

Strategic Management

Course Number : 209.7505

Summer 2016

Instructor Name: Daniel Tzabbar, Ph.D.

Contact Information: Thursday 14:00 – 18:00 PM, ROOM 467 Education Building.

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Required Cases:

<http://cb.hbsp.harvard.edu/cbmp/access/49649720>

Recommended text:

Walker, Gordon, H. 2007(3nd edition). Modern competitive strategy (paperback). Boston, McGraw-Hill/Irwin.

Pankaj Ghemawat. 2006 (2nd edition). Strategy and the Business Landscape. Pearson Hall (paperback).

Course Description:

MGMT 780 introduces students to the basic concepts, frameworks and methodologies useful to managers in crafting and executing business strategy. The course focuses on the fundamental conditions that enable a firm to conceive, develop, and sustain a superior strategic position, both for a single-business organization and for a multi-business corporation. The material covers the functions and responsibilities of senior management, the issues affecting the success of the organization, and the decisions determining its direction.

The MBA curriculum requires the study of several management functions and their underlying disciplines. In considering how a general manager can position a business and its resources to maximize long-term returns in the face of competition and uncertainty, this course provides you with an opportunity to integrate the functional knowledge developed in other courses and in your work experience.

The main focus of this course is on the formulation of competitive strategy. This module is designed to provide students with an opportunity to extensively investigate the external, internal, and dynamic environments of a firm. Specifically, we will introduce and apply analytical tools to identify and systematically assess:

- 1) The various environmental forces acting upon organizations;
- 2) The source of a firm's competitive advantage;
- 3) The likely behavior of a firm's rivals – and ways that the firm can influence rivals' behavior.

Graded Assignments and Learning Activities:

Group assignments

Each group will be assigned to discuss or provide advice on a particular case. Grade is based on both written response and presentation. For the written part, groups need to hand in their written evaluation and response (up to five pages). The presentation will be evaluated by me and by other groups. More details will flow.

Individual case analysis

The objective of this assignment is to give students an opportunity to apply strategic tools and independent thought to assess the strategic issues in a real-life situation. This is a take home exam in which students need to analyze a case, in response to firms external fit, internal fit and dynamic fit.

Class participation

Much of the learning in the class will come as you consider and discuss with others the ideas, concepts, and theories presented in the class. Your preparation of the readings and cases for each class will contribute substantially to what you and your classmates learn. In order to encourage you to make good contributions to the discussion, your participation will contribute 30% to your grade. Three factors determine good class participation. First, given thorough and careful preparation, you should be able to identify the important managerial issues as related to either the case or readings (i.e., Thoughtfully apply assigned reading, past and present, to the current class discussion). Second, you should be able to use that analysis to define a concise and coherent position on and approach to the managerial issue under discussion. Third, you should be able to constructively analyze the positions your classmates take (demonstrating your listening skills as well as your own analytical skills). Of course, you should also incorporate your own experience and lessons from your work experience as they relate to the concepts in the class.

After each class session, I will evaluate your class participation. I will grade your participation on the following 4-point scale:

- (0) Not in class
- (1) In class, but participation is minimal
- (2) Demonstrates good understanding of case issues
- (4) Significant contribution to class

A significant contribution to class discussion may be a comment that ties relevant current events or personal experience to the discussion and moves the discussion forward (not simply a description of the event).

Class members' evaluation of performance

Your peers will be asked at the end of the term to evaluate your contribution to the class discussion.

Grading Matrix:

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| (I) | Group assignments – Case analysis | 50% |
| (II) | Individual essay – what is strategy? | 20% |
| (III) | Instructor evaluation of class participation | 30% |
| | a. Participation in class discussion | |
| | b. Class members' evaluation of performance | |

Total: 100%

Course Calendar:

| | Date | Topic | Readings/Activity | Case Questions | General questions |
|--|----------------|-----------------------------------|---|---|---|
| Introduction to Strategy | | | | | |
| 1 | 02/06 14-21 | Topic Case Articles | Introduction to strategic management Intel Corp: 1968-2003 (HBS case, 703427) Porter, M. E. "What Is Strategy?" <i>Harvard Business Review</i> (Nov.-Dec. 1996). | 1. How would you explain Intel's initial dominance and subsequent decline in DRAMS? (to answer reflect on the followings: a) What was Intel's strategy in Drams? b) To what extent was Intel's failure a result of it strategy? 2. Why has Intel been more successful in microprocessors? (a) what strategy did Intel use to gain competitive advantage; 3. Why has Intel been able to sustain its advantage in microprocessors, but not in DRAM's? | 1. What is strategy? 2. Why does strategy matter? 3. What is the difference between strategy and tactics? 4. What are the key factors influencing firm ability to implement its strategy? 5. How can we know that our strategy worked? In class group assignment: 1. What the problems facing Intel today that led them to layoff about 20,000 people recently? 2. How can they resolve them? |
| Module I: Environmental Analysis (External Fit) | | | | | |
| 2 | 09/06 14-18 | Topic Case Articles | Industry Analysis: external and fit Apple Inc, 2015 (HBS 715456) Porter. 1983. Note on the structural analysis of industries (HBS 9-376-054) Slater & Olson. 2002. A fresh look at industry and market analysis. <i>Business Horizons</i> , Jan-Feb pp. 15-22. | 1. What are Apple's major competitive advantages? 2. How have the dynamics of the PC industry changed? 3. Evaluate Apples strategies since 1990. 4. Has Jobs finally solved Apple's long-standing problems? Is the iPod different? 5. What should be Apple's strategic focus? | 1. How competitive forces shape strategy? 2. How firms can shape competitive forces? 3. Can firms scale up in perfect completion? 4. What factors effecting the competitive landscape? 5. How innovation reinvigorate the competitive landscape? Group assignment: 1. Why apple performance and growth is reduced? 2. How can they re-invent themselves in |

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| | | | | | the face of growing competition from China? |
| Module II: Competitive advantage (Internal Fit) | | | | | |
| 3 | 16/06 14-18 | Topic Case Articles | Low Cost strategy Wal-Mart stores in 2003 (HBS 704430) Ghemawat, Pankaj, and Jan W. Rivkin. " Creating Competitive Advantage. " Harvard Business School Note 798-062. "Can you say what your strategy is?" Harvard Business Review 2008 | 1. Is Wal-Mart success could be attributed to the attractiveness of its industry? 2. What are the sources of Wal-Mart's competitive advantage? 3. Show where competitive advantages came from? 4. What are the challenges they are facing in their attempt to sustain their competitive advantage? | When is the whole bigger than the sum of its parts? Or how do you generate strong internal fit. Group assignment 1. Where can Wal-Mart found new sources of growth? 2. How this fit their existing mission / goal /culture / strategy? 3. What are the potential challenges and how they should tackle them? |
| 4 | 23/6 14-18 | Topic Case Articles | Focus strategy/differentiation Tesla Motors (HBS 714413) Porter, M. E. "How Competitive Forces Shape Strategy." <i>Harvard Business Review</i> 57, no. 2 (March-April 1979): 137-145 | 1. How a change in a technological characteristic like complexity may have deep impact on a business and can drive changes in industry structure? | Group assignment Did Tesla transformed the auto industry as we know it? |
| 5 | 30/6 14-18 | Group case analysis Final lecture | Comcast Corporation (HBS 715457) Moda Operandi: A new style of fashion retail (HBS 812040) Mobileye: The future of Driverless cars (HBS 715421) Emirates Airline (HBS 714432) | 1. How do firms in the industry make money? 2. What are the key sources of the company competitive advantage? 3. What are the main threats to their competitive advantage? Is their advantage sustainable? 4. How would you modify their strategy moving forward? | |

