



Strategy

MHR 723 - 2020 Fall EvMBA

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Office Hours:	Conducted in-person or via Zoom By appointment with Posen (email for a time slot) By appointment with TA via email (email for a time slot)
Dates:	September 8 - Monday, December 12, 2020
Instructional Mode:	Face-to-face (with support for online students)
Time:	Face-to-face session: Monday 6:45 - 9:25 PM - Students not attending face-to-face classes due to Covid concerns can access the session video the following morning. - Post-Thanksgiving, all sessions are held online via synchronous video.
Canvas URL:	https://canvas.wisc.edu/courses/206095
Credits:	3 Credits = 135 Credit-Hours. ¹ - Class sessions: 39 hours (13 x 3-hours) - Class session preparation: 52 hours (13 x 4-hours) - Assignments, projects & quiz preparation: 44 hours
Requisites:	Graduate students enrolled in UW-Madison Evening MBA program
Catalogue Desc.	Integrative approach to strategic management, including strategy formulation and implementation at business unit, corporate levels. Cases, discussion, lecture, simulation are used to communicate concepts. Emphasizes development of unique tools for analysis of companies and industries, application of knowledge to business problems.

¹ One hour is the learning that takes place in at least 45 hours of learning activities, which include time in lectures or class meetings, in person or online, labs, exams, presentations, tutorials, reading, writing, studying, preparation for any of these activities, and any other learning activities.

Course Overview and Learning Objective

Our goal will be to enhance your prospects for assuming a leadership role in your organization. We will seek durable, foundational knowledge and understandings that cultivate your ability to make well-grounded and uncommonly insightful recommendations as to how the business is or should be competing.

A strategy must identify a specific valuable problem — one that, if well addressed, enables the firm to make substantial progress toward its goal. The strategy must identify the activities that address the problem, and what it is about the firm that allows it to carry out those activities better than its competitors. We develop concepts and analytical frameworks for creating sustainable competitive advantage.

We adopt the perspective of a general manager with overall responsibility for the performance of the firm or business unit within the firm. Such a manager needs to understand the basis for the current performance of the firm and to identify those changes, inside or outside the firm, that are most likely to affect future performance adversely or that provide opportunities for the firm to improve its performance. The manager must then use the firm's resources to formulate and implement strategies to compete successfully in its competitive environment.

I will push you to apply what you learn in the course to new and unfamiliar situations — show that you can adapt your learning to fit many different settings, issues, and problems. To capture the practical, action-oriented nature of the general manager's job, and the complexity of the general manager's context, this course is taught through the case method. We will supplement case discussions with readings, lectures, and “live cases” currently in the business press.

Key Learning Objectives:

- Explain the features of a “good” strategy and why having a “good” strategy is important.
- Explain how competition in an industry impacts the average profitability of firms in that industry by using the logic of industry structure.
- Undertake an analysis of an industry's competitive structure to assess whether the industry is attractive for incumbent firms, and how a firm can buffer itself from any unattractive features of its industry structure.
- Explain how a firm can outperform others in its industry, that is, have a competitive advantage, and how that advantage can be sustained across time.
- Be able to design (and recognize the shortcomings in) a firm's approach to creating competitive advantage.
- Understand how firms can achieve corporate advantage by diversifying into multiple industries, and the economic rationale that makes such expansion desirable.
- Know how to respond strategically in an industry subject to technological change.

Student Workload

As a three-credit course, you should expect 135 “credit-hours” of work, where each credit-hour is 45 minutes of work. As each class session is three credit hours (13 sessions is 39 credit-hours), this leaves 96 credit hours of additional work, equivalent to 72 work-hours. Over the thirteen weeks of the course, you should thus expect to spend 5.5 hours per week preparing for class, undertaking assignments, studying for quizzes, and completing the group project. This 5.5 work-hours per week is an average. There will be less work during some weeks, and other weeks, when there are more deliverables and/or quizzes, there will be more work. Please plan accordingly.

Assignments and Evaluation

Evaluation in this course is learning oriented — designed to help you assess your progress and understanding of strategy. Evaluation will include both individual and group based assessments. The total point grades will be transformed into a letter-grade distribution as follows: A (25%), AB (50%), B (20%), BC (2%), C (1%), D (1%), F (1%). *Please see Canvas for full details on each assignment, including due dates and grading rubrics.* The point breakdown across assignments is as follows:

Individual Assignments (66 points)	Group Assignments (34 points)
<ul style="list-style-type: none">• Class Preparation Submissions (24 points)• Thought papers (18 points)• Module quizzes (24 points)	<ul style="list-style-type: none">• Group project first deliverable (15 points)• Group project second deliverable (19 points)

Individual Assignments (66 points)

Class Preparation Submissions (24 points). A majority of the class sessions will include the submission of some or all of the "Do" components of the class preparation questions listed on Canvas. The submission deadline is 1 pm on the day of class. The 24 points for this assignment arise from two components. First, each submission is scored on the basis of "complete" or "incomplete," which will account for 16 (out of the 24) points. I will also review the submissions. If I deem the quality of a particular submission does not indicate satisfactory effort, then it will be scored as incomplete (submission deemed to be in the bottom 25% are at risk). Second, at the end of the semester, I will review the submissions for overall effort, which will be worth 8 (out of the 24) points. Student work over the semester that indicates greater effort will receive a higher score. Note that the evaluation of preparation is on the basis of effort, not outcomes/correctness. The class session is your opportunity to assess the outcomes/correctness of your preparation work (no direct feedback will be provided on these submissions) — there is substantial learning in seeking to self-evaluate your preparation work.

Thought Papers (18 points): There are six thought-paper assignments during the semester. Links to the thought-paper submission page are posted on Canvas. Explore, in a short essay, your own thoughts, ideas, and insights on the topic of the material in the focal class session in order to show your understanding of and reflection upon the topic. You should develop and support a thesis ("a proposition...put forward for consideration"). Thus, your thought paper should be structured as an argument and you should clearly articulate the key point of your argument and provide supporting claims for it. There is a 300 word limit on your submission. Submissions are due at 11 pm on the day after the class.

Module Quizzes (24 points). We will have three Module Quizzes. Module quizzes are used primarily to assess your knowledge of the conceptual frameworks and to ensure that you are keeping up with the class material throughout the semester. These quizzes are cumulative - they cover all materials up to and including the end of the relevant module (i.e., quiz #2 covers materials in both modules 1 and 2, although it is biased toward the latter). Note that you are responsible for all reading materials in the relevant modules, regardless of whether a specific topic has been raised in the class discussion.

Group Project Assignments (34 points)

The group project is designed to provide you with experience in using what you have learned in the course to make a well-grounded, insightful, and compelling strategy recommendation for a firm. The focal industry from which you will select a firm will be announced in class (you do not need to select a firm until the second deliverable). You will use the groups assigned to you by the program office to complete the project. All group members receive the same grade — it is your responsibility to ensure that your group is effectively organized and managed.

- Deliverable 1 (15 points): Conduct industry analysis to assess the attractiveness of the industry for incumbents, and identify valuable industry-level problems. Ensure that you provide a clear and compelling argument to support your conclusions. The deliverable is an 800-word write-up.
- Deliverable 2 (19 points): Select a single firm within the industry. Develop a strategy for the firm, and provide a compelling argument to support your proposal. The deliverable is a 1000-word write-up.

Course Policies

Attendance Policy

Students are expected to attend all class sessions, arrive on time for the start of class, and remain in class through the end of the session. Absences can and do occur due to personal illness, family issues, as well as recruiting and work related activities. Notify my of attendance issues ONLY under the following condition: (a) you will arrive late or need to leave early from a face-to-face class session, or (b) absence will cause you to miss a course deliverable. In both cases, please provide this information in advance of the class session via the google sheet linked on Canvas. Covid-19 clearly causes additional complications. Some of you may choose not to participate in face-to-face sessions for health and safety reasons. This is, of course, completely acceptable.

Electronics Policy

No personal electronic devices are permitted during face-to-face class sessions unless I explicitly permitted such use. WSB policy is that students are not permitted to use personal electronics such as computers, cell phones, recording devices or other hand-held devices in class unless specifically permitted by the instructor. The School recognizes the right of each instructor to determine if and how such devices are allowed. I believe that classroom use of such technology can serve as a distraction for the user, classmates, and the instructor, and can hinder instruction and learning. In establishing restrictions, I will make reasonable accommodations for students with disabilities.

Diversity Policy

Diversity and inclusion are core values of WSB. We believe in the importance of learning from others whose experiences and perspectives differ from our own. Students, faculty and staff are expected to embody inclusive behaviors that create an exemplary learning community. If you would like to learn

more, or have suggestions, please contact your instructor or TA directly or the Director of Diversity and Inclusion, Binnu Hill at binnu.palta.hill@wisc.edu.

Academic Integrity.

By enrolling in this course, each student assumes the responsibilities of an active participant in UW-Madison's community in which everyone's academic work and behavior are held to the highest standards. Academic misconduct compromises the integrity of the university. Cheating, fabrication, plagiarism, unauthorized collaboration, and helping others commit these acts are examples of academic misconduct, which can result in disciplinary action. This includes but is not limited to failure on the assignment/course, disciplinary probation, or suspension. Substantial or repeated cases of misconduct will be forwarded to the Dean of Students Office for additional review.

Accommodations for students with disabilities.

The University supports the right of all enrolled students to a full and equal educational opportunity. The Americans with Disabilities Act (ADA), Wisconsin Statute (36.12), and UW-Madison policy (Faculty Document 1071) require that students with disabilities be reasonably accommodated in instruction and campus life. Such accommodations are a shared faculty and student responsibility. Students should inform faculty of their need for accommodations by the end of the 3rd week of the semester or as soon as possible after a disability is known. Faculty will work either with the student or in coordination with the McBurney Center to provide reasonable accommodations. Disability information, including instructional accommodations as part of a student's educational record, is confidential and protected under FERPA.

Course Outline and Schedule

Structure and Content

The course is divided into four modules that explore different aspects of strategy. Sessions are numbered. For each session, I have indicated the topic, deliverables, and module quizzes in the table on the next page. *Detailed reading lists and preparation details for each session are on the course Canvas website.*

Course Materials

There is no textbook for this course. We will use readings from a variety of sources, including excerpts from some textbooks, Harvard Business Review, McKinsey Quarterly, and cases from Harvard, Ivey, and Kellogg. Live cases will use current material from the business press. Many sessions will also include optional reading materials. This reading, labeled "Grounded in Research," provides a sample of the theoretical and empirical research underpinning the key concepts in particular sessions. All course materials are referenced on Canvas, as either a PDF file for download or a link via which you can purchase the course pack.

IMPORTANT NOTE ON THE USE OF CASES: The role of cases in my course is not for you to gain expertise in those industries — cases are background, not foreground in the course. I use cases for the purpose of providing a context in which to apply the conceptual frameworks to learn how to make better decisions. Cases are test-beds — fodder for analysis, debate, and discussion. The hardest part of the course is the "doing" part. It is relatively straightforward to learn the conceptual frameworks. It is much harder to learn how to use them to undertake better analysis and make better decisions. The cases provide a context in which you can get practice "doing" — using the conceptual frameworks to do analysis and make decisions — and receive feedback that enhances your abilities in this domain. Consequently, I select

cases on the basis of what you can learn about how to make strategic decisions, not on the basis of whether they are old or new, boring, or interesting.

— SEE CLASS SESSION SCHEDULE AND OVERVIEW ON THE NEXT PAGE —

Version 2020-08-27		The complete reading list, including conceptual frameworks, cases, and detailed preparation instructions for each session are provided on the course's Canvas website.	
Session	Date	Topic	Deliverables & Notes
Module 1		Industry Advantage: Why are some industries more profitable than others?	
1	Sep 14 (Mon)	- Introduction to strategy - Intro to industry advantage - Understanding competition & industry structure	- Class Prep Submission #1 (due 1 pm on day of class)
2	Sep 21 (Mon)	- Industry structure: Rivalry threat, supplier & buyer power	- Class Prep Submission #2 (due 1 pm on day of class) - Thought Paper #1 (due 11 pm on day after class)
3	Sep 28 (Mon)	- Industry structure: Rivalry, entry, & substitutes threats	- Class Prep Submission #3 (due 1 pm on day of class) - Group project "Deliverable #1" details announced.
	Oct 3	— Module Quiz #1 due by 11 pm —	
Module 2		Competitive Advantage: Why are some firms, within an industry, more profitable than others?	
4	Oct 5 (Mon)	- Introduction to competitive advantage - Understanding economies of scale & learning	- Class Prep Submission #4 (due 1 pm on day of class)
5	Oct 12 (Mon)	- How can cost leadership deliver superior profitability?	- Class Prep Submission #5 (due 1 pm on day of class) - Thought Paper #2 (due by 11 pm day after class)
6	Oct 19 (Mon)	- How can differentiation deliver superior profitability?	- Class Prep Submission #6 (due 1 pm on day of class) - Thought Paper #3 (due by 11 pm on day after class)
	Oct 24	— Group project "Deliverable was #1" due by 11 pm —	
7	Oct 26 (Mon)	- Diversity, culture, and competitive advantage	- Guest lecturer: Binu Palta Hill, Asst Dean for Diversity - Class Prep Submission #7 (due 1 pm on day of class) - Group project "Deliverable #2" details announced.
8	Nov 2 (Mon)	- Innovation, disruption, and competitive advantage	- Class Prep Submission #8 (due 1 pm on day of class) - Thought Paper #5 (due by 11 pm on day after class)
	Nov 7	— Module 2 quiz due by 11 pm —	
Module 3		Corporate Advantage: Why are some firms in multiple businesses?	
9	Nov 9 (Mon)	- Introduction to corporate advantage - M&A opportunities & challenges	- Class Prep Submission #9 (due 1 pm on day of class)
10	Nov 16 (Mon)	- Horizontal scope: Diversifying into related industries (& better-off test)	- Class Prep Submission #10 (due 1 pm on day of class)
11	Nov 23 (Mon)	- Vertical scope: Diversifying into one's buyer or supplier industries (& ownership test)	- Class Prep Submission #11 (due 1 pm on day of class) - Thought Paper #6 (due by 11 pm on day after class)
12	Nov 30 (Mon)	- Geographic scope: Global strategy as a source of advantage	- Online class session - Class Prep Submission #12 (due 1 pm on day of class)
	Dec 5	— Module Quiz #3 due by 11 pm —	
13	Dec 7 (Mon)	- Strategy and uncertainty - Wrap up discussion	- Online class session - Class Prep Submission #13 (due 1 pm on day of class)
	Dec 12	— Group project "Deliverable was #2" due by 11 pm —	