

# **MANAGEMENT 374**

## **MANAGERIAL POLICY AND STRATEGY**

Spring Semester, 2004

Location: UTC 1.116

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As soon as I have been assigned an office, phone and mailbox I will distribute the information. If you need to reach me either send an e-mail or leave a message in the Management Department at 471-3676.

### Class Meeting Schedule

Tuesday and Thursday

10:00 am until noon

Note: Class will not meet March 8-26

### **REQUIRED READING:**

- 1) Course Syllabus
- 2) Subarctic Survival situation.
- 3) Case book: Grant, 2002. *Cases in Contemporary Strategy Analysis, 3<sup>rd</sup> ed.* Blackwell.
- 4) Harvard Business School Cases - reading packet.

### **COURSE DESCRIPTION:**

Management policy and strategy deals with the way firms build and sustain superior competitive positions and achieve long-term profitability. Successful strategy design and implementation requires an understanding of the firm's external environment and its internal resources and capabilities. It also requires an integrated view of the firm that spans functional areas such as operations, marketing, information technology, and finance.

Not everyone who takes this course will ultimately become a general manager responsible for formulating strategy. Yet, for three reasons, this course will benefit virtually all students. First, recent trends in the corporate world towards creating "flatter", less hierarchical organizations have resulted in strategic decisions being made at lower hierarchical levels. Thus, even non-executives are likely to make decisions and initiate actions that have significant strategic implications. Similarly, even the lowest level employees within firms are now being asked to contribute innovative and creative ideas that will improve the functioning of the organization as a whole. Thus, it is increasingly important for non-executives to understand how their actions affect the total enterprise.

Second, functional specialists will also benefit from developing a general management perspective. Ultimately, every function's actions must be coordinated with the overall needs of the business. In fact, functional specialists are the people on whom general managers must rely to implement strategy. Since functional managers are often under pressure to fix problems in their own areas without regard to the overall needs of the business, it is critical that functional managers develop a keen awareness and appreciation of the challenges facing the enterprise as a whole.

Third, and perhaps most important, it is critical for you to develop your own thinking and your own strategic leadership skills. Corporate America is just like any organization. It contains bright, creative, energetic people, and people who simply view their job as a paycheck. It's not a perfect system but if you choose to use your head to think, you can make a significant difference.

Communication is integral to general management. Therefore, as discussed further below, your active participation in class discussions is critical to your performance in this class. Moreover, there will be few lectures in this class. Perhaps more than any other subject, strategy is learned best from analyzing real cases: putting yourself in the shoes of a general manager who has to solve real strategic problems. So the emphasis in this class is on active learning, not passive learning. Thus, you are expected to show a high level of commitment to preparing for class each day.

#### **COURSE REQUIREMENTS AND THEIR WEIGHTS IN COURSE GRADE:**

Class Participation	25%
Midterm Exam	20%
Group Paper	20%
Feedback for other groups	10%
Group Presentations	25%

#### **Class Participation:**

In a case-oriented, discussion-based class it is your responsibility to be thoroughly prepared to discuss each case and reading. Whether we are discussing cases or conceptual material, a critical component of the course is spirited, informed discussion. Toward this end, you have two responsibilities, one private and one public. On the private dimension, you should familiarize yourself with the assigned material, taking care to prepare thoroughly, and to develop informed individual responses to the material. On the public dimension, these ideas must be brought forward as a basis for rich classroom discussion. The class can then explore these ideas further in active analysis. In the past students that have prepared cases in a study group before class have benefited greatly from the advance preparation. In evaluating participation, **quality is rewarded over quantity.**

General managers spend a large portion of their working day interacting with colleagues. For this reason, the development of verbal skills is given a high priority in this course. The classroom should be considered a laboratory in which you can test your ability to convince your

peers of the correctness of your approach to complex problems, and of your ability to achieve the desired results through the use of that approach.

### **Group Project 1:**

**Current Event Presentations.** You will join a group of 5-6 students for the current event presentation. This is a brief presentation of approximately 15 minutes, in which your group introduces a company that is undergoing a significant strategic decision. This is a decision that will have implications for the entire organization and, perhaps in some cases, may cause a company to fail. Consider recent issues of Fortune, Forbes, Business Week, or Wall Street Journal for appropriate companies to present. The only rules for this exercise are that (1) you provide me with a copy of the current article you are presenting, and (2) you do not choose a company that is already covered in one of our cases.

### **Group Project 2:**

Early in the course we will form student groups who will work during the semester on the final project. Groups will analyze the industry environment and strategy for a firm of their choosing and present their findings to the class at the end of the semester. Access to the firm chosen is not necessary. Groups can use purely library sources for this project. Or, groups can develop a business plan for an entirely new company. This project is intended to integrate all of the course material.

**The project proposal will be due on February 19.** In addition to the names and e-mail addresses of your group members, and a team name, this proposal should include:

1. The name of the organization you will analyze
2. A brief description (e.g., one paragraph) of the problem.
3. A summary of the preliminary research done on the company.

**The final paper will be due in class on April 22.** The written analysis should not exceed ten (10) **double-spaced** typewritten pages, with 1" margins and 12 point font. I will only read the first 10 pages, so please stay within the page limit. The limit does not include appendices, which you can use to provide charts, figures, or other background material. However, appendices which are not directly referenced in the text will not be read. **LATE WRITE-UPS WILL NOT BE ACCEPTED.**

To get the most out of the group project, it helps to get feedback from multiple sources as well as to think about how the pieces fit together in someone else's project. For this reason, I will assign each of you to do a feedback paper group's project. This can be in bullet-point or outline format but must include the Presentation Evaluation Form which I have posted on the class web site..

Oral presentations will be given during 3 class sessions from April 27 to May 4. **Your Powerpoint slides will be due for ALL GROUPS** on the first day of presentations, **April 27.**

Each presentation should be approximately 20 minutes in length, and 10 minutes will be set aside for questions from other teams after the presentation. Based on this assumption, both the oral presentation and written document should cover all of the key elements of your analysis.

For grading purposes, it will not be sufficient to present an aspect of your analysis that does not appear in the written document. Further information on the oral presentations will be provided in class.

Your analysis will be evaluated equally on the following criteria:

- 1) Problem definition
  - a. How well (i.e., thoroughly and concisely) do you describe the environmental context and internal factors that are important to the problem?
- 2) Accurate and thorough use of course concepts
- 3) Integration of course concepts with information about the company and problem
  - a. How well do you integrate course concepts with information about the problem to illuminate the problem in a way that leads to solutions?
- 4) Extent to which recommendations are consistent with analysis
- 5) Feasibility and specificity of recommendations
- 6) Quality of written analysis
- 7) Quality of oral presentation

### ***Suggestions for individual case and group project:***

There is no formula for writing an "excellent" case analysis. However, there are some guidelines to follow. First, for the individual case analysis I do not need a "Reader's Digest" version of the case (i.e., a restatement of the case). However, you should use case facts to support your arguments. In addition, I think that by asking the following types of questions as you develop your case analysis and group project, you might be able to develop more rigor and depth and have the basis for a more compelling argument. They are offered as suggestions only.

1. Start by observing, even listing, to what is going on. You can safely assume that those "problems" you listed are really symptoms.
2. What is causing the symptoms? Do some of the symptoms appear related?
3. What is the organization doing right which you don't want to disrupt or which you could build on in implementing a solution?
4. In your solution, be specific about the actions that should be taken, rather than relying on broad prescriptions such as "improve strategic capabilities" or "compete more aggressively."
5. What factors inside and outside the firm would be supportive of or facilitate the success of your solution, and what obstacles might there be?
6. Could your solution touch off other problems? What are the risks facing your solution? Can you plan around some? Do you need a fall-back position?
7. Is there adequate time and money for your solution?
8. Think through the implications of your analysis. Don't end your analysis about going from A to B with B. What is likely to happen if B is or is not achieved? Recognize the inherent tradeoffs of any line of action. Go beyond the obvious and most immediate.

9. Finally, I don't expect brilliant prose, but I should not have to struggle to read your paper. If you have difficulty writing, spend extra time smoothing out the edges. After you are done writing the paper, set it aside for a day or two and come back to redraft it.

#### **OTHER ADMINISTRATIVE DETAILS:**

- **Do not wait** until the end of the semester to see me regarding problems with the course material or your performance. Your performance in this class is important to me, so please call me early for an appointment.
- If you can convey your thoughts more succinctly in your written assignments, please do so! Suggested paper lengths are only upper limits.
- Do form independent study groups to brainstorm about cases and readings outside of class.
- Like managers executing actual strategies, we may find that the course syllabus must be amended slightly as the semester progresses.
- Definition of Group Project – everyone in the group must actively participate in the project. It is inappropriate for one or two members of the group to do the majority of the work. I expect each group to certify that the group project was in fact done as a group.
- You will only have one exam in this class. The mid term exam will be distributed on March 4 and will be due on March 30. Although the exam will be posted on the class web site on March 4<sup>th</sup>, your only opportunity to ask questions about the exam will be during class. Late exams will not be accepted.

## Course Schedule

- January 20 Introduction to the Class & Review of Syllabus
- January 22 Subarctic Survival Situation  
Management & Team Decision Making Strategy Exercise  
**Prior to class**, read the case, enter your ranking based on the situation presented in the column labeled “Step 1 – Individual Rank” on page 3. Refrain from any outside research or discussing your rankings with anyone.
- January 27 Introductory Case: Ben & Jerry’s Homemade Ice Cream  
Reading Packet
- January 29 Madonna  
Case Book
- February 3 U.S. Airlines  
Case Book
- February 5 Lecture
- February 10 Cola Wars Continue: Coke & Pepsi in the 21<sup>st</sup> Century  
Reading Packet
- February 12 DaimlerChrysler and the World Automobile Industry  
Case Book
- February 17 Matching Dell  
Reading Packet
- February 19 Lecture  
Current Event Presentations (2 Groups)  
**EMAIL WITH PROJECT PROPOSAL DUE**
- February 24 Eastman Kodak – Meeting the Digital Challenge  
Case Book
- February 26 The Walt Disney Company: Entertainment King  
Reading Packet
- March 2 Harley-Davidson, Inc. January 2001  
Case Book
- March 4 Lecture  
Current Event Presentations (2 Groups)  
**MIDTERM EXAM DISTRIBUTED**

- March 30 Euro Disney – The Dream Becomes a Nightmare  
Case Book  
**MIDTERM EXAM DUE**
- April 1 Bitter Competition – Holland Sweetner  
Reading Packet
- April 6 On-Line Brokerage Strategies  
Case Book
- April 8 Exams Returned and Discussed  
Current Event Presentations (2 Groups)
- April 13 Bird's Eye and the U.K. Frozen Food Industry  
Case Book
- April 15 Group Meetings with Prof. Aroian to discuss group papers – *No Class!*
- April 20 Technology Strategy Lecture  
Text: Chapter 11
- April 22 Technology Strategy I: EMI and the CT Scanner  
Case Book  
**FINAL GROUP PAPERS DUE**
- April 27 Group Presentations
- April 29 Group Presentations
- May 4 Group Presentations
- May 6 Review Presentation Evaluation Forms