

355002001

**MBA**

**Strategic Management**

**Fall Semester, 2011**

3 credit hours

Professor Yegmin Chang

Department of Business Administration

Office: 1012 Comm Bldg

Phone: x-81012

Email: ymchang@nccu.edu.tw

**COURSE DESCRIPTION:**

This course is the capstone course in the MBA program. After finishing functional management courses such as marketing management, financial management, human resource management, etc. with which to learn to become a competent functional manager, students will study this course to learn how to integrate these functional courses and make business decisions that view the company as a whole. In other words, students learn to analyze business problems or issues confronting the total enterprise, not just interpret them as personnel, money, product, or production problems. The total enterprise perspective is the strategy perspective and making strategic decision from the-company-as-a-whole point of view is the job of general managers. Therefore, this course is designed to train students to analyze business situations from the point of view of the practicing general manager. General managers have responsibility for making strategic decisions that insure the long-term prosperity of the entire firm or a major division.

The key tasks of the general manager, the content of general management, include the determination of purpose and direction of the company or division, the detection of environmental change, the identification of opportunities and strategies to pursue the opportunities, the procurement and allocation of critical resources, the integration of activities across various parts of the organization, and, the monitoring of the whole process to achieve expected results. In short, the general manager is the mediator between environmental change and internal organization's response. To be effective, general managers need to have foresight of environmental changes and at the same time have a sound understanding of how an organization

with its loose-coupling parts produces outcomes. He needs relevant knowledge in functional areas such as marketing, finance, R&D, and production which students have already learned the subjects in previous courses. He also needs relevant knowledge and skills in environmental analysis to understand emerging trends in demands and competition. These knowledge and skills will be the focus of this course.

Not everyone who takes this course will ultimately become a general manager. Yet, for two 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 whole enterprise. Second, functional specialists will also benefit from developing a general management perspective so they will have a better understanding of the problems they are dealing with and of the expectations of the top executives. 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.

#### **TEXTBOOK and CASES:**

- 1) **Recommended Textbook** : Barney, Jay B. *Gaining and Sustaining Competitive Advantage*. 3<sup>rd</sup> Ed., Prentice-Hall, 2008.
- 2) Harvard Business School Cases: Strategy (reprint) °
- 3) Harvard Business School Cases from PERDO office.

#### **FORMAT OF INSTRUCTION:**

1. Lecture and case discussion.
2. Oral presentation of case analysis

3. Learning community in University's e-learning website

### **RECOMMENDED BOOKS:**

1. Rebert M. Grant, *Contemporary Strategy Analysis*. 6<sup>th</sup> ed.,, Oxford: Blackwell Publication. 2009.
2. Porter, M.E. *Competitive Strategy*, Free Press, 1980.
3. Hamel, Gary, and C.K. Prahalad, *Competing for Future*, HBS Press, 1994.
4. Hamel, Gary, *Leading Revolution*, HBS Press, 2000.
5. Barlett, C. A. and S. Ghoshal, *The Individualized Corporation*, Harper-Collins, 1997.
6. Porter, M. E., *On Competition*, HBS Press.
7. Mintzberg, . et. al., *Strategy Safari: A Guide Tour through the Wilds of Strategic Management*. Free Press, 1998.
8. Bossidy, D. and R. Charan, *Execution: The Discipline of Getting Things Done*, 2002.
9. Kim, W, Chan, and R. Mauborgne, *Blue Ocean Strategy: How to Create Uncontested Market Space and Make the Competition Irrelevant*. Harvard Business School Press, 2005.

### **COURSE OBJECTIVES:**

1. The general manager's perspective, or strategic perspective.
2. The strategic management/strategic planning/strategic decision making process, including SWOT analysis.
3. The strategy content, including business level strategy, corporate-level strategy, and international strategy.

Specifically, the course aims to assist students to

1. Develop and reinforce a general management point of view -- the capacity to view the firm from an overall perspective, in the context of its environment.

2. Develop an understanding of fundamental concepts in strategic management: the concept of strategy, the strategic decision making process, environmental analysis, competitive analysis, and strategy implementation and organizational change.
3. Synthesize the knowledge gained in previous courses.
4. Obtain familiarity with tools of industry analysis by analyzing the key characteristics of an industry.
5. Develop a better understanding of the inner workings of large, complex organizations – the goal being for students to better understand their future work environment.
6. Apply in working out business strategies and implementation plans.
7. Develop habits of orderly, analytical thinking and skill in reporting conclusions effectively in both written and oral form.

#### **METHODS OF INSTRUCTION**

<b>Lecture</b>	10%
<b>Discussion</b>	30%
<b>Group activity (Group presentation)</b>	40%
<b>E-learning</b>	15%
<b>Others (Field Trip) :</b>	5%

#### **SCHEDULE**

Week	Date	Class Agenda
1	9/19	<b>Introduction</b> Course requirements Strategy Planning and Strategic Management
2	9/26	Reading: HBR96-What is Strategy? By M.E. Porter 1. Case Apple Inc., 2008 (9-708-480)
3	10/3	2. Case Komatsu Limited Reading: HBR89 Strategic Intent
4	10/10	Holiday No Class
5	10/17	<b>Environmental &amp; Industry Analysis</b> Reading: HBR06-Understanding Industry Structure by M.E.

		Porter Reading: HBR08-Five Competitive Forces that Shape Strategy, M.E. Porter 3. Case Crown Cork and Seal in 1989 (9-702-442)
6	10/24	4. Case Cola Wars Continue: Coke vs. Pepsi in 2006 (9-706-447) Reading: HBR08-Can You Say What Your Strategy Is?
7	10/31	<b>Firm Resources &amp; Capabilities</b> 5. Case Canon: Competing on Capabilities Reading: HBR95 Competing on Resources
8	11/7	6. Case Intel corporation 1968-2003 (9-703-427)
9	11/14	<b>Competition and Strategy</b> Cost Leadership 7. Case Wal-Mart, 2005 (HBS 9-705-460) 8. Case Samsung Electronics (9-705-508)
10	11/21	Product Differentiation 9. Case Airborne Express (9-798-070) Reading: HBR07-Mapping your Competitive Position
11	11/28	10. Case Zara: Fast Fashion (9-703-497) Reading: HBR04-Value Innovation: The Strategic Logic of High Growth
12	12/5	<b>Corporate Strategy</b> Corporate Diversification Reading: HBR98-Creating Corporate Advantage 11. Case The Walt Disney Company: Entertainment King (9-701-035)
13	12/12	12. Case The Walt Disney Company and Pixar Inc.; To Acquire or Not to Acquire? (9-709-462)
14	12/19	<b>Strategic Change</b> 13. Case Kodak and the Digital Revolution (A) (9-705-448) Reading: HBR08 Mastering the Management System
15	12/26	14. Case GE's two-Decade Transformation: Jack Welch's Leadership (9-399-150) 15. Case GE's Growth Strategy: The Immelt Initiative (9-306-087)
16	1/2	<b>Trip to Formosa Plastics Group Museum or ASUS</b>
17	1/9	Case project presentation
18	1/16	Case project presentation

## ASSESSMENT:

1) Individual class participation	20%
2) Individual case homework	25%
3) Case Presentation	25%
4) Final Group Case Project-report & presentation	30%

Group case project is to write and present a case analysis of a successful firm headquartered in SE&E Asia region. There are two types of case style to be adopted:

One is the *general strategy case*. The focus of the case is to report the strategy of a company. The case may include: (a) The strategy of the company, its products, markets, and scope of operation; (b) To explain why the company has been successful in the past in light of the company's environment, resources, key managers' decisions. (c) To conduct a **SWOT analysis** that analyze the **current** environment concerning its future trends and their impact on the firm and competition, as well as its internal weaknesses against achieving goals, and (d) to suggest changes (if any) that need to be made.

The second type is the *strategy case with focused themes*. The case may be about industry analysis and competitive dynamics, or about the company's strategic issues with strategy themes such as merger and acquisition, diversification, investment expansion, new product launch, restructuring, alliances,...etc. **use of SWOT analysis is strongly recommended.**

Each group may conduct field interview or library research or a combination of both to prepare the case. Each member of the group is expected to contribute a similar amount of effort to the teamwork. Each group may turn in (a) their PowerPoint file with no bonus points; or (b) a more complete version of the written report either in printed or electronic form as the final report with bonus points up to 10% of the original grade earned from this case project.

### Case Questions (case themes):

*Komatsu Limited* (The concept of strategy)

1. How do you explain Komatsu's success? What are the sources of Komatsu's success?
2. What is Kawai trying to achieve through his various policies, programs, and plans?

*Crown Cork & Seal in 1989 (5-force model, industry evolution)*

1. How attractive has the metal container been over the years?
2. How well did Crown Cork do under John Connelly? What were the keys to their success?
3. What significant changes are taking place in the industry? How should the new CEO, Bill Avery, respond? Is it finally time to change the Connelly strategy that has been successful for over 30 years?

*Canon (resources and capabilities that support related diversification)*

1. Why has Canon been so successful? What is it about Canon that allowed the company to be so successful in the personal copier market?
2. How has Canon developed its competencies and capabilities? What can we learn from the company about the competence building process?
3. What can we learn from Canon's management of the competence leveraging process

*Wal-Mart Stores, Inc. (Sources of competitive advantages and growth strategy)*

1. What are the sources of Wal-Mart's competitive advantage in discount retailing?
2. How sustainable their position in discount retailing will be in the future?

*Cola Wars Continue: Coke and Pepsi in the 21st Century (9-702-442) (Competition Dynamics, 5-force model, industry evolution)*

1. Is the soft drink industry profitable? And why or why not?
2. Compare the economics of the concentrate business to the bottling business: Why is the profitability so different?
3. How has the competition between Coke and Pepsi affected the industry profitability? Are these firms making strategic mistakes? And why or why not?
- 4.

*Airborne Express (differentiation to survive)*

1. How did the express mail industry evolve over time? What are the main changes in recent years and how were smaller competitors affected by these changes?
2. Compare Airborne Express's strategy with the strategies of FedEx and UPS.

3. What is the advantage of Airborne Express Strategy? How has Airborne Express managed to success in its industry?

Zara: Fast Fashion (9-703-497) (a traditional industry in the era of globalization)

1. Explain why Zara has become a successful fast growing company in the apparel industry?
2. What is Zara's value creation?

The Pharmaceutical Industry in the 1990s (vertical Integration)

1. What was the rationale for PBMs?
2. Does Medco fit with Merck's strategy? What does Medco bring to Merck? What are the advantages and disadvantages? What does Medco get from the Merck acquisition?

*Kodak (A)* (How did a big company respond to threats)

1. Explain why Kodak can maintain market dominance for almost a century.
2. What was Kodak's response to threats from Fuji in film market and from digital revolution in imaging.
3. Evaluate Kodak's strategic response.

*The Walter Disney Company: The Entertainment King (9-701-035)*. (Diversification strategy, diversification management)

1. How did Disney achieve its status as the largest entertainment conglomerate?
2. How did Disney explore its synergy of entertainment conglomerate?
3. How should Disney maintain its goal of growth and profitability?

*GE's two-decade transformation: Jack Welch's Leadership* (Corporate transformation, Diversification strategy, Implementation)

1. How difficult a challenge did Welch face in 1981? How effectively did he take charge?



2. What is Welch's objective in the series of initiatives he launched in the late 1980s and early 1990s? What is he trying to achieve in the round of changes he put in motion in that period? Is there a logic or rationale supporting the change process?
3. How does such a large, complex diversified conglomerate defy the critics and continue to grow so profitably? Have Welch's various initiatives added value? If so, how?

## **CAPABILITY DEVELOPMENT**

01. 領導能力與團隊精神 (Leadership and teamwork skills)	3
02. 培養管理專業能力 (Cultivate professional management ability)	5
03. 啟發創新力 (Inspire Innovation)	2
04. 建立全球化觀點 (Establish a global perspective)	5
05. 發展執行力 (Develop implementation ability)	4
06. 倫理道德觀念 (Ethical and moral integrity)	2

### Evaluation Criterion of Case Presentation

Date of Submission:

Presentation Case:				Group #:
Criterion	Description	Weight	Score	Comments
Structure/ Organization	Information presented in logical sequence that audience can follow	10%		
Content	Demonstrate full knowledge of the case under investigation with satisfactory explanation and elaboration	30%		
Issues and Analysis	Identification of, analysis of issues, presentation of solution/synthesis	20%		
Presentation skill, Handle Q&A	Delivery, tone and voice, and visual aids, Generate discussions, response to queries.	10%		
Command of Knowledge	Demonstrate good command of knowledge learned from this course and elsewhere.	30%		

Group Members and individual contribution (total: 100%):

<u>Member ID No.</u>	<u>Name</u>	<u>Contribution</u>
1.		
2.		
3.		
4.		
5.		
6.		

7. \_\_\_\_\_

**Evaluation Criterion of Case Written Report**

Date of Submission:

Title:				Group #:
Criterion	Description	Weight	Score	Comments
Context and background information/relevance	Why of this case. How does this case relate to course materials.	10%		
Content	Case is informative and rich in learning material. Incidents are interesting and realistically portrayed	30%		
Writing	Writing, free of errors, format/organization, information used	10%		
Analysis	Identification of issues, Analysis of issues, synthesis/solution,	30%		
Application	Application of knowledge learned from this course and elsewhere.	20%		

Group Members and individual contribution (total: 100%):

	<u>Member ID No.</u>	<u>Name</u>	<u>Contribution</u>
8.	_____	_____	_____
9.	_____	_____	_____
10.	_____	_____	_____
11.	_____	_____	_____
12.	_____	_____	_____
13.	_____	_____	_____

14. \_\_\_\_\_

### **ASSURANCE OF LEARNING**

<i><b>Adherence to Mission</b></i>	
<input checked="" type="checkbox"/> Technology 科技	<input checked="" type="checkbox"/> Globalization 國際
<input checked="" type="checkbox"/> Innovation 創新	<input checked="" type="checkbox"/> Humanity 人文
<i><b>Adherence to Program Learning Goals</b></i>	
<p>After completing this course, students are expected to demonstrate a good grip of key terminology in the strategy literature, a skill in analyzing a case from a strategic perspective, ability in independent study of a company's strategy and its environment. Meanwhile, students will be more confident in presentation and handling questions.</p>	
<i><b>Pedagogical Methodologies</b></i>	
<input checked="" type="checkbox"/> Lecture	<input checked="" type="checkbox"/> e-Learning
<input checked="" type="checkbox"/> Study Group	<input type="checkbox"/> Seminar
<input checked="" type="checkbox"/> Case Study	<input type="checkbox"/> Internship
<input checked="" type="checkbox"/> Project	<input type="checkbox"/> Independent Learning
<input type="checkbox"/> Role-Playing	<input type="checkbox"/> Seminar
<input type="checkbox"/> Theater Learning	<input type="checkbox"/> Others
<i><b>Student Abilities Enhancement</b></i>	
<input type="checkbox"/> Quantitative analysis 數量分析能力	<input checked="" type="checkbox"/> Sympathy 同理心
<input checked="" type="checkbox"/> Theory Development and Conceptual Thinking 邏輯思考分析	<input checked="" type="checkbox"/> Teamwork 團隊合作
<input checked="" type="checkbox"/> Strategic Thinking 策略性思考	<input checked="" type="checkbox"/> Acceptance of Others 接受意見
<input checked="" type="checkbox"/> Critical Thinking 評論性思考	<input checked="" type="checkbox"/> Confidence 自信心
<input type="checkbox"/> Quick Thinking 敏捷性思考	<input checked="" type="checkbox"/> Self—management 自我管理
<input type="checkbox"/> Flexibility 彈性反應與適應力	<input checked="" type="checkbox"/> Professional Knowledge 專業知識
<input checked="" type="checkbox"/> Creativity 創造力	<input checked="" type="checkbox"/> Others: Concept mapping_____
	其他能力:_____
<input type="checkbox"/> Persistency 堅持力	<input type="checkbox"/> Others: _____
	其他能力:_____

<input checked="" type="checkbox"/> Communication 溝通表達能力	<input type="checkbox"/> Others: _____ 其他能力: _____
<input checked="" type="checkbox"/> Comprehension Ability 聆聽能力	<input type="checkbox"/> Others: _____ 其他能力: _____