



**MGT 589: Strategic Management**  
**Online MBA Program–Fall 2017 (SLN 74139)**

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## Course description

Strategic management is about explaining why some firms outperform others. If one thinks about a business as a game, then strategy reflects how to excel in such a game. Strategy is the task of the general manager and top management teams; it relates to both business and corporate level decisions aimed at sustaining competitive advantages vis-à-vis rivals. Crafting a good strategy requires an understanding of both the economic logic of markets (e.g. competitive forces of the environment, collective synergies among players) as well as the sociological forces within the organization (e.g. organizational systems and incentives) that comprise the firm's sources of advantages. In this course, we will employ explicit frameworks of analysis to integrate these domains, based on theoretical rigor and pragmatic execution.

This course serves two purposes in the curriculum. First it is the capstone experience for your Master's Degree in Business, and consequently, it is equivalent to a thesis course. As in Masters' thesis courses, this course has a few key characteristics: there is a higher standard for excellence (a minimum grade of B is required to pass); there is much heavier than average workload; and there is a degree of challenge, regarding the thinking necessary to quantitatively and qualitatively consider strategic tradeoffs. The Arizona Board of Regents requires that an online course with this number of credit hours must require at least 20 hours per week of student work. As this is the capstone course, you should expect the workload to average about 25 hours per week. Last but not least, the course stands as the culmination of your program, in the sense that it forces you to integrate skills learned in earlier courses. As such, you will develop a deeper sense of appreciation as to how the functional areas you studied before come together.

Above all, you will improve your skills in thinking strategically from the perspective of a senior executive in the way that you identify strategic challenges, analyze the competitive and firm environment, formulate alternative courses of action, convey your strategic thinking to your associates, and justify your recommendations in ways that are firmly grounded in strategic theory and supported by strategic logic.

Senior managers have daily responsibilities for examining critical assumptions, discerning hidden values, evaluating evidence, accomplishing actions and assessing conclusions. A weekly agenda includes several activities, such as readings, quantitative / qualitative assessments, video lectures, discussion forums, quizzes, group work, and much more. Details of such weekly agenda are available from blackboard.

It is important to note that the material in this course is cumulative. As a result, you need to hit the ground running and review any material from the prior week that you did not understand well before trying to learn the current week's material. Any weakness in understanding of material from the first two weeks will become magnified in later weeks, impairing your ability to succeed in the course. We also want to highlight that you are being held to high expectations regarding the extensive preparation necessary to participate and excel in each activity, every week. Because your colleagues will learn from your input, all of us expect nothing but the highest level of excellence and dedication from you.

## Educational objectives

The objectives of this class are to provide students with an understanding of the changing role of sustainability in firm strategies and with the knowledge needed to view sustainability in the context of a firm's overall strategy, identify sustainability-related opportunities and threats, understand the costs, benefits and risks of sustainability-related strategies, and maximize the probability of success for such strategies. At the personal level, it should equip the student to be part of the conversation about sustainability at any firm. As part of these objectives, the class will introduce students to various organizations and publications that may be useful resources in the future.

The W.P. Carey School of Business has established the following learning goals for its graduate students: **critical thinking, communication, discipline specific knowledge** and ethical leadership. The class touches on all four goals to some degree, with items in bold having significant coverage.

The Association to Advance Collegiate Schools of Business (AACSB) has established 2015 standards for program-level knowledge content. This course addresses the following items among those standards:

**General Knowledge:** Written and oral communication; Ethical understanding and reasoning; Analytical thinking; Interpersonal relations and teamwork; Reflective thinking; Application of knowledge

**Business and Management Knowledge:** Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society; Social responsibility; Financial analysis

**MBA Program General Knowledge:** Leading in organizational situations; Managing in a global context; Integrating knowledge across fields; Making sound decisions and exercising good judgment under uncertainty; Thinking creatively

## Course materials and Blackboard

The textbook for the class is a custom edition of Robert Grant's *Contemporary Strategy Analysis*, 9th ed. This version includes all 16 chapters of the text, plus one case, "Starbuck's Corporation, May 2015." The print book may be purchased from the ASU bookstore. An eBook version (perpetual access) can be purchased at <https://www.vitalsource.com/custom/9781119461609>.

In addition to the above, you will need to subscribe to the *Wall Street Journal* for current business examples, access to assigned videos, and strengthening your business literacy. It is available to students at a discounted price of \$1 per week at <https://store.wsj.com/v2/shop/60616004?><sup>1</sup> This includes (for US residents) a delivered print copy, full access to *wsj.com*, and apps for iPad and Android. Alternatively, you can read articles from the paper for free from the ASU Library online WSJ database, but you will need to search for current articles and you will not be able to access videos and other multi-media.

Detailed information regarding learning objectives and assignments for each class session is available on Blackboard. You will submit all of your coursework electronically via Blackboard. I will use

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<sup>1</sup>If you see a mostly blank page at that site, note that some ad-blocking software seems to interfere with it.

Blackboard's announcements to convey any developments regarding the class. You are responsible for any information announced.

## Grading

Final course scores will be determined by how many points you have earned out of the 600 points available from the following activities.

Grading Criteria	Participation	Total points
Individual written assignment (10 points each x 4)	Individual	40
Weekly team case analysis assignments (50 points each x 4)	Team	200
Discussion Board (40 points each x 4)	Individual	160
Final Project (200 points)	Team	200
<b>Total</b>		<b>600</b>

### Grading scale

582+ = A+, 564-581=A; 540-563=A-; 522-539=B+; 504-521=B. **Important: Grades of B - and below (less than 504 points) are not passing grades for this course. A passing grade in this course is required for graduation.**

Please don't look for grade negotiations outside of the syllabus. There are no extra credit assignments in this course, and there is no rounding to the next grade.

Very rarely however professors and the teaching assistant may make mistakes in uploading your scores onto blackboard. If you believe this is the case, please do not hesitate to contact us. If you wish to appeal your final grade in this class, please contact graduate program services. They will give you all the support in regards to the formal procedure.

## Assignment

Each week, you will be expected to accomplish learning activities such as watching videos, doing research on firm websites and ASU Library databases, and reading WSJ articles, case studies, professor developed learning content, and textbook chapters. There are four types of graded assignments designed to assess your achievement of the learning objectives shown above. **All graded assignments must be completed before Sunday at 11:00 p.m. MST at the end of that week.**

### Written assignment–Individual

Each week there will be a short written assignment, designed to help you assess whether you have a good theoretical understanding of the key learning points of the lecture. The assignments will be graded as either 10, 5 or 0 points, where 10 indicates that you have demonstrated a strong understanding of the material, 5 indicates that you have demonstrated partial understanding and 0 that you have demonstrated very limited or no understanding of the material.

## Discussion Board –Individual

Each week there will be a new set of discussion board questions posted based on current news events. You will be assigned to particular questions based on random criteria that will enable you to interact with different people than your usual team. The purpose of these discussions is to build your skills in relating real life situations to the theory we are studying that week, critically evaluating leadership actions, applying theoretical models to real life, and concisely expressing your ideas. These skills of recognition, evaluation, application, and writing will improve your business literacy and strategic management cognitive skills. Your grade is based on the quality of the critical reasoning skills you present, the clarity of your communication, and your use of appropriate analytical frameworks. The module in Blackboard identifies the learning outcomes that will be assessed each week.

## Team Case Analysis Papers–Team

For each of weeks 1 - 4 you will have an intense team discussion to prepare for, contribute to, and summarize in a team paper. Each of these exercises is worth 50 points. The team exercise paper will be due on Sunday at 11:00 p.m. MST. In completing each exercise, you should make use of relevant analytical tools that have been presented to you earlier that week or earlier in the course. Each module with a team case analysis assignment lists specific learning outcomes that will be assessed. A grading rubric is attached to the assignment and should be reviewed before beginning your work. Format requirements are listed in Blackboard.

On the first day of the course, you should organize your team process. Team collaboration is critical to learning strategic management both online and in the classroom and team projects yield a significant grade impact. Thus, this should not be a haphazard activity, but should utilize what you have learned in organizational behavior coursework. Each week you should have a team leader to create the agenda, guide the discussion, and organize the workflow, you should have a scheduler and timekeeper, and you may want other roles, such as someone to take the “devil’s advocate” position in the discussion. Another useful role that provides great learning benefits, is that you may want to have one person practice being the supervisor and delivering coaching feedback or specific praise to each individual at the end of the week. This is one of the most challenging tasks for managers at any level and opportunities to practice this skill in a low risk environment are very rare—take advantage of it. You may want these roles to vary each week. A required role is one student who will submit the paper through the appropriate link in Blackboard. As a courtesy to team members, the designated student should post a note on their team’s discussion board once they’ve successfully uploaded the file.

You are expected to work collaboratively on each week’s team project and learn from each other. Thus, it is unacceptable to divide up the assignment, such that Mary answers question 1, Juan answers question 2, Wei answers question 3, and Michael slaps the parts together. We need each person to demonstrate understanding of all of the course’s learning objectives, you need to learn from each other, and above all the recommendations need to proceed directly from and be justified by the strategic analysis. So, each person should arrive at the team meeting having read all case materials, having completed all required analyses, and having developed some ideas on the assignment. During the meeting you share ideas. At that point, different individuals can take the lead on each part of the writing, but there should be a review process during which each person reads through and comments on the entire paper. This is the professional way to undertake team projects at work (if the boss wanted

each individual to separately work on a part of the job, it would be assigned as individual work) and it is the way we expect you to work in this class to maximize your learning outcomes from the course.

There are no free rides in this course. A person's failure to contribute at an acceptable level in both quantity and quality should not be tolerated by the other members of the team. In the unlikely event that this becomes a problem, I will work with the affected team to resolve the issue. If a team member continues to not contribute, I retain the option to reduce the proportion of points he or she receives on team assignments as I see fit.

### **Capstone Project–Team**

Each team is required to submit a final project, as described below. The team selects the subject firm for this project. Firm selection is on a first come/first served basis—no duplicates are permitted. Because we are using Starbucks in assignments during the semester, you may not pick it for this assignment. Public firms are preferred to private firms, due to the availability of financial reports and analyst presentations for analysis. A firm that a team member works for should be chosen with great caution. You are expected to evaluate the firm and its strategy from the perspective of the CEO and the shareholders, not employees or customers; this mental shift is often harder to do when you work for the firm.

### **Report Format**

When completed, the written report should be about at most 5 pages of text, plus a list of references and any exhibits that you decide to include. The document should be single-spaced and written in 11 point Times New Roman font, with 1-inch margins all around. One blank line should be used between paragraphs with no indent.

### **Research and Data Collection**

You are expected to go far beyond the company's website in researching this case and analyzing the firm's strategic problem. You are required to seek out third party perspectives from Wall Street analysts, industry analyst reports, news stories, and/or audited financial statements. You should make use of a wide variety of source documents and should not, for instance, draw all of the material on a company's history from a single source. Be very selective in your use of sources. Note that highly respected business publications, such as the WSJ, The Economist, or Business Week are recommended; whereas Wikipedia.org and little known journals that turn up in a Google or other random search are strongly discouraged. You have online access through the ASU library to an array of periodicals and databases, including Lexis- Nexis (which includes articles from a large number of periodicals, including high quality sources like Business Week, but also some little known sources), ProQuest (which includes the full text of the Wall Street Journal), and Hoover's, First Research, and Morningstar (which both include a variety of information on specific companies). You can access these resources at [http:// lib.asu.edu](http://lib.asu.edu). Company reports filed with the U. S. Securities and Exchange Commission can also be quite helpful. Probably the best source of information is the 10-K which contains approximately the same information that you will find in the firm's annual report. These reports are

available through the SEC's EDGAR database at <http://www.sec.gov/edgar.shtml>. You are welcome to go beyond published sources of data, to directly interview managers, employees, customers, and other individuals involved in the situation, where feasible.

## Report Content and Structure

**Section 1 Firm Description and Strategic Challenge:** Identify the firm and the critical strategic problem that you are solving. The problem should be clearly and concisely described and strategic, not tactical. This section should be very brief (1-2 paragraphs of firm description and 1-2 sentences of problem statement).

**Section 2 External Analysis:** Explain how profitable you believe that this industry is, how you expect the profitability to change in the future, and then justify your assessment using the results of complete and thorough PESTEL and Five Forces analyses. Logical arguments and evidence should be presented for each statement that you make about the strength of a force or the direction of a macroenvironment trend. This section should be patterned on the team assignment in week 1 and should be about 1 page long.

**Section 3 Internal Analysis:** Does this firm have a competitive advantage in its industry? Justify the firm's competitive position within the industry with a resources and capability analysis. What are its core competencies? How and why do these competencies enable the firm to gain and sustain a competitive advantage? What are its weaknesses relative to its rivals? This section should be patterned on the team assignment in week 2 and should be about 1 page long.

**Section 4 Alternative Strategies:** Identify two alternative strategies that the firm could pursue to solve its strategic challenge and improve its competitive advantage. The solutions need to be strategic, not tactical. They should ideally be mutually exclusive (i.e. A or B, not A or B or A&B). Good examples are:

- Move the firm's position on the productivity frontier to be more differentiated vs. move to be more of a cost leader,
- For a declining industry, exit the industry or buy up your competitors,
- For a question mark business unit in the BCG portfolio matrix, divest or grow market share to push to a star position.

Conduct any analyses that are relevant to your proposed strategies. For example, a differentiation strategy alternative would require a value driver analysis. A corporate strategy would require a portfolio analysis. A vertical integration study would require a make vs. buy analysis. For each alternative, describe the benefits and risks and estimate the financial profitability impact of choosing this alternative with a net present value calculation. You may not have access to sufficient data to make accurate financial projections, but make estimates and assumptions where needed and note these as footnotes to your spreadsheets. This section should be patterned on your week 3 team assignment and should be about 2 pages long.

**Section 5 Recommendation:** Recommend one alternative strategy over the others. Justify this choice using comparative analysis of data from your industry and resources and capability analyses, as

well as the benefits, risks, financial projections and other results of your alternative strategy analyses. Identify the key risks of implementing this strategy and how you might mitigate those risks. This section should be patterned on your week 4 team assignment and should be about 1/2 page long.

**Section 6 Exhibits:** Only two exhibits (tables, figures, appendices, and other similar items) are required—a spreadsheet for each NPV calculation. Remember we are primarily evaluating your analytical skills, your critical thinking skills, your decision-making skills, and your strategic logic; your cut- and-paste skills are not in question. So any additional exhibits should demonstrate some of your analysis, not just be an excerpt from a website or report.

**Bibliography:** Provide a bibliography for all material used in the report. I'm not picky about format, so long as it is clear, consistent and makes it easy to identify the original source. *For online sources, please include the URL.*

## Maximizing your learning and your grade

Everyone has different personal learning objectives. For some of you, successfully completing your MBA program to graduate is the primary goal. Others may be trying to get the maximum possible benefit from their investment in education and a few students may be looking at this class as a key stepping stone on the path to a C-suite job. We make no judgments on your goals, for those of you in these latter groups we provide you each week with optional readings and activities that you can undertake on your own to increase your learning. In addition, you might want to consider these general activities.

- You can practice your financial analysis skills by analyzing the financial statements presented in each of the weekly cases or posted in those firms' 10K statements.
- You can choose an article from the business and technology section in the WSJ each day and discuss the strategic implications with your spouse, friend, or work colleague. You can subscribe to a weekly student email on Strategic Management from the WSJ that highlights a few articles that week that illustrate strategic management principles particularly clearly.
- You can analyze the firm for which you work using any of the Strategy Term Project Modules in the textbook, then schedule a meeting with your boss to talk through your ideas. (This might deliver some short-term career benefits as well)
- You can listen to the most recent earnings presentation of your firm and those of your firm's key competitors, key suppliers, and key customers to improve your understanding of your firm's competitive positioning and industry structure.

## Policies and expectations

### Relevant ASU policies

Of course, we do not condone or tolerate threatening behavior. Argument, controversy, and challenge are good for pushing learning to higher levels; however, obscenity, rudeness, or similar unprofessional or threatening behavior is unacceptable in class or in team meetings (see [SSM 104- 02: "Handling Disruptive, Threatening, or Violent Individuals on Campus"](#)).



I will provide without penalty for the rescheduling of required class work that may fall on religious holidays. Any student who plans to observe a religious holiday that will conflict with course work should contact me ASAP to make appropriate arrangements well in advance (see “[ACD 304–04: Accommodation for Religious Practices](#)”).

I will provide without penalty for the rescheduling of required class work for jury duty, active military duty, personal hospitalization, university sanctioned events and other similar serious situations, when provided with documentation. Athletes should provide advance notice of their schedule conflicts and other similar serious situations, when provided with documentation. Athletes should provide advance notice of their schedule conflicts. (see “[ACD 304–02: Missed Classes Due to University-Sanctioned Activities](#)”).

It is possible, although unlikely, that you will find something in the course to be offensive. It will help me greatly if you talk to me about this personally so that I can become aware and discuss it with you individually. Alternatively, you can contact the chair of the Management & Entrepreneurship Department, Kevin Corley, at [Kevin.Corley@asu.edu](mailto:Kevin.Corley@asu.edu).

When requesting accommodations for a disability, be sure you are registered with the Disability Resource Center (DRC) at ASU. You can then submit the appropriate documentation from the DRC.

### Discussion board

Please abide by the following guidelines when using the discussion boards.

- Questions about the modules, examples, and other general course-related questions should be posted to the ‘general’ discussion board.
- Specific questions related to quizzes should NOT be posted to any discussion board until after the quiz deadline has passed.
- You should use your small group discussion boards to discuss the team assignments. The faculty will not monitor this area.
- Sensitive questions (e.g., about grading or other personal issues) that you do not feel comfortable posting to the discussion boards can be sent to the course e-mail account and one of the instructors will reply back at their earliest convenience.
- Technical issues must be reported through the “Get Help” button in Blackboard. They should not be posted to the discussion board because the technical support team does not monitor that area.

### Academic integrity & the W. P. Carey School of Business Honor Code

You can and should reread the W. P. Carey MBA program and ASU policies and procedures on Academic Integrity found at <https://my.wpcarey.asu.edu/academic-integrity/upload/MBA-Honor-Code.pdf>. Is there anything about the application of those policies and procedures to this course and its assignments that is unclear to you? If so, it is your responsibility to ask me for clarification.

It is expected that students will neither participate in nor condone activities such as cheating or plagiarism. You are expected to do your own work on all individual exercises and the exams. By placing

their names on assignments, students are affirming that the contents are their original work. Consulting work done by students in this course in other platforms or in previous years is a violation of academic integrity. Penalties for academic integrity violations range from a full 2-letter reduction in final course grade (at a minimum) to expulsion from the program and School of Business. Any subsequent act of academic misconduct, regardless of severity, will result in dismissal from the program and the School of Business.

### My commitments to you

I will do my best to respond to all e-mails within 24 hours, Monday to Friday. In past years your professors have been victims of overaggressive anti-spam systems at the University level (in about 0.5

I will check the site daily Monday through Friday and intermittently on the weekends. Although the discussion boards are intended primarily for peer-to-peer learning, I will join in the discussion from time-to-time.

I will grade weekly written assignments within 4 working days. I will grade and return the final projects within 7 days.

I will strive to grade assignments in a fair and equitable fashion, applying the same standards equally across all members of the class. These will be presented to you in advance in the form of grading rubrics.

I will be available online at least once a week for 'office hours' and group conferencing.

I will make every effort to make your experience in strategic management valuable and thought-provoking.

### Caveat and copyright notice

The information in this syllabus, with the exception of grade and absence policies, is subject to revision during the course if I find it necessary. If I make any substantive changes I'll give you reasonable notice and post those changes on Blackboard.

All course content provided by your instructor in print, video or any other format is under copyright protection.

### MBA online program support

Please keep us up-to-date if you are having problems in the program, we will always try to help but it is difficult to aid students retrospectively.

If you are having technical problems please contact the technical team at 480-965-2400 or online at <mailto:wpcarey.support@asu.edu>.

If you have general questions not specific to course content you should contact the Graduate Program Office using the contact information in Blackboard.