

GSM 440 – Strategy and Leadership Summer 2008

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Office hours by appointment

Required Textbook: Crafting and Executing Strategy, The Quest for Competitive Advantage, Concepts and Cases, by Thompson and Strickland, 16th edition.

You can also buy the electronic version of this textbook
Go to www.mhhe.com/thompson

Other required materials: Additional (small) course pack of readings, all available online through WebCT

Suggested Readings: Available online through WebCT

Course Description:

This required three credit class, *Strategy and Leadership*, is designed to be your “capstone” MBA experience. Building directly and immediately on your experience in *Strategic Decision Making (SDM)*, this class will integrate the knowledge gained in earlier courses specialized in the functional areas of business: R&D, sales and marketing, finance, human resources, etc. We will pay particular attention to analyzing the financial situation of the firms we analyze, and defining the financial impact of your recommendations.

Course Structure:

The course broadly follows the modules of the Thompson, Strickland and Gamble textbook, and is organized into four key segments:

- Introduction and Overview
- Core Concepts and Analytical Tools
- Crafting Strategy
- Executing Strategy, including special topics

The class will extensively use business cases, in a large variety of industries, domestically and internationally, from large firms to small businesses and non-profit organizations. These cases will provide examples of radical changes in the structures of several industries particularly important in today’s economy. In general we will analyze a different firm through use of a case analysis each week. We will also use various exercises aimed at helping you apply concepts, and aim to bring current developments and news into the classroom on a frequent basis. We will also have some special guest speakers who will speak from their own experience of designing and executing strategy in their organization.

Learning Objectives:

The overall goal of this course is to develop your capacity to think and execute strategically. Specifically these are:

1. To develop your knowledge of the concepts and tools used by corporations in developing and implementing their strategies. The readings in the textbook complemented by interactive reviews in the classroom will provide the framework for the rational analysis of the business environment, the identification of opportunities and the selection of appropriate direction for action.
2. To provide you the opportunity to apply these principles and tools to practical situations through the analysis of *actual business cases*. Your participation in the class discussions of these cases will be the best way to affirm your understanding of the relevance and limitations of these tools and theories. It will give you the opportunity to select among the various concepts those that fit best your own experience and to develop your own style of management.
3. Potentially the most important, is to make you capable of making your own decisions in complex business situations. This course will provide two opportunities to do so: First, a large share of the class time will be devoted to have you interacting with other students in developing and evaluating the alternative strategies to cope with the issues identified in the analytical phase of the business cases discussion. Then, you will select the course of actions that you want to be implemented and you will defend it against other alternatives selected by other students. Second, you will be required to submit written case analyses, developing in writing the financial and situational analysis, and then providing your own recommendations of the most appropriate course of actions.
4. *Finally*, this course will help you build the confidence that you can deal effectively with complex business decisions and therefore that you are ready for leadership and powerful positions.

Expectations and Requirements for Class:

- **Assigned Reading:** You are expected to read the assigned material *prior to the beginning of the class* on the specific date. Chapter readings normally relate to the assigned case, so it is highly recommended that you read the chapter before starting work on the case preparation.
- **Case Preparation:** The key to learning through a business case is to carefully analyze the current situation, apply relevant conceptual material, and evaluate possible courses of action before *developing the proper recommendations* to address the corporate strategic issues identified during the case analysis. In general, there is no single strategic recommendation to a case. You should be very familiar with the case and have developed your own analysis and recommendation for strategic actions. It is highly recommended that you review the cases, before the class, in informal groups. This preparation will make the class discussion more effective and more interesting for you. Most of the learning in this course takes place during *class discussions and exchanges with other students*. A list of questions for each case covered in the course will be provided. These questions are meant to be the starting point for the analysis and discussions during the class and for the written reports. To develop your written reports, you are expected to use the tools that are described in the chapters that have been studied up to that date in the textbook.
- **Strategy in Action:** Strategy is a real-world discipline. It is important to be aware of the prevailing political, social and business environment and to be able to interpret any impact it

may have on industries, markets and individual organizations. To encourage and develop this capability, we will spend about 10-15 minutes in each class identifying important current events and discussing their strategy implications. Please bring in examples of companies you are familiar with or that you read about in the news and business press. In particular you are encouraged to bring in examples that relate to the assigned chapter reading for that class.

- **Class Contribution:** I encourage you to fill out the *mid-semester class contribution self-assessment* form. I will review and provide comments back to you, together with an interim contribution grade, so that you can assess your performance to date and develop strategies for improvement in the second half of the semester. This self-assessment form also guides you on what I am looking for in class contribution. The ability to present and defend your analysis and opinions in a classroom situation is a vital element of the MBA experience. It tests analytical ability, expands understanding, enhances reasoning ability, develops communication skills, and facilitates the sharing of insight and knowledge. More importantly it replicates, to the extent possible in an academic setting, the real world of business where success is based almost completely on participation and contribution! In grading your in class contribution, I am looking for contributions that will expand and develop case discussion. A "solid" contribution will be well informed, relevant, add some insight (introduce, develop, or challenge a point of view), and be persuasively, succinctly and coherently presented. Well prepared students will demonstrate command of the basic facts of the case, especially industry context and key company issues, and will have developed opinions, conclusions or recommendations, with supporting rationale. I am looking for personal learning and development through out the course, and will give credit for this. It is important that we recognize that people have different levels of experience in marketing. I encourage us to work hard to create and maintain a supportive, respectful environment for discussions, in which we all feel comfortable participating, experimenting and developing our abilities. However, I believe debate and alternate points of view are vital parts of the experience, and encourage you to be active contributors in this regard. Remember, it is the *quality*, not the quantity of contributions that matter! That said, I expect each student to make at least 1-2 "solid" contributions in each class. Similar to other faculty, this level of contribution would result in a B+ for contribution, with higher grades being assigned for outstanding contributions, and lower grades being assigned for lower contribution levels.
- **Absences:** If you have to be absent due to some extraordinary extenuating circumstance, I expect you to *let me by emailing or calling me* as a courtesy. I do not accept any type of make-up work, and missing more than 10% of classes (i.e. more than 1 class) will negatively affect your grade.

Deliverables:

- **Written Assignments:** All assignments are due in hard copy at the beginning of class. Grades for papers received late will be reduced by a full grade for every day of lateness. Please note that I only accept hard copies, so please do not email me any deliverables. If you have issues with printing or other problems, you should plan on giving or emailing your deliverable to the MBA office and ask them to print it for you and deliver it to me. You are responsible for making sure your deliverable is turned in on time. If for any reason you need to email it or deliver it to the MBA office, you are responsible for confirming that they have received it, and also for confirming that I have received it from them. All individual written assignments will be blind graded. When submitting a paper please use your student ID number only. (Please see below for detailed instructions on written assignments)

- **Group Presentation:** You will be required as a group (of your own choosing, although you are free to use your SDM group if you wish) to make a 15 minute presentation to the class on one of the cases we will be discussing in class. There will be a sign up sheet for the various cases which are available for group presentations and slots will be assigned on a first come, first served basis. The goal of this exercise is to allow you further practice in applying the concepts covered in chapters of the text book, and to help you refine your skills in developing and presenting convincing, compelling verbal strategic managerial recommendations. Please see below for additional guidance on this project.

Grading:

Group Presentation	15%
Written case analysis	30% each
Class Contribution	25%

Using the SOM letter grade system, overall course grades are assigned as follows:

A	Outstanding performance in which the student's classroom and written work has been consistently excellent. (A = 4.00)
A-	Superior performance in which the student's classroom and written work has been consistently very strong. (A- = 3.67)
B+	Very good performance in which the student's classroom and written work has demonstrated mastery of course material. (B+ = 3.33)
B	Good performance in which the student's classroom and written work has demonstrated competency in handling course material. (B = 3.00)
B-	Minimally acceptable performance, which has been deficient in some respects. (B- = 2.67)
C	Marginal performance, which has been deficient in many respects. (C = 2.00)
F	Performance has not met minimal standards of the course. (F = 0.00)

Honor Code:

I expect you to adhere to the highest standards of honesty and integrity in dealing with me and with one another. Please read and take to heart the sections on the honor system in the Simmons College Student Handbook. You are expected to comply with all provision of the Simmons College Honor Code-violations will not be tolerated. Students are expected to cooperate on group projects, and are permitted to study together for case reports. Written case reports are expected to represent individual work although you are authorized to review and prepare all cases with other students. I will not tolerate sharing financial analysis, tables or paragraphs in written reports.

Students needing special accommodation:

Reasonable accommodations will be provided for students with documented physical, sensory, systemic, learning, and psychiatric disabilities. If you have a disability and anticipate that you will need a reasonable accommodation in this class, it is important that you contact the Academic Support Center **early in the semester**. Call Ext. 2474, or stop by the center in the Palace Road building, Suite

304A. Students with disabilities receiving accommodations are also encouraged to contact me within the first week or two of the semester to discuss their individual needs for accommodations.

Guidance for Written Assignments

Each student will prepare a formal report that will objectively analyze the company in the assigned case and makes recommendations for the future. This exercise deliberately builds on the format of the SDM individual report, to allow you to deepen your application of concepts and progressively hone your skills in strategic analysis and recommendation formulation. As in SDM, you will be taking the role of *a outside strategy consultant*, hired by the Board of Directors to assess their company's performance, and to provide recommendations for future strategic action.

The analysis, plan and write-up should be strictly your own work, and should represent your individual evaluation of the assigned company's past performance and future outlook. The report should be prepared with a Board of Directors in mind, and you will therefore be evaluated in part on the clarity and professionalism of the presentation. You are encouraged to include key information and data referenced in your report in the form of exhibits, charts and graphs.

The page limit, not including executive summary and attachments, is 15 pages, double spaced, 12 point font, 1 inch margins.

I expect to see the following sections in your reports:

- **Executive Summary**
- **Situation Analysis**
- **SWOT analysis (using the template given below)**
- **Key Issues Statement**
- **Strategic Recommendations and Rationale**
- **Alternatives Considered and Assessment**
- **Conclusions**
- **Attachments**

Sections of Paper:

1. **Executive Summary:** The executive summary should be one page or less, and summarize the key issues facing the company as well as a summary of your short and long term recommendations. The final sentence or two should summarize the benefits that the company will gain if they follow your recommendations. *The executive summary is not counted in your 15 page text page limit.*
2. **Situation Analysis:** The first half of your report should focus on a strategic situation analysis of the company. Specifically, you should summarize the current situation (including company performance), areas of strength and weakness, performance relative to competitors, areas of vulnerability, and how well positioned the company currently is for future success.
3. **SWOT:** The situation analysis should culminate in a SWOT analysis. Please see below for SWOT format.

Strengths (internal)	Opportunities (external)
<ul style="list-style-type: none"> • text • text • Etc. 	<ul style="list-style-type: none"> • text • text • Etc.
Weaknesses (internal)	Threats (external)
<ul style="list-style-type: none"> • text • text • Etc. 	<ul style="list-style-type: none"> • text • text • Etc.

4. **Key Issues Statement:** This short, but crucial section specifies the most important key issues or problem areas that the company faces (usually 3-5 will emerge). These are NOT recommendations, or questions. They ARE synthesis statements, representing important areas of concern or action that emerge from your situation analysis, and that you will be addressing in your recommendations. In other words, what are the issues that are potential barriers to future viability/growth that your company will need to address in order to be successful in the future? This will be your shortest section. You do not need to give much detail, as these should arise directly from your analyses in the previous section. Remember that this section bridges the SWOT and the Recommendations, so is very important: make sure it is clear and logical.
5. **Recommendations:** This section contains your recommendations, both strategic and tactical, that directly address the key issues described in the previous section. Remember that the key issues statement should guide this section. Be sure that your recommendations are relevant to your identified key issues. Be sure to consider both long and short term actions in your recommendations. Finally, support your recommendations and specify the links between your recommendations and the benefits for the company. In other words, why should the company implement your plan?
6. **Conclusions:** This section should summarize your assumptions and monitoring measures, and end with a compelling conclusion.
7. **Attachments:** Here you will attach any tables, graphs, and appendices that you have developed. It is very important that you only include attachments that are referred to in the text. They should add value (not just length), and be relevant to your analysis or recommendations. You can also integrate visuals into the text of your report if they are shorter than one page (for example, many students will include the SWOT table in the body of the report). *These attachments and your embedded visuals will not count towards your page limit.*

GRADING CRITERIA FOR WRITTEN CASE ANALYSIS

<i>Section</i>	<i>Traits</i>	<i>Qualities of an “A” paper</i>
Executive Summary	Executive summary with key issues and recommendations is included.	Executive summary included, with major strategic issues and recommendations given.
Situation Analysis and SWOT	Identifies and analyzes relevant situational factors	Uses appropriate qualitative and quantitative data and tools to analyze the given situation in depth. Summarizes the analyses appropriately in a SWOT.
Key Issues Statement	Presents a synthesis of the situation analysis by identifying and summarizes the key problems or issues that the current situation presents and that need to be addressed for future success and growth	Clearly states most important issues to address in strategy and links them to situation analysis. Uses key issues statement as a clear bridge between situation analysis and recommendations.
Recommendations	Develops and supports realistic and appropriate strategy.	Details strategic goals, industries, segments, proposed competitive positioning and links strategy to situation, key issues, financial resources, and overall product portfolio.
Recommendations	Develops and supports appropriate tactics to implement stated strategy	Provides appropriate detail for implementation plan, including financial allocations, Tactics are specific for short term and more general for long term. Justifies implementation plan well with explicit linkages to strategy statement.
Recommendations	Clearly identifies linkages between proposed actions and benefits.	Clearly and consistently explains links between recommendations and benefits for the organization (why recommendations should be adopted).
Alternatives Considered	Develops several high quality and viable alternative strategies	Clearly and consistently explains alternatives and links between alternative recommendations and benefits for the organization (but why the alternative was ultimately discounted.)
Conclusion	Identifies important assumptions and monitoring measures.	States important assumptions and limitations of analyses, and presents clear monitoring and control measures.

Conclusion	Conclusion is compelling and persuasive.	Concisely summarizes main points and recommendations, and clearly discusses benefits of adopting recommendations.
Attachments	Presents key analyses used in preparing and justifying strategy in tables or appendices.	Uses wide range of appropriate visuals and appendices such as charts, graphs and tables that effectively, creatively and persuasively show analyses of key data.
Overall	Paper is professional in presentation, well written and follows prescribed format.	Paper is well-edited, logical, and concise, with good flow and frequent sectioning. Prescribed format is followed throughout.

Guidance for Group Presentation

As a team, you should undertake the analysis of your assigned case following the guidelines detailed above for the individual written case analyses. However, you do NOT need to hand in a formal written document. Rather, your focus should be on summarizing your analysis and recommendations in the form of a 15 minute managerial presentation. You should support your presentation with a PowerPoint presentation, which you should provide me with a copy with at the end of your presentation. Your group grade will reflect both the thoroughness of your analysis and development of recommendations (refer to qualities of A paper for guidance) and on the quality of your verbal presentation. As with the write assignment, put your self in the role of outside strategy consultants presenting to a board of directors.