



MANAGEMENT 223: BUSINESS STRATEGY AND POLICY

Fall 2007, Mondays and Wednesdays, 10:30 a.m.-12:00 p.m.

Professor Sarah Kaplan
Phone: 215.898.6377
Email: slkaplan@wharton.upenn.edu
Webcafe: <http://webcafe.wharton.upenn.edu>

<http://www-management.wharton.upenn.edu/kaplan/>
Office: 2019 Steinberg Hall-Dietrich Hall
Office hours: Mondays, 1:30-2:30 p.m.
(Other hours by appointment)

Teaching Assistant: Aseem Kaul
Phone: 215.898.1232
Email: aseemk@wharton.upenn.edu

Office: 2054 Steinberg-Dietrich Hall
(Office hours by appointment)

COURSE DESCRIPTION

The Business Strategy and Policy course encourages students to analyze the problems of managing the total enterprise in the domestic and international setting. This course is the gateway to advanced courses in strategic management. It focuses on the competitive strategy of the firm, examining issues central to its long- and short-term competitive position. Students act in the roles of key decision-makers or their advisors and solve problems related to the development or maintenance of the competitive advantage of the firm in a given market. The first module of the course develops an understanding of key strategic frameworks using theoretical readings and case-based discussions. Students will learn concepts and tools for analyzing the competitive environment, strategic position and firm-specific capabilities in order to understand the sources of a firm's competitive advantage. In addition, students will address corporate strategy issues such as the economic logic and administrative challenges associated with diversification choices about horizontal and vertical integration. The second module of the course will be conducted as a multi-session, computer-based simulation in which students will have the opportunity to apply the concepts and tools from Module 1 to make strategic decisions.

The goal of the course is for students to develop an analytic tool kit for understanding strategic issues and to enrich their appreciation for the thought processes essential to incisive strategic analysis. This course offers students the opportunity to develop a general management perspective by combining their knowledge of specific functional areas with an appreciation for the requirements posed by the need to integrate all functions into a coherent whole. Students will develop skills in structuring and solving complex business problems.

Prerequisites: MGMT 100 and MGMT 101; seniors and juniors that have completed introductory courses in economics, finance, marketing and accounting. If you do not have these prerequisites, you must provide evidence to me of your preparedness for the course.

COURSE MATERIALS

The bulkpack includes a collection of readings and cases and is available from Wharton Reprographics.

While no textbook is required for the course, there are two good books that will give you a nice overview of all of the concepts in the course. Some of the chapters are included in the bulkpack. These books are easily available from booksellers on line and are on reserve at the library.

- Robert M. Grant, Contemporary Strategy Analysis 5th edition. Several copies will also be on reserve at the Reserve Desk at Lippincott Library.

- Pankaj Ghemawat, Strategy and the Business Landscape, 2nd edition.

Also, for further background on analyzing case studies, I have put the following book on reserve:

- William Ellet, 2007. The case study handbook : how to read, discuss, and write persuasively about cases. Boston, Mass.: Harvard Business School Press.

There will be a computer-based simulation during the course. We will provide the appropriate material to you at the time. There will be an approximately **\$30 charge** for the right to use the simulations which will be charged directly to your bursar's account based on your enrollment in the class.

COMMUNICATION

The primary means of communication outside of class is the course web page on webCafé. You can reach the webCafé room for the course at <http://webcafe.wharton.upenn.edu> or by logging onto MySpike.

If you do not have a Wharton e-mail account, please go to the following website to apply for an account: http://accounts.wharton.upenn.edu/account_user/. You need a Wharton account in order to gain access to webCafé.

YOUR GRADE

Your grade will depend both on developing a deep knowledge of the concepts and on applying this knowledge in four areas which are the four components of the grade: class discussion, individual case analyses, team-based simulation and team final paper. The discount for late assignments is severe. Please note that you **cannot** take this class with a pass/fail option.

Factor	Weighting
Individual assignments	
• Class participation	21%
• Individual case write ups (4 total writeups for 6 points each)	24%
Team assignments	
• Simulation (5 points for submission of the strategic plan, 10 points for the final writeup)	15%
• Outline of final paper	5%
• Final paper presentation	5%
• Final paper	30%
Total	100%

CLASS SESSIONS AND PARTICIPATION

Each class will consist of a combination of lecture and discussion of the day's topic. On most days, we will use case analysis or simulations to explore the issues at hand. Careful preparation is essential. I expect you to read all of the assigned materials for each session in advance of the class. In class, you should be prepared to analyze the concepts from the case or simulations and the readings and to discuss any questions provided in the syllabus. If you cannot answer the questions, you are not prepared for class. I may use cold calling to ensure preparation and to establish an even level of participation throughout the course.

I expect you to participate actively in class to help your learning and that of your peers. A productive learning environment requires active engagement of all class members. Three factors determine good class

participation. First, given thorough and careful preparation, you should be able to identify the important managerial issues related to the case and/or readings. Second, you should be able to use that analysis to define a concise and logical position on the issues. Please avoid pure repetition of case facts. You should be able to show how a particular concept is illustrated in the case or suggest how the substantive problem presented in the case can be solved. Third, you should be able to analyze **constructively** the positions your classmates take. Quality, not quantity, will determine the effectiveness of your comments.

CLASS ATTENDANCE AND PARTICIPATION

Of course, the underlying condition for class participation is attendance. In accordance with Wharton Undergraduate Regulations and Procedures (<http://undergrad.wharton.upenn.edu/policies/attendance.cfm>), I expect you to attend all sessions. If you cannot come to class for reasons of illness or other emergency, you must notify me by email **in advance** of the class and include a plan for catching up on the information you will miss. Recruiting activities are not an acceptable reason for missing class. It is against Wharton policy and for any recruiter to schedule a meeting or event that interferes with your classes. Please contact me if you have any problem related to recruiting conflicts with class. If, in the opinion of the faculty member, you have been absent excessively for any reason, you may be given a grade of F. Note also that attending class is not enough. I expect that you participate actively in class discussions.

LEARNING TEAMS

You will be asked to form teams of 4 students for the course. You will work in these teams to run the simulations and to prepare a final paper analyzing a company using the strategy frameworks covered in this course. You may also want to use your teams as a discussion group in preparing the cases for class discussion. The webCafé site will have a tool for this sign up process. You are required to sign up for a team by **Monday, September 24** before class. If you are having trouble locating other team members, please send me an email and I will find you an appropriate team. This course requires extensive work in teams outside of class. You are expected to participate actively in teamwork. In order to assure appropriate effort across the team, I will ask each of you to evaluate confidentially the efforts of your teammates on the last day of class using the form below. I will take these ratings into account in establishing the final grades for each person.

SAMPLE TEAM MEMBER EVALUATION FORM	
Please rate the contribution (effort and quality) to the team performance in the conceptualization, development, and presentation of the business plan. Do not rate yourself. Assign a score of 1-10 to each team member other than yourself. Note: the column does not add up to 10. The scale is from:	
1: Person was extremely undercommitted in all of your interactions (i.e. did not read materials in advance, did not put effort into the actual simulations, or research and writing for the final paper)	
-- to --	
10: Person was extremely committed in all of your interactions (i.e., the person could not have done anything more to contribute to the simulation and to the final paper project)	
Team Name and Team Letter:	
Your Name:	
Team Member's Name (not including yourself)	Effort: scale 1 (low) – 10 (high)

APPLICATION OF THEORIES: USE OF CASES AND SIMULATIONS

Cases and simulations give life to management theory. In this course, they give you an opportunity to put yourself in the shoes of managers as they make strategic choices both by studying cases of companies in a variety of industries and by playing the role of managers in a computer-based simulation.

I have chosen the cases in the course to elucidate particular strategic concepts. Many of the cases focus on a critical moment in time for a company. Therefore, it is not appropriate to do research on what has happened to the company since the time the case was written. As managers, you will never have the luxury of 20/20 hindsight when you need to make strategic choices. The goal of the case preparation and discussion is to hone your own analytical skills using the information at hand.

I will also use a computer-based simulation of business problems during the course. This is an opportunity to apply the frameworks in dynamic situations. You should run this simulation in your learning teams. I will provide more information about the simulation in class. The simulation requires at least one team member to have a personal computer (or I will arrange access to a computer in SH-DH).

INDIVIDUAL CASE WRITEUPS

Each student is individually responsible for 4 short case analyses over the course of the term. Each writeup is limited to **1 page** (single-spaced, 1 inch margins, Times Roman 12 pt. font) of text and an optional 1 page of exhibits. One page may not seem like enough space, but it will force you to focus on the most important issues and write concisely. Do not use a smaller font or smaller margins for these assignments. I need space in the margins to make comments. These will be due at the beginning of the relevant class. No late assignments will be accepted. These are individual assignments and **should not** be done in your learning team. You can pick any 4 cases from the following list. If you do more than 4, I will take the 4 highest grades. Each writeup is worth 6 points. 24 total points are possible for this part of your grade.

Case (do write up for at least 4 of these cases, pick any that you want)	Date due (hard copy to be handed in at the beginning of class)
• Dell	09/17
• Ryanair (A)	09/19
• Ryanair (C)	09/24
• Coke vs. Pepsi	10/01
• Sunrise	10/03
• McKinsey	10/08
• Toyota	10/10
• Coke or Amazon	10/17
• Disney	10/22
• Nucor	10/24

FINAL PAPER

The final paper is a team project and consists of a case analysis of a company or companies that your team chooses to study. The paper will give you an opportunity to apply the concepts and frameworks from the course to real life situations. On September 19, I will hand out instructions for the paper. The topic for your

paper is due in a one paragraph write-up on October 3 at the beginning of class. A detailed outline of your paper is due on November 5 in class. Your paper is due on Monday, December 10 at 5 p.m. (uploaded to webCafé folder and hard copy delivered to my office).

HANDING IN ASSIGNMENTS

All due dates and assignments are indicated in the syllabus. Late assignments will not be accepted. For individual assignments, please make sure your name is clearly indicated at the top of the page or on a cover page. For team assignments, make sure your team letter and all team members' names are indicated at the top of the page or on a cover page.

A NOTE ON PROPER CITATIONS

To most of you, this will probably be self-evident, but I want to make sure that we all understand: Copying paragraphs or even paraphrasing sources (magazines, newspaper articles, books, analyst reports, web pages, etc.) without properly citing them is a **serious** offense. Properly citing means (1) if you copy word for word, you have to mark this by enclosing the copied text with quotation marks and cite the source; (2) if you take someone's idea but put it in your own words, you still need to indicate in a citation the source of the data or the idea. This citation has to follow the idea directly (either attach a footnote or endnote): it is not enough to list your sources in the bibliography of the paper (though you should do this as well). At the end of the paper, you should then list all sources that you have cited in the text. Failure to cite (plagiarism) is a very serious academic offense that in other courses has led professors to fail students and bring them to the attention of the academic review board of the University. To avoid such an incident, be very careful in your papers to attribute ideas, data, frameworks, etc. to their respective sources.

COURSE OUTLINE

Session	Preparation
INTRODUCTION	
Class 1: Introduction and course overview (Wed 09/05)	
• Readings:	Hambrick and Fredrickson, “Are you sure you have a strategy?” <i>Academy of Management Executive</i> . 2005
• Case:	N/A
Class 2: Introduction and course overview (Mon 09/10)	
• Readings:	N/A
• Case:	Intel Corp., 1968-2003 (#9-703-427) <ol style="list-style-type: none">1. What was Intel’s strategy in DRAM’s? Why did Intel decline in the DRAM market?2. How were they able to create and sustain a competitive advantage in microprocessors? What are the main threats to sustainability?3. Why did Intel choose to enter new businesses such as networks, wireless, communications and online services under Craig Barrett? Do these choices make sense?
HOW TO COMPETE, Part I: Competitive advantage and competitive positioning	
Class 3: Industry analysis and competitive positioning (Wed 09/12)	
• Readings:	P. Ghemawat , “Creating Competitive Advantage,” Chapter 3 in <u>Strategy and the Business Landscape</u> , 2 nd edition, 2006, pp. 44-54. R. Grant, “Intra-Industry Analysis,” in <u>Contemporary Strategy Analysis</u> , 5 th edition, 2005, pp. 124-126. M. Porter, “What is Strategy?” <u>Harvard Business Review</u> , November-December 1996.
• Case:	N/A
Class 4: Competitive positioning, continued (Mon 09/17)	
• Readings:	P. Ghemawat , “Creating Competitive Advantage,” Chapter 3 in <u>Strategy and the Business Landscape</u> , 2 nd edition, 2006, pp. 55-65.
• Case:	Matching Dell (#9-799-158) <ol style="list-style-type: none">1. What are some of the key choices Dell has made in how it competes to distinguish it from its primary competitors? (Draw a strategic group map and a value chain for Dell).

Session	Preparation
---------	-------------

2. Prior to the recent efforts by competitors to match Dell (circa 1997), how big was Dell's comparative advantage? See if you can use the numbers in the case and reasonable estimates to quantify the advantage. How has Dell used this advantage in the market? (Think about the customer willingness to pay.)
3. Why was it hard for competitors to respond to the challenge posed by Dell's competitive advantage in the 1990's?

Class 5: Strategic interaction (Wed 09/19)

- Readings: P. Ghemawat, "Anticipating Competitive Dynamics," Chapter 4, Strategy and the Business Landscape, 2nd edition, 2006, pp. 69-85.
- Case: **Dogfight over Europe: Ryanair (A) (#9-700-115)**
 1. What is your assessment of Ryanair's launch strategy?
 2. How do you expect Aer Lingus and British Airways to respond? Why?
 3. Draw the extensive form of the game between Ryanair and the two incumbents. What are the different payoffs to Aer Lingus/British Airways (treat them collectively as one actor) for different strategic actions? Said differently, how costly would it be for Aer Lingus/British Airways to retaliate against Ryanair's launch rather than accommodate it? (It will help to develop, using assumptions where needed, a viewpoint on the cost structures of Ryanair vs. British Airways/Aer Lingus.)
 - ▶ I will hand out the Ryanair (C) case today.
 - ▶ I will hand out instructions for the final paper assignment today.

▶ You must complete your signup for teams on WebCafe by Monday, September 24.

Class 6: Strategic fit (Mon 09/24)

- Readings: N. Siggelkow, "Change in the presence of fit," Academy of Management Journal, August 2001.
- Case: **Dogfight over Europe: Ryanair (C) (#9-700-117)**
 - ▶ Note that the (C) case will be handed out in class on 09/19.
 - 1. What combination of activities has Ryanair put together to support their strategy?
 - 2. Is this the same or different from their competitors?
 - 3. Has it been effective? Why or why not?

HOW TO COMPETE, Part II: Industry context

Class 7: Structural analysis of the industry (Wed 09/26)

- Readings: P. Ghemawat, "Mapping the Business Landscape," Chapter 2, Strategy and the Business Landscape, 2nd edition, 2006, pp. 17-28 (see pp. 31-40 for further instructions on how to do industry analysis).

Optional examples for your reference: D. Besanko, D. Dranove, M. Shanley, S. Schaefer, "Industry Analysis," Chapter 10 in Economics of Strategy, 2004 (pp. 335-351 only).
- Case: **Dell and the PC industry, revisited**
 1. Thinking back to the Dell case from class 4, explain how and why the PC industry came to have such low average profitability.
 2. How did Dell's strategy exploit the PC industry structure in the 1980's and 1990's?
 3. Has the industry structure changed since then? What are the implications for Dell?

Class 8: Structural analysis of the industry (Mon 10/01)

- Readings: N/A
- Case: **A Hundred-Year War: Coke vs. Pepsi, 1890s-1990s (#9-799-117)**
Optional reading: A. Martin, "Does Coke need a refill?" New York Times, May 27, 2007. Also see the interactive graphic:
http://www.nytimes.com/ref/business/20070527_COKE_GRAPHIC.html#
 1. Why is the soft drink concentrate industry dominated by two firms? What is the basis for scale economies in this industry?
 2. Use the 5-Forces framework to explain why the soft drink concentrate industry is so profitable.
 3. How has the industry structure changed in the 1990's to the present? Can Coke and Pepsi sustain their profits in the U.S. in the wake of the growing popularity of non-carbonated drinks?

HOW TO COMPETE, summary

Class 9: Integrating understanding of competitive advantage (Wed 10/03)

- Readings: N/A (This case will review the concepts already covered in prior readings. Please refer back to those readings and concepts to analyze this case.)

Session	Preparation
• Case:	<p>Sunrise Medical Inc.’s Wheelchair products (HBS Case #9-794-069)</p> <ol style="list-style-type: none"> 1. Analyze the structural drivers of profitability in the wheelchair industry in 1993. Does the future look less or more promising? 2. What is Quickie’s strategy in the wheelchair industry? What is Guardian’s strategy in wheelchairs? Does either have a competitive advantage in wheelchairs and, if so, is it sustainable? 3. Should Chandler allow Guardian to introduce a lightweight standard wheelchair?
• Assignment to hand in:	Write ups on final paper topics due at the beginning of class.

WHERE TO COMPETE: FIRM CAPABILITIES AND CORPORATE STRATEGY

Class 10: Understanding differences in firm level performance (Mon 10/08)

- Readings: R. Grant, “Role of Resources and Capabilities,” in Contemporary Strategy Analysis, 5th edition, 2005, pp. 132-159.
- Case: **McKinsey**: J. Huey, “How McKinsey Does it,” Fortune, November 1, 1993
 1. What was the unique source of competitive advantage developed by McKinsey?
 2. Why has it been hard for their competitors to imitate their strategy?

Class 11: Understanding differences in firm level performance (Wed 10/10)

- Readings: G. Hamel and C.K. Prahalad, “The Core Competence of the Corporation,” Harvard Business Review, May-June 1990.
- Case: **Toyota**: (1) A. Taylor, “How Toyota Defies Gravity,” Fortune, December 8, 1997 and (2) “The car company in front,” The Economist, January 29, 2005.
 1. What was the unique source of competitive advantage developed by Toyota?
 2. Why has it been hard for their competitors to imitate their strategy?
 3. What challenges have they faced in leveraging these capabilities into new markets/businesses? How did they address these challenges?
 4. What are the similarities and differences between how McKinsey and Toyota develop and maintain their core competencies?

► If you do the writeup for this case, answer only questions 1-3. Question 4 is for class discussion only.

► No class on 10/15 for Fall Break – note that the reading load for the next class is quite heavy.

Session	Preparation
---------	-------------

Class 12: The scope of the firm (Wed 10/17)

- Readings: P. Ghemawat, "Choosing Corporate Scope," Chapter 6, Strategy and the Business Landscape, 2nd edition, 2006, pp. 124-142.
J. Barney and W. Hesterly, "The Value of Vertical Integration," Strategic Management and Competitive Advantage, 2006, pp. 183-188.
- Case: **Amazon:** (1) Factiva report on Amazon, (2) N. Wingfield. "New chapter: In the latest strategy shift, Amazon is offering a home to retailers." The Wall Street Journal, September 24, 2003, (3) R. Hof, "Jeff Bezos' Risky Bet," Business Week, November 13, 2006.
Coke and its bottlers: A. Bary, "Welcome back bottlers," Barron's, November, 20 2006.
 1. Horizontal integration. Read the materials on Amazon. What are Amazon's capabilities? How do they create value? What are diversification choices for Amazon? Does their current plan to expand to be a "digital utility" make sense?
 2. Vertical integration. Review the Cola Wars case from Class 8 and read the article on Coke and its bottlers. Why would Coke want to own its bottlers? Does it make more sense to own or to run the concentrate and bottling businesses as separate entities?

► If you do the writeup for this case, you can choose to answer either question 1 or 2. Do not try to answer both questions in the writeup, but we will discuss both in class.

Class 13: Diversification strategies (Mon 10/22)

- Readings: D. Collis and C. Montgomery, "Creating Corporate Advantage," Harvard Business Review, May-June 1998.
- Case: **The Walt Disney Company:** (1) Wharton Case, "The Boundaries of the Magic Kingdom," (2) J. Lunden, "High School Musical' Graduates to Multimedia Hit," NPR Morning Edition, May 24, 2007, (3) Plus listen to the radio story on WebCafe or at the following link: <http://www.npr.org/templates/story/story.php?storyId=10229597>
 1. Think about Disney's choices about horizontal and vertical integration. Analyze the linkages among Disney's business units: a) To what extent are the business units leveraging common resources? b) Are the linkages among the business units of the type that could not be coordinated using contracts among independent firms? Does the answer to these questions play out differently among different parts of their operations? Analyze the "High School Musical" story (see link above) using your understanding of Disney's corporate strategy.
 2. Consider Disney's acquisition of the ABC television network (ABC/Capital Cities). From the perspective of the time of the acquisition, do you see an economic logic for the acquisition? Is the logic one of scope economies or vertical integration? To what extent does the logic of vertical integration play out differently in the context of broadcast television versus cable properties (such as ESPN)? Given what we know today, how does your opinion about the value of the acquisition change?

► If you do the writeup for this case, you can choose to answer either question 1 or 2. Do not try to answer both questions in the writeup, but we will discuss both in class.

Session	Preparation
---------	-------------

Class 14: Corporate strategies for growth (Wed 10/24)

- Readings: P. Barwise, P. Marsh, and R. Wensley, “Why Must Finance and Strategy Clash?” Harvard Business Review, September-October 1989.
- Case: **Nucor at the Crossroads (#9-793-039)**
 1. Why has Nucor performed so well in the past?
 2. How attractive do the economics of thin-slab casting look?
 3. Is thin-slab casting likely to afford Nucor a sustainable competitive advantage in flat-rolled products?
 4. What are the uncertainties surrounding thin-slab casting?
 5. What should Nucor's managers do? Should they invest in the CSP plant or not? Why?

INTEGRATION AND SUMMARY

Class 15: Integrating and applying concepts (Mon 10/29)

- Readings: N/A
- Case: N/A
 - ▶ We will introduce the Business Strategy Game simulation and provide instructions for running the simulation over the next several class sessions.

Class 16: Integrating and applying concepts (Wed 10/31)

- Readings: N/A
- Case: **Business Strategy game**
 1. Review the spreadsheets in the game.
 2. What can you say about the current footwear industry structure and profitability?
 3. What are the main kinds of strategic decisions that your company can make?

Class 17: Integrating and applying concepts (Mon 11/05)

- Readings: N/A
- Case: **Business Strategy game**
 1. Your team should decide on a basic strategic position for your firm. Then, implement the strategy by making a set of decisions. Submit these decisions according to the schedule in the instructions. Play two rounds of the game. In class, we will discuss the following questions:
 2. What strategic position have you chosen for your firm?

Session	Preparation
	<ol style="list-style-type: none"> 3. How did your decisions reflect that position? 4. What were your expectations before you saw the results of the first round? Were there any surprises? If so, what?
<ul style="list-style-type: none"> • Assignment to hand in: 	Outline of final paper due at the beginning of class.

Class 18: No class: Time for team meetings/running simulation (Wed 11/07)

Class 19: Integrating and applying concepts (Mon 11/12)

- Readings: S. Kaplan and E. Beinhocker, “The real value of strategic planning,” Sloan Management Review, 2003.
- Case: **Business Strategy game**
 1. Play one more round of the game. Submit the decisions according to the overall schedule for the simulation. Reflecting on the results from the first three rounds of the game, determine if you should maintain your original strategy or change it. Then, go to the strategic planning page and fill out the strategic plan for your business (you will only be able to access this after the 3rd round runs). Print out the strategic plan and bring it to class. In class, we will discuss the following questions:
 2. Is the strategy reflected in your strategic plan different from your plan of attack for the first 3 rounds?
 3. What challenges did you face in developing the plan?
 4. Is this planning exercise realistic? Why or why not?
- Assignment to hand in: Hand in a printout of your strategic plan. This is a team assignment, so only hand in one printout per team.

Class 20: No class: Time for team meetings/running simulation (Wed 11/14)

Class 21: Integrating and applying concepts (Mon 11/19)

- Readings: N/A
- Case: **Business Strategy game**
 1. Run 3 more rounds of the game according to the schedule established in the instructions. Compare your results to those you anticipated in your strategic plan. In a one page writeup, answer the following questions:
 2. Did you get the results you anticipated in your strategic plan? Why or why not?
 3. What was the strategy that you chose to implement? In retrospect, what should you have done?
 4. What lessons about strategy do you take away from this exercise?
- Assignment to hand in: Hand in one page answering the questions above at the beginning of class. This is a team assignment, so only hand in one page per team.

Session	Preparation
---------	-------------

Class 22: Review of course concepts (Wed 11/21)

- Readings: N/A: this will be a lecture and Q&A around key concepts in the course. This should help you refine the ideas in your final papers.
- Case: N/A.

Class 23: Group presentations of final paper (Mon 11/26) – potential to move to Friday, November 30 (will discuss in class)

Class 24: Group presentations of final paper (Wed 11/28)

Class 25: Group presentations of final paper (Mon 12/03)

Class 26: Wrap up and conclusions (Wed 12/05)

- Readings: R. Foster and S. Kaplan, “Creative Destruction,” in McKinsey Quarterly, Number 3, 2001.
C. Christensen, "The past and future of competitive advantage," MIT Sloan Management Review, Winter 2001, pp. 105-109.
- Case: N/A
- Assignment to hand in: Final paper is due on **Monday, December 10 by 5 p.m.** uploaded to webCafé folder **and** hard copy delivered to my office at SH-DH 2019.

OVERVIEW OF MANAGEMENT 223 CLASSES AND CONCEPTS

PROF. SARAH KAPLAN

Class	Date	Topic	Analytical tool/ theoretical perspective	Case or simulation
INTRODUCTION				
1	9/5	Introduction and course overview	The concept of strategy	N/A
2	9/10	Introduction: preview case	The concept of strategy	Case: Intel
HOW TO COMPETE, PART I: COMPETITIVE POSITIONING				
3	9/12	Competitive positioning	Generic strategies Strategic groups Value chain	
4	9/17	Competitive positioning continued	Generic strategies Strategic groups Value chain	Case: Dell
5	9/19	Strategic interaction	Competitor analysis Game theory	Case: Ryanair
6	9/24	Strategic interaction and competitive positioning	Strategic fit	Case: Ryanair continued
HOW TO COMPETE, PART II: INDUSTRY ANALYSIS				
7	9/26	Structural analysis of the industry	Industry life cycle Five forces Sustainability	Case: PC's (from Dell case)
8	10/01	Structural analysis of the industry	Five forces	Case: Coke vs. Pepsi
HOW TO COMPETE, SUMMARY				
9	10/03	Integrating understanding of competitive advantage	Review of concepts	Case: Sunrise
WHERE TO COMPETE: FIRM CAPABILITIES AND CORPORATE STRATEGY				
10	10/08	Understanding differences in firm level performance	Resource based view Core competence	Case: McKinsey
11	10/10	Understanding differences in firm level performance	Resource based view Core competence	Case: Toyota
	10/15	No class, Fall Break		
12	10/17	The scope of the firm	Horizontal integration	Case: Coke and Amazon
13	10/22	Diversification strategies	Managing a multi-business portfolio Diversification	Case: Disney
14	10/24	Diversification strategies	Strategy vs. finance concepts	Case: Nucor

Class	Date	Topic	Analytical tool/ theoretical perspective	Case or simulation
INTEGRATION OF CONCEPTS				
15	10/29	Introduction to the Business Strategy Game simulation	Integration and application of concepts	Simulation: Business strategy game
16	10/31	Integration of concepts: case analysis	Integration and application of concepts	Simulation: Business strategy game
17	11/05	Integration of concepts: play initial strategy	Integration and application of concepts	Simulation: Business strategy game
18	11/07	No class: time for running simulation	Integration and application of concepts	Simulation: Business strategy game
19	11/12	Integration of concepts: develop strategic plan	Integration and application of concepts	Simulation: Business strategy game
20	11/14	No class: time for running simulation	Integration and application of concepts	Simulation: Business strategy game
21	11/19	Integration of concepts: play additional rounds, evaluate results	Integration and application of concepts	Simulation: Business strategy game
22	11/21	Review of course concepts	Review	Review of past cases
23	11/26	Group presentations of final paper	Integration and application of concepts	Case: Your cases
24	11/28	Group presentations of final paper	Integration and application of concepts	Case: Your cases
25	12/03	Group presentations of final paper	Integration and application of concepts	Case: Your cases
26	12/05	Wrap up	Review	N/A