting</b>   |
| 30 | May 9    | Th | <b>Work on final case analysis - No Class meeting</b><br><br><b>♣Final Case Analysis Due by 4:30 p.m. in my box.</b>          |



Student Questionnaire & Course Agreement

Your name \_\_\_\_\_ Your major/minor \_\_\_\_\_

Your nationality (if not U.S.) \_\_\_\_\_ Your rank (i.e., senior) \_\_\_\_\_

Your home town/state \_\_\_\_\_

Your full email address \_\_\_\_\_

Phone Number \_\_\_\_\_

Extracurricular Activities \_\_\_\_\_

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\_\_\_\_\_  
\_\_\_\_\_

Employment Objectives Upon Graduation

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Your objectives in taking this course \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Student Agreement: I, the above-named student, have read this syllabus and understand that much of my final grade will be based on my active participation in class and my independent written work outside of class.**

\_\_\_\_\_  
(Signature)