

BMGT 426: STRATEGIC MANAGEMENT

- Syllabus -

Instructor:

Instructor: *Michael R. Braun*
Office Hours: Room 357, Gallagher Business Building
Wednesday & Thursday, 15:45 – 17:00, or by appointment
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About this Course:

Welcome! This course is about business strategy, which concerns the following questions: Why does one company outperform its competitors? What makes one company fail while others succeed?

Over the course of the semester, we will rely on case studies, theory, real world examples, and classroom discussion to answer these questions. The purpose of the course is to give you an introductory overview of business strategy to understand the WHAT, WHERE, WHEN, HOW and TO WHAT EXTENT of strategic thinking. We will kick off the semester with what is meant by STRATEGY. Subsequently, we will discuss existing frameworks that can help you make sense of the vast amount of information needed to identify, formulate, develop and implement strategy. Case studies of real companies will help us apply these frameworks and make sense of strategic situations and outcomes. Lastly, you will be asked to refine your strategic thinking by adopting the role of strategy consultant in a real-world project. Working in teams, you will put together a strategic analysis of an assigned company. This analysis will prompt you to apply the frameworks and models to develop a top-down and bottom-up report of a company's industry location, core competencies, challenges and opportunities, and competitive environment. This project will tie together the diverse parts of the course. In addition, it will provide you with a 'product' to take with you when you enter your job search.

Expectations for this Course:

I expect you to **SHOW UP & PARTICIPATE** (10% of your grade) since the class is only served through an interchange. Your contributions should be thoughtful and inclusive of the frameworks and themes we have covered. As the course progresses, I expect your written assignments and thinking to reflect the various articles, case studies, frameworks, and class discussions.

BE ON TIME! Treat this class like you would work. By being on time, you are being respectful to your colleagues.

COME PREPARED! That means *do the reading!* This class is based on an on-going, interactive discussion. At a minimum, you need to thoroughly read ALL assigned readings. Try to think through the main points and issues and how they play out in real-world scenarios.

It is critical that you get familiar with the course syllabus – it will help set your expectations of the workload for the class. Keep in mind that this syllabus is a rough guide, and that changes may occur during the semester.

NOTE: This syllabus is tentative and subject to change

Class Materials

Articles are available through the Mansfield Library's Electronic Reserve. You will find a folder entitled "BMGT 426". The password is "porter". You will need to buy the Reader for the Case Studies at the Campus Store. The price is approximately \$50.00.

Grading & Assignments:

Quizzes	25%
Two Individual Case Study Analyses	35%
Consulting Project Presentations	10%
Class Participation (incl. peer reviews)	10%
Final Consulting Project	20%

Portfolio Extra Credit: 1st Place - **½ Grade Upgrade** on Final Consulting Project

Each of the preceding components will be discussed in greater detail as the semester progresses.

Additional comments on Grading & Assignments:

- **PLEASE DO NOT USE YOUR NOTEBOOK COMPUTER DURING OUR SESSION** – you won't need it. If you need to take notes, rely on paper and pen. The use of notebooks is distracting to your fellow students and me.
- **TURN OFF CELLPHONES – NO CALLS OR TEXTS**. If it's that important, please leave class.
- For every day a paper is late, the grade of the paper drops **FULL LETTER GRADE**, e.g. an "A" paper turned in a day late will become a "B" papers, etc.
- **NO E-MAILED PAPERS**. I expect hard copies to be handed in on the day the paper is due. If you cannot attend class, have someone else hand it in for you.
- **TRY NOT TO MISS THE QUIZZES** – Make-up quizzes are in essay form.
- **THE ONLY EXTRA CREDIT: the Investment Portfolio for the Winning Team and the SURVEY POINT for ONE QUIZ**. Please focus on the work that is assigned.
- **WEEKLY ATTENDANCE WILL BE TAKEN**. If you miss **MORE THAN 4 CLASSES, EXCUSED OR UNEXCUSED**, your participation grade will drop to zero.
- **EMAIL**: According to University policy, faculty may only communicate with students regarding academic issues via official UM email accounts. Accordingly, students must use their GrizMail accounts (netid@grizmail.umt.edu or fname.lname@umontana.edu).
- **RESPECT THE HONOR CODE**. Cheating of any form will not be tolerated in this class. All work handed in is to be yours. All work handed in is to be yours. If you don't know what "cheating" means, please refer to the University Conduct Code at:
 - www.umt.edu/SA/documents/fromWeb/StudentConductCode1.pdf

Disability Accommodations

If you have a documented disability for which you are requesting accommodations, please see me during the first week of class.

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Team Work:

The semester-long project will be team-based...just as you find in the real world. You will need to work together, discover each other's strengths and weaknesses, plan around each other's schedules, and manage the process of putting together and presenting the weekly assignments. I understand the potential difficulties in team-based projects: some people do more work than others, some teams have better dynamics than others, etc. I recognize that at times it can be challenging and even frustrating, but in my opinion team projects capture the complexity of getting business done in the real world. If you find that some team members simply do not contribute, PLEASE APPROACH ME AS A GROUP. I will deal with your collective complaints accordingly.

About your Instructor:

My industry background is in business development and mergers and acquisitions. I've worked with publishers, direct marketing companies, e-commerce companies, and investment banks in New York, Los Angeles, and Europe. While I started out in a large corporation, most of my business career was in small, entrepreneurial companies. I've been a member of start-ups that have succeeded, and also some that have failed. I've bought and sold businesses for publicly-traded companies as well as private equity groups. My current research interests are family firms, corporate restructuring, and corporate governance.

I am Swiss by birth and lived throughout Europe, moving to the United States in my teens. I received a B.A. degree from Cornell University, a Master's Degree in Publishing from New York University, an MBA from the University of Southern California, and a Ph.D. in strategy from the University of Massachusetts - Amherst. When I'm not in the classroom, I'm fly fishing, brewing, cooking, playing the banjo or spending time with my family.

SCHOOL OF BUSINESS ADMINISTRATION MISSION STATEMENT

The University of Montana's School of Business Administration is a collegial learning community dedicated to the teaching, exploration, and application of the knowledge and skills necessary to succeed in a competitive marketplace.

As part of our assessment process and assurance-of-learning standards, the School of Business Administration has adopted five learning goals for our undergraduate students:

Learning Goal 1 – SoBA graduates will possess fundamental business knowledge and integrated business knowledge.

Learning Goal 2 – SoBA graduates will be able to integrate business knowledge.

Learning Goal 3 – SoBA graduates will be effective communicators.

Learning Goal 4 – SoBA graduates will possess problem solving skills.

Learning Goal 5 – SoBA graduates will have an ethical awareness.

Learning Goal 6 – SoBA graduates will be proficient users of technological skills.

Learning Goal 7 – SoBA graduates will understand the global business environment in which they operate.

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Week 1: WHAT WE TALK ABOUT WHEN WE TALK ABOUT STRATEGY

Class Introduction

January 28: **Introductory Session**

January 30: Team Assignment; Investment Project Handout;
Basic Strategy Concepts: SWOT & Generic Strategies

Week 2: STRATEGY DEFINITION AND CONCEPTUALIZATION

Why do we need a strategy? What makes up a strategy?

February 4: **“What Is Strategy?”**
Michael E. Porter

February 6: Case: **Wal-Mart Stores, Inc.**
Stephen P. Bradley, Pankaj Ghemawat, Sharon Foley
+ *Hand in Write-ups of Individual Stock Picks*
(Begin Portfolio Tracking!)

Week 3: EXTERNAL COMPETITIVE DYNAMICS

What does the external environment look like in terms of competition? What is the profit potential of an industry? What erodes profitability?

February 11: When Strategies Go Bad (?): **Wal-Mart Stores, Inc.,** cont.

February 13: **“How Competitive Forces Shape Strategy”**
Michael E. Porter

Week 4: EXTERNAL COMPETITIVE DYNAMICS, CONT.

February 18: **★ READING QUIZ #1 ★**

Hand out **Assignment No. 1**, due beginning of **Week 7**
Consulting Project Discussion + Company Assignment

February 20: Case: **Robert Mondavi Wines...the rise and fall of a powerhouse.**

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Week 5: INTRA-INDUSTRY COMPETITION AND COOPERATION

*Within our industry, where are we protected? Where are we vulnerable?
Within our company, how do we do what we do?*

February 25: **Consulting Project Presentation #1**

February 27: **“How Information Gives You Competitive Advantage”**
Value Chain & Value System
Michael Porter; Victor Millar

Week 6: INTRA-INDUSTRY COMPETITION AND COOPERATION, CONT.

March 4: Case: **Shrimp Farming in Ecuador**

March 6: **Hand in Assignment No. 1;**
Class discussions: *Personal Strategy I*

Week 7: THE SECRET SAUCE - CAPABILITIES AND RESOURCES

*What makes us different from our competitors? What makes us unique, “stick out”?
Once we set off, how will we keep going? How will we get to our goal successfully?*

March 11: **“The Core Competence of the Corporation”**
C.K. Prahalad; Gary Hamel

March 13: **Consulting Project Presentations #2**

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Week 8: DIVERSIFICATION AND EXPANSION

How do we grow? Where do we expand? When do we expand?

March 18: Case: **eHarmony**
M. Piskorski, H. Halaburda, T. Smith
(hand out **Assignment No. 2**, due end of **Week 9!**)

March 20: **★READING QUIZ #2★**

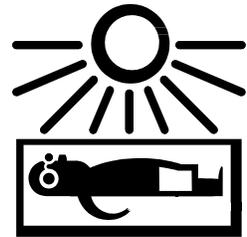
“Desperately Seeking Synergy”
Michael Goold, Andrew Campbell

Week 9:

March 25: Case: **Starbucks**
Mary M. Crossan; Ariff Kachra

March 27: ***Hand in Individual Assignment No. 2***
Class Discussion: *Personal Strategy II.*

Spring Break! March 31 - April



Week 10: INTERNATIONAL STRATEGY

Going abroad: when, where and how?

April 8: **“The Competitive Advantage of Nations”**
Michael E. Porter

April 10: Case: **Ice-Fili**
Michael Rukstad, Sasha Mattu, Asya Petinova

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Week 11: COMPETITIVE DISRUPTION

Thinking beyond strategy...

April 15: **Consulting Project Presentations #3**

April 17: **“Strategy and Business Models: What’s the Difference?”**
Seddon, P. & Lewis, G.

“What to do against Disruptive Business Models”
Markides, C. & Oyon, D.

Week 12: COMPETITIVE DISRUPTION, CONT.

April 22: **Consulting Project Presentations #4**

April 24: **★READING QUIZ #3★**

Case: **Netflix...** Disruptor or Disrupted?

Consulting Project Presentation Weeks (13 & 14)

Week 13:

April 29: **** Consulting Project Presentation Support Session ****

May 1: **Final Consulting Project Presentations!**

Week 14:

May 6: ***** No Class *****

May 8: **Final Consulting Project Presentations!**
Wrap-Up.

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