

Course Syllabus

Course Name:	Foundations of Strategic Management	Year, Term:	2022 Term 2
Course Code:	RSM 1201H	Instructor Offices:	Bryan: 7034 Silverman: 7064
Instructor Names:	Kevin A. Bryan Brian S. Silverman	Instructor Office Hrs:	Bryan: Wed 3-5pm, or by appointment Silverman: By appointment
Instructor Phone:		Instructor emails:	
TA names:		Rotman Scholar names:	Six Scholar Sessions; time and date to be announced.

Delivery Mode

In person

Course Description

Why do some firms consistently earn higher profits than others? The field of strategy was spawned by a paradox. On one hand, long-held economic intuition predicted that firms earning above-normal profits would invite entry and imitation, which eventually would drive all firms' economic profits to zero. On the other hand, both casual and formal empiricism indicated that some industries consistently outperformed others and, within industries, some firms consistently outperformed their rivals. Understanding the causes of persistent performance differences between firms is the central concern of strategic management. Maximizing the performance of your firm is the central objective of the strategic manager. We are looking to identify sources beyond "luck" which explain why firms with equally good products and equally competent employees nonetheless perform so differently. This course will equip you with the most sophisticated and up-to-date research-based explanations on the causes of superior firm performance and empowering you to apply this knowledge to make better strategic decisions in your careers.

Course Learning Outcomes

In this course, you will gain fluency in fundamental concepts, frameworks and methodologies useful to managers in crafting and executing business strategy. In particular, you will learn

- Why firms differ in their long-run profitability
- The importance of strategic positioning relative to rivals and strategic fit between firm activities
- The reason firms exist at all, and why certain activities are internal rather than bought in the market
- How suppliers, partners, and workers can be incentivized, formally and informally
- How firms gain dynamic advantages that are difficult for entrants to replicate
- How entrants and entrepreneurs nonetheless compete, and what incumbents can do in response

Course Grade Components

The final course grade reflects your level of demonstrated achievement of the Course Learning Outcomes listed above. Deliverables provide feedback on your progress towards the course grade. For each assignment you will receive a raw score that will be mapped to the A+ to FZ scale based on the difficulty of the assignment. Note: Deliverables that are to be submitted in class are due at the beginning of class unless otherwise noted. For situations in which students are not granted an academic accommodation for a missed or late deliverable, the missed or late deliverable will not be accepted.

Item	Weight (%)	Due Date /Time	Delivery
Pre-class questions	10%	Before the relevant class session	Quercus
Team project	30%	November 27, 11:59pm	Quercus
Final Exam	60%	December 7, 2:00-5:00pm	Quercus

Deliverables Descriptions

1. Pre-class questions (10%)

Before classes 2 through 10, you will need to answer a few straightforward questions online to ensure you have completed and understood the reading, and to get you to think about the link between theory and the business case. You should not need to spend much time on these assignments– they are simply a commitment device to ensure that you and your fellow students have prepared in advance for a fruitful in-class discussion.

2. Team project (30%)

This project will provide an opportunity to apply strategy frameworks to a real-world situation. The project will be introduced during the first week of class. The assignment is to apply the frameworks from the course to an organization, and to make recommendations based on your analysis for improving the organization's strategy. This project is a team-based analysis in which you will work with your assigned project team. The project is due on November 27 at 11:59pm via Quercus. This is a hard deadline. Teams that are late will be penalized, and the members of a team that does not submit this project on time may not successfully complete the class.

3. Final exam (60%)

The objective of this assessment is to provide students with an opportunity to demonstrate mastery of the concepts and frameworks of the entire course, knowledge of case material, and understanding of the important points and issues that were discussed in class. The exam will also provide you with feedback so that you can recognize areas where additional investment in course concepts and materials can yield an important return beyond the confines of this course. The exam will take place on December 7, 2:00-5:00pm.

Readings and Materials

You are expected to have read the assigned reading **before** class unless explicitly stated otherwise.

Item	Title	Required or Recommended	Location
Reading package	RSM1201 Readings and Cases	Required	posted on Quercus on the relevant session page

Schedule

We have 10 sessions of coursework, one optional talk by an outside speaker, and one exam. Classes 2 to 4 cover the strategy of strategic positioning relative to rivals, Classes 5 to 7 cover the strategy of incentivizing suppliers and partners, and Classes 8 to 10 cover dynamic strategy. All readings are on Quercus or in the case packet as noted.

Class #	Date	Topics	Case	Reading
1	Oct 24/25	Introduction		Porter, "What is Strategy?"
2	Oct 27/28	Industry Analysis	Crown Cork & Seal (focus on pp. 1-14)	Ghemawat, "Mapping the Business Landscape" (in case packet)
3	Nov ½	Strategic Fit	Walmart (focus on pp. 1-5 and 9-11, plus the 3-page "Walmart amended case")	Ghemawat & Rivkin, "Creating Competitive Advantage" (in case packet)
4	Nov 4/5	Differentiation	Natura	Makadok and Ross, "Taking Industry Structuring Seriously", pp 509-513
Click here to enter text.	Nov 8	The Romance and Drama of Strategic Management	Guest Speaker: Stewart McGuire, Head of Strategy and Corporate Development, Ocado	NA
5	Nov 9/10	Theory of the Firm	Arauco (A) (focus on pp. 1-18)	Bryan, "Notes on Theory of the Firm"
6	Nov 14/15	Formal Incentives	Lincoln Electric (focus on pp. 1-18)	Kerr, "The Folly of Rewarding A while Hoping for B" Fisman & Sullivan, "Excellent Police"
7	Nov 17/18	Relational Incentives	Helper & Henderson, "Management Practices, Relational Contracts..."	Hastings, "Lincoln Electric's Harsh Lessons from International Expansion" Macaulay, "Non-contractual Relations in Business: A Preliminary Study"
8	Nov 21/22	Strategic Dynamics – The Industry Life Cycle	Airborne Express	Darr et al., "The Acquisition, Transfer, and Depreciation of Knowledge..."
9	Nov 24/25	Strategic Dynamics – Platforms, Growth and Diversification	Meituan-Dianping	Zhu & Iansiti, "Why Some Platforms Thrive and Others Don't"
10	Nov 28/29	Strategic Dynamics – Entry and Competitive Response	GSK/Sirtris	Marx et al., "Dynamic Commercialization Strategies" (pp. 3103-3119)
Final Exam	December 7, 2:00-5:00pm			

Class Recordings

This course, including your participation, may be recorded on video and may be available to students in the course for viewing remotely and after each session. Students should note that if recordings are to be permitted, their voice/image may be recorded by others during the class. Please speak to the instructor if this is a concern for you.

Course videos and materials belong to your instructor, the University, and/or other sources depending on the specific facts of each situation and are protected by copyright. Do not download, copy, or share any course or student materials or videos without the explicit permission of the instructor.

Recordings by Rotman

If Rotman recordings are provided, they are only for the exclusive use of enrolled students, for personal learning, and not to be shared in any way. Recordings will be posted after the system has processed the recording, which may take a few hours. The multimedia group will then edit the recordings (trim beginning, end, any breaks) and repost, as quickly as they can get to them. Please note that videos *will* be available during the editing process.

Recordings by Student

Personal video and audio recordings by students are not permitted. Photos of the whiteboards and screen are permitted.

For questions about recording and use of videos in which you appear please contact your instructor.

Academic Integrity

Below is the standard boilerplate about not cheating. We should warn you that we take cheating in our course very seriously. In the broadest sense, cheating means representing the work of others as your own, whether on exams or on homework. **DO NOT CHEAT IN THIS COURSE.**

Academic integrity is essential to the pursuit of learning and scholarship in a university, and to ensuring that a degree from the University of Toronto is a strong signal of each student's individual academic achievement. As a result, the University treats cases of cheating and plagiarism very seriously. The [University of Toronto's Code of Behaviour on Academic Matters](#) outlines the behaviours that constitute academic dishonesty and the processes for addressing academic offences. Each Quercus "Home" page menu (right-hand side) also contains a link to AI.

All suspected cases of academic dishonesty will be investigated following procedures outlined in the *Code of Behaviour on Academic Matters*. If you have questions or concerns about what constitutes appropriate academic behaviour or appropriate research and citation methods, please reach out to me. Note that you are expected to seek out additional information on academic integrity from me or from other institutional resources (for example, the [University of Toronto website on Academic Integrity](#)).

Normally, students will be required to submit their course essays to the University's plagiarism detection tool (now Original) for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the tool's reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of this tool are described on the Centre for Teaching Support & Innovation web site (<https://uoft.me/pdt-faq>).

Standard Policies Do not change this section.

The following are policies students should assume are in force with all Rotman courses. Full details for each of these policies can be found on the [Registrar's Office website](#):

1. [Academic Integrity](#)
2. [Code of Behaviour on Academic Matters](#)
3. [Team Work and Academic Integrity](#)
4. [Accessibility Services](#)
5. [Academic Accommodations](#)
6. [Class Attendance](#)

7. [Use of Technology](#)
8. [Assignment Cover Sheet](#)
9. [Scent-Free Environment](#)
10. [Grading Policies](#)
11. [Course Drop Deadline Policy](#), for MBA electives dates check relevant [course schedules](#)