



## University of New Hampshire at Manchester

### ADM 685 Fall 2006 Strategic Management

**Professor:** Dr. Jack McCarthy  
**Meeting Time:** Tuesdays 1-4pm

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#### COURSE PHILOSOPHY AND APPROACH

All organizations are guided toward success or failure by strategy. An effective business strategy is based on an in-depth understanding of the organization's operating environment and its resources and capabilities. Strategic Management is the process through which an organization's executive team strives to achieve their performance goals, while fully understanding, recognizing and incorporating and organizational value systems, business ethics and social responsibility.

This course adopts the perspective of the general manager who employs a variety of resources across multiple functions in the organization, while considering the needs of stakeholders inside and outside the company, across many different types of companies, industries and international settings. Topics include organizational problem-solving, decision-making, and strategic thinking, in light of the managerial, economic, ethical, legal, political, social, and technological environment. The course uses vibrant case discussion and analysis, industry and competitive analyses, financial analysis, environmental scanning, and stakeholder analysis to build important real-world strategic planning skills.

Strategic Management deals with formulation and implementation of strategy from the *cross-functional* perspective of the general manager in a *global* environment. The materials in this course are drawn from different companies, industries and international settings. To be a successful strategist, you need to draw upon core functional knowledge, common sense, and sound judgment. As such, the course is structured on:

- Experiential learning – case analysis and discussion,
- Participative learning through team work, and
- Conceptual discussions

The course utilizes cases that will highlight strategic decisions in a variety of company contexts and settings (e.g., new industry, global, regulated industry, service, learning from history, etc.). Also, a highlight of this course has been a class field trip to Lexington and Concord (MA) where we use the American Revolutionary War as a dynamic “case study” for strategic analysis and discussion. In addition, local business leaders will visit the class for *Strategic Conversations*, “live” discussions on real business strategies and their current strategic challenges to provoke thought and bring real-world strategic management experience into the classroom. Overall, the

course will be delivered in a fun, interactive, seminar-style format and will provide meaningful lessons and valuable skill-building to carry into the professional workplace. Be ready, prepare well, and be engaged and you will gain a great deal from this course.

Case analysis facilitates learning and illustrates course concepts by carrying real-world context into the classroom and serves as a vehicle for students to strengthen their written, analytical, and verbal communication skills. While each case will have specific discussion questions, the following questions are a suggested guide for analyzing the basic decisions leading to improved performance or effectiveness.

1. What is the industry and environmental context for this company or organization?
2. What are the organization's objectives and strategy?
3. How does the firm create value? (What are the structure, leadership, policies, competencies, technologies and culture of the organization?)
4. How is the organization performing relative to its competitors?
5. What is the central problem/issue/dilemma?
6. What alternatives does the organization have for competing more effectively and being more successful?
7. How should a new strategy be implemented and what are the implications? What are the costs/benefits of this new strategy?
8. What is the role of the leader and how does he/she direct strategy?

## COURSE OBJECTIVES

Strategic Management focuses on formulating and implementing firm-level short and long-term strategies. Strategy is formulated in an environment that consists of many constraints such as:

- competitors
- barriers to firm entry into markets
- existing firm internal constraints (e.g., resources)
- government regulation
- societal and stakeholder concerns
- the relative strength of the firm's customers and suppliers

Given this myriad of firm constraints (and there are many others), firms work to develop and implement a strategy that will provide them with a **sustainable competitive advantage**. We will work together to explore the strategy process here, with the following course objectives:

- For students to learn and apply basic strategy frameworks, concepts and definitions; and to understand the processes of strategy formulation and implementation, both individually and in effective teams.
- For students to practice cross-functional analysis, decision-making and strategic integration.
- For students to develop the capacity to analyze and develop action plans in response to complex strategic decisions and dilemmas.
- For students to effectively communicate (orally and in writing) their analyses and recommendations.

- For students to assess their general management skills and determine areas of strength and improvement.

## COURSE MATERIALS

**Required Text:** Thompson, Strickland & Gamble, *Crafting and Executing Strategy: The Quest for Competitive Advantage; Concepts and Cases*, 15<sup>th</sup> Edition (McGraw Hill, 2007). The text includes an Interactive Study Guide on CD-ROM and access to the McGraw-Hill PowerWeb course site. This is available at the UNHM bookstore. The internet site for this text is: [www.mhhe.com/thompson](http://www.mhhe.com/thompson).

A **BlackBoard** course website for ADM685 will also be employed throughout the semester; **active** use of BlackBoard is also a **required** component of this course; you will be expected to establish and maintain a BlackBoard website account, with at least weekly website access (and at least daily e-mail access), as a **minimum** requirement for ADM685. The main website for BlackBoard access is: <http://blackboard.unh.edu>

A term-long subscription to **FORTUNE** magazine is also required. Information regarding subscribing will be provided.

## TESTING/GRADING PROCESS

**Quizzes:** There will be **3** quizzes during the term, each worth 5% of your final grade, but the quizzes will comprise a total of **10%** of your final grade (so you can drop your lowest quiz score). You must be in class to take each quiz, as shown on the attached class schedule, and they may not be made up. Quizzes may take the form of “mini case analyses” as well as questions on conceptual information and will be based upon the material in the reading and/or cases since the previous quiz.

**Midterm:** The midterm exam will be held in class (on October 31<sup>st</sup>). The exam will contain a mixture of conceptual questions, short-answers, case analyses, and essays. The exam constitutes **20%** of your final grade.

**Final:** The final exam, which will be similar in format to the Midterm, is cumulative and comprehensive and will be held during our final class session (on December 12<sup>th</sup>). The final exam is worth **30%** of your grade.

**Case Analysis:** Each student will participate as part of a team effort in conducting an in-class case analysis of a strategy case from the text, leading the class discussion of the firm’s strategy. Specific guidelines and case assignments will be provided separately. The case analysis is worth **5%** of your final grade.

**Strategic Plan:** Each student will also be responsible (as part of a team project) for building, writing, and presenting a comprehensive Strategic Plan for an organization of your

choice, as approved in advance. The paper should be an analysis and discussion of the primary strategic issue(s) that are facing a particular firm. The analysis and discussion should include a strategic evaluation of economic trends, the firm's industry, major competitors (as these factors are relevant to the strategic issues faced by the firm) and, a discussion of the firm's key strategic resources or capabilities that enable it to gain competitive advantage (or those required if the firm is at a competitive disadvantage). Students are encouraged to find and gain access to a "real" company and interview managers at the firm (which may be a great opportunity to get your foot in the door of a company where you might be interested in working). The paper should, of course, go beyond reporting facts, histories, etc. and take the concepts from this course to analyze and evaluate the company's situation and potential strategy. Again, a separate hand-out will be provided with more specific guidelines. The Strategic Plan, worth **20%** of your final grade, is due in class on November 28<sup>th</sup>.

**Participation:** Being present, mentally and physically, is an important component of your learning here. Being an active, engaged participant in class discussions contributes significantly to your growth and development and adds value to the learning environment for your classmates (and professor). As such, class participation will be included as a specific element of your semester grade for this course, worth **15%** of your final grade.

Again, you are responsible for being in class when tests or quizzes are given. **Missed exams and quizzes may not be made-up or rescheduled.** Material on quizzes and exams will be drawn from assigned reading, Fortune articles, lecture notes, class experiences, and case discussions. The course's BlackBoard website and the Student Support Materials associated with our text (e.g., the text's website, PowerWeb, etc.) are all excellent sources to review the course content and practice or test your learning. Please take full advantage of these resources.

## CONTACT & COMMUNICATION

I currently have office hours planned for Tuesdays, 4-5:30 PM. In addition, I have provided contact information for you to reach me. Please do not hesitate to call me at home (before 11pm please). Also, I typically check my e-mail throughout the day. Similarly, you should check your e-mail at least once a day, as I (and other faculty members) tend to send many e-mails during the course of the semester. These e-mails contain important course information and announcements, which I do consider to be a part of your "**participation**" for this class. Please understand that if you elect not to check your e-mail regularly, beyond impacting your own learning process, you may be at a significant disadvantage compared to your fellow students.

In addition, please contact me if you have any concerns or can foresee some need for special consideration or unusual circumstances. Those with potential work-related conflicts or possible child-care challenges (e.g., due to snow-days, illness, etc.) should see me during the first week of the semester to talk through these issues.

Also, when in doubt, please be sure to call the college's Hotline for weather-related cancellations or other college-wide schedule changes at (603) 641-4100 and/or listen to the media outlets as shown on the associated website:

<http://www.unhm.unh.edu/cancellations.html>

## ACADEMIC INTEGRITY

I expect you to exhibit ethical and honest work habits at all times. The Business Program at UNH Manchester holds a **Zero Tolerance** policy with respect to academic misconduct or misrepresentation. At a minimum, any confirmed violation of academic integrity will result in a failing grade for this class and may lead to expulsion from the Business major and/or dismissal from the university. If you are at all uncertain about the definition of misconduct, plagiarism, “cheating” or “academic dishonesty” please refer to the student handbook or the university website for a full description (at: <http://www.unh.edu/student/rights/rrr0506.pdf>). Please be aware that this issue is extremely serious and any confirmed incidents will be referred to the appropriate university administrator for additional disciplinary action, including possible dismissal from the university.

**Grades:** Typically grades are based on an absolute scale as follows:

A	95-100	A-	90-95		
B+	87-90	B	83-87	B-	80-83
C+	77-80	C	73-77	C-	70-73
D+	67-70	D	63-67	D-	60-63
F	< 60				

## LOGISTICS AND GROUND RULES

I have found that in almost all settings it is best to establish expectations up front. As such, here are some of my ideas on behavior and performance.

- 1. Attendance** - This class meets only once a week over fifteen weeks, and we have conceptual, personal and behavioral learning to accomplish, framed in large part by classroom discussion and exercises. It is important therefore that you attend every class. Come prepared, having read all advance readings, and be engaged during class discussions.
- 2. Participation** - Thorough preparation and participation in class discussions are vital to your and everyone's learning. When you speak in class, your primary emphasis should be on quality as opposed to quantity.
- 3. Punctuality** - Classes will begin on time, and I will make every effort to end them on time. As in all business situations, arrive on time and be ready to go.
- 4. Professional Conduct** - This class may engender active dialogue. Be passionate, but also be professional. I expect and welcome open debate, but we must be respectful of the positions of others. Let's work together to create a positive, professional - and still challenging - atmosphere.

5. **The Written and Spoken Word** - As managers, the ability to write and speak well will set you apart from others in the business world. Build these skills throughout your careers, especially here at UNHM. I will look for quality, clarity, and depth in your work; avoid generalizations and jargon. Be organized, and use specific examples to back up your points.
6. **Timeliness** - The business world displays great fondness for due dates and deadlines. Prepare and submit your work on time. Build in slack time in your work processes to accommodate the unexpected. Submissions are due at the beginning of the scheduled class on the syllabus. Late work will be harshly penalized (one full letter grade reduction for each day late).
7. **Communication** - Talk with me and share your concerns with me during the semester. I can't act upon something which I'm not aware of. Come to my office hours, set up appointments, or find me by e-mail if you have any questions or open issues. I'll commit to being responsive.
8. **Good Humor** - Despite all of the "rules" above, there is still plenty of room for creativity and laughter. It is possible to work hard, learn *and* have fun. I encourage you to be creative and enjoy yourself in the exercises and coursework this semester. Have some fun too.

**Welcome to Strategic Management!** I look forward to an interesting, engaging, and meaningful course.

*With appreciation to Professors Patrick Saporito, Rangamohan Eunni, Tatiana Manolova, and Linda Edelman for their assistance in developing this syllabus.*

## ADM685 Course Schedule

**Week 1 (8/29):** Welcome and Introduction to Strategic Management

*What Is Strategy and Why Is It Important?* (Ch. 1)

**Week 2 (9/5):** Developing a Strategic Vision

*The Managerial Process of Crafting and Executing Strategy* (Ch. 2)  
*A Guide to Case Analysis* (posted on BlackBoard course website, 14pp.).

Case: Starbuck's (*Text Case # 29, p. C-468*)

**Week 3 (9/12):** The External Environment

*Evaluating a Company's External Environment* (Ch. 3)

Case: Robin Hood (# 23, C-405)

**Week 4 (9/19):** Internal Analysis

*Evaluating a Company's Resources & Competitive Position* (Ch. 4)  
*The Five Generic Competitive Strategies: Which One to Employ?* (Ch. 5)

Case: Netflix vs. Blockbuster (# 8, C-148)

### QUIZ #1

**Week 5 (9/26):** Competitive Analysis

*Supplementing the Chosen Strategy: Other Important Strategy Choices* (Ch. 6)

Case: The Revolutionary War and the 1775 Battles of Lexington and Concord (hand out)

**Week 6 (10/3):** Competing Globally

*Competing in Foreign Markets* (Ch. 7)

Case: Wal-Mart (# 25, C-410)

**Week 7 (10/10):** Disruptive Technologies & The Internet

*Tailoring Strategy to Fit Specific Industry and Company Situations* (Ch. 8)

Case: Dell Computer in 2006 (# 5, C-89)

### QUIZ #2

**ADM685 Course Schedule (Cont'd)**

**Week 8 (10/17):** Growth Strategies

*Diversification: Strategies for Managing a Group of Businesses* (Ch. 9)

Strategic Conversation

**Week 9 (10/24):** Strategy and Ethics

*Strategy, Ethics, and Social Responsibility* (Ch. 10)

Case: Timberland (handout)

**Week 10 (10/31): MIDTERM EXAMINATION** (in class, 1-4pm)

**Week 11 (11/7):** Strategic Capabilities

*Building an Organization Capable of Good Strategy Execution* (Ch. 11)

Case: eBay: Facing the Challenge of Global Growth (# 17, C-286)

Strategic Conversation

**Week 12 (11/14):** *Managing Internal Operations: Actions That Promote Good Strategy Execution* (Ch. 12)

Case: Harley Davidson in 2004 (#20, C-356)

**QUIZ #3**

**Week 13 (11/21):** Leading Strategic Change

*Corporate Culture and Leadership: Keys to Good Strategy Execution* (Ch. 13)

Case: Kristenn Einarsson and The Norwegian Book Clubs (handout)

**Week 14 (11/28):** Strategic Plan Presentations

**Strategic Plans Due!**

**Week 15 (12/5):** Closing and Recap

Case: Merck and the Recall of Vioxx (#31, C-518)

Strategic Conversation

**Week 16 (12/12): FINAL EXAMINATION** (in class, 1-4pm)