

**THIS SYLLABUS IS SUBJECT TO CHANGE. PLEASE SEE BLACKBOARD FOR THE LATEST UPDATE.**



**BUAD497 – Strategic Management**

**Fall 2014 – 15095R – M/W 12-1:50pm WPH 207**

**15093R – M/W 4-5:50pm ACC 201**

**15098R – M/W 6-7:50pm ACC 201**

**Professor: Yong Paik, Ph.D.**

**Office: Hoffman Hall (HOH) 510**

**Office Phone: 213-740-7646**

**Office Hours: MW 11:00 a.m. – 12:00 p.m. or by appointment.**

**E-mail: [Yongwook.Paik@marshall.usc.edu](mailto:Yongwook.Paik@marshall.usc.edu)**

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**Course Description**

This course introduces the concepts, tools, and first principles of strategy formulation and competitive analysis. It is concerned with managerial decisions and actions that materially affect the success and survival of business enterprises. The course focuses on the information, analyses, organizational processes, skills, and business judgment managers must use to design strategies, position their businesses and assets, and define firm boundaries, to maximize long-term profits in the face of uncertainty and competition.

*Strategic Management (BUAD 497)* is an integrative and interdisciplinary course in two important respects:

1. The course assumes a broad view of the environment that includes competitors, buyers/consumers, suppliers, technology, economics, capital markets, and government both locally and globally. It assumes that the external environment is dynamic and characterized by uncertain changes. In studying strategy, this course draws together and builds on all the ideas, concepts, and theories from your functional courses such as Accounting, Economics, Finance, Marketing, Organizational Behavior, and Statistics. However, it is much more than a mere integration of the functional specialties within a firm.
2. The course takes a *general management* perspective. It views the firm as a whole, and examines how policies in each functional area are integrated into an overall competitive strategy. We designed this course to develop the “general management point of view” among participants. This point of view is the best vantage point for making decisions that affect long run business performance. The key strategic business decisions of concern in this course involve determining and shaping organizational purpose to evolving opportunities, creating competitive advantages, choosing competitive strategies, securing and defending sustainable market positions, and allocating critical resources over long periods. Decisions such as these can only be made effectively by viewing a firm *holistically*, and over the long term.

This course is intended to help you develop skills for formulating and implementing strategy. These skills will help you in whatever job you take after graduation as well as in your personal investing and employment choices. The strategy formulation and integrative process demands the mastery of a body of analytical tools and the ability to take an integrative point of view. You will develop these skills through:

- In-depth analysis of industries and competitors
- Prediction of competitive behavior
- Techniques for analyzing how firms can develop and sustain competitive advantages over time

NOTE: BUAD 497 is a core course taught by several instructors. Policies regarding assignments and grading may vary slightly for each instructor. Be sure to refer ONLY to this syllabus.

**Learning Goals:** In this class, emphasis will be placed on the USC Marshall School of Business learning goals as follows:

Goal	Description	Course Emphasis
1	Our graduates will understand types of markets [and industries] and key business areas and their interaction <i>to effectively manage different types of enterprises</i>	High
2	Our graduates will develop a global business perspective. They will understand how local, regional, and international markets [and industries], and economic, social and cultural issues impact business decisions <i>so as to anticipate new opportunities in any marketplace</i>	High
3	Our graduates will demonstrate critical thinking skills <i>so as to become future-oriented decision makers, problem solvers and innovators</i>	High
4	Our graduates will develop people and leadership skills to promote their effectiveness as <i>business managers and leaders</i> .	Moderate
5	Our graduates will demonstrate ethical reasoning skills, understand social, civic, and professional responsibilities and aspire to add value to society	High
6	Our graduates will be effective communicators <i>to facilitate information flow in organizational, social, and intercultural contexts</i> .	Moderate Low

### **Overview of the Course Organization to Achieve the Marshall Learning Goals**

*The course is composed of five interrelated modules that build on each other. Each module seeks to accomplish three objectives of cognitive understanding, skill building, and evaluative thinking that lead to the overall Marshall Learning Goals above: (1) develop cognitive understanding of terminology and relationships the purpose of which are to help you develop factual and conceptual knowledge about the field of strategic management, (2) skill in being able to perform specific forms of analysis the purpose of which is to help you develop procedural knowledge specific to the field of strategic management and metacognitive knowledge in how to go about solving problems in strategic management, and (3) critical thinking in evaluating the competing alternatives as well as the empirical evidence that exists currently concerning the use and mis-use of the concepts and analyses covered the purpose of which is to help you develop knowledge in gathering, categorizing, analyzing, interpreting, and evaluating information. All of the graded elements of this course are based on assessing your ability to demonstrate specific knowledge in these areas.*

*Module I -External Analysis with specific focus on “Industry & Competitor Analysis (ICA)”.*

- 1. Be able to distinguish industries from markets and to identify industry conditions most appropriate for using the ICA framework, be able to identify the sources for bargaining power among rivals and buyers, suppliers, and the relationships between bargaining power among*

*rivals/buyers/suppliers as well as substitutes and barriers to entry. Be able to identify competitive groups within industries as well as generic competitive strategies.*

- 2. Be able to analyze appropriate industry situations as a new entrant or incumbent where ICA is more or less appropriate.*
- 3. Be able to use the ICA analysis to predict likely direction for future competitive moves by rivals.*

*Module II -Internal Analysis with specific focus on the “Resource-Based View (RBV) of the Firm.”*

- 1. Be able to identify resources from capabilities and competencies. Be able to identify the causes of sustainable competitive advantage. Be able to identify how core capabilities can become core rigidities.*
- 2. Be able to identify and recommend alternative courses of action for capabilities NOT becoming rigidities.*
- 3. Be able to use the resource based view of the firm to diagnose problems with firm competitive advantage and recommend alternative courses of action for correction.*
- 4. Be able to conduct a "stake-holder" analysis.*
- 5. Be able to recommend alternative courses of action for creating dynamic capabilities.*

*Module III -Analysis of competitive interactions known as “Competitive Dynamics.”*

- 1. Be able to identify dynamics in competitive rivalry including competitive action and response, first-mover advantage, co-opetition, multipoint competition, winner take all, and envelopment in technology-based industries.*
- 2. Be able to develop a business model to diagnose the industry dynamics.*
- 3. Be able to analyze underlying dynamics co-opetition strategies and make appropriate recommendations for acting both proactively and defensively.*
- 4. Be able to analyze underlying dynamics of winner take all situations and make appropriate recommendations for acting both proactively and defensively.*
- 5. Be able to analyze underlying dynamics of envelopment and make appropriate recommendations for acting both proactively and defensively.*

*Module IV- Analysis of Corporate Strategy with specific focus on corporate strategy dealing with: (1) resource allocation among different lines of business within a corporation, and (2) the boundary of the firm with focus on the approach known as transaction cost economics (TCE).*

- 1. Be able to identify how firms allocate resources among related and unrelated businesses and how these processes can enhance or destroy synergy.*
- 2. Be able to use the experience curve to estimate cost advantages, the growth-share matrix, and the industry-attractiveness/business strength matrices to recommend resource allocation across a firm's portfolio of businesses.*
- 3. Be able to explain the different assumptions as well as the pros and cons of alternative approaches for corporate resource allocation.*
- 4. Be able to identify why firms change their boundaries such as diversification, mergers and acquisitions, divestiture, and alliances.*
- 5. Be able to use the TCE approach to recommend strategies for vertical and horizontal changes in the boundary of the firm.*

*Module V- Analysis of Corporate Strategy with specific focus on corporate strategy dealing with international competition.*

- 1. Be able to identify why firms expand internationally and the forms of strategies they use.*
- 2. Be able to analyze international rivalry and recommend alternative strategies for both initiation and defense.*

## **Course Materials**

**Case Package:** The assigned cases and outside readings for this course are available from the University Book Store.

**Text:** Grant, Robert M. and Judith Jordan. Foundations of Strategy. NY: John Wiley & Sons, Ltd., 2012. This text is available through the bookstore, on-line (e.g., Amazon), or in e-format (www.wiley.com).

**3x5 Cards:** Please bring a deck of 3x5 cards to every class to record your participation (see description of class participation).

**Blackboard (Bb):** I use Bb as my primary method of communicating with you. In addition to direct communications you will also find additional materials posted to Bb including any syllabus updates, an overview of each session including your required preparation, copies of required and supplemental reading, as well as news posts. You should check Bb *daily* for any new information posted relevant to upcoming sessions.

You can access Bb either by going to <http://totale.usc.edu/webapps/portal/frameset.jsp> or by going through the “My Marshall” portal <http://mymarshall.usc.edu>. You will need your UNIX password for either site.

## **IMPORTANT:**

Since e-mails that I sent to the class originate from the Bb system, it is your responsibility for the accuracy of your e-mail address to Bb by insuring that your Bb account settings forward your messages to your preferred internet provider (IP) account such as your correct USC e-mail address, AOL, G-Mail, Hotlink, etc.

## **Prerequisites and/or Recommended Preparation:**

- **Prerequisite:** 1 from ([BUAD 250b](#) or [BUAD 281](#) or [BUAD 305](#)) and ([BUAD 304](#) and [BUAD 307](#)) and 1 from ([BUAD 215](#) or [BUAD 306](#)) and 1 from ([BUAD 302](#) or [BUAD 302t](#))
- **Corequisite:** 1 from ([BUAD 311](#) or [BUAD 311t](#))

## **Course Notes:**

**Participation.** Case courses, unlike lecture courses, depend for their success on student commitment, participation, and engagement in discussing the issues presented in the cases by collectively analyzing the case issues, recommending solutions, and evaluating alternative ways of implementing them. Therefore, your participation in the analysis is critically important for others as well as your learning! All missed classes result in a loss in class contribution and participation points for that day. Habitual lateness (and leaving class early), for whatever reason, will be noted as evidence of low course commitment.

**Participation Cards:** At the end of each case discussion, students who actively participated in the discussion should turn in a Participation Card on one of the 3x5 cards from the deck you bring to class each session. These cards should list your name, the date, the case discussed that day, and a synopsis of your contributions during that day’s discussion. The Participation Cards will be used in combination with my own daily evaluations to determine your participation grade for the day. For this purpose, please purchase a package of 3x5 index cards and bring them to each class.

**Grading Policies:** Your course grade is based on both an individual and a group portion. *Please note that you must successfully pass (at least 50% of the available points) both the individual and the group effort portions of the course. That is, if your performance on either the individual effort or your group effort portion of is unsatisfactory, it will not be brought up by a good grade on the other part. In addition, in order to pass this course successfully, a passing grade (> 50%) must be achieved in each evaluation component listed below.*

<u>Individual Effort (75% of the total)</u>	<u>Weights in Total</u>
Quizzes (best 4 of 5):	15%
Midterm Exam:	15%
Final Exam:	20%
Classroom preparation, homework, participation, and commitment (Appendix B):	20%
Research participation:	5%
<u>Group Effort (25% of the total)</u>	
Group project final paper, oral presentation, peer evaluation	25%
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Total	100%

Final grades represent how you perform in the class relative to other students. Your grade will not be based on a mandated target, but on your performance. Historically, the average grade for this class is about a (B). Three items are considered when assigning final grades:

1. Your average weighted score as a percentage of the available points for all assignments (the points you receive divided by the number of points possible).
2. The overall average percentage score within the class.
3. Your ranking among all students in the class.

The distribution of grades will closely follow the guidelines of the Marshall School of Business.

**Individual Quizzes.** There will be five quizzes during the course to test your level of understanding of the previous material covered. Quizzes are scheduled for the beginning of class on the first session following the end of a previous section or module and will only cover that section/module (i.e., not cumulative). Quizzes will be 25 multiple choice or short answer questions taken from the assigned material (e.g., readings, text, articles posted in Bb, and lecture/discussions). No make-up opportunities are available if you are absent or late but the lowest quiz score will be dropped.

**Individual Mid-Term.** There will be one mid-term exam covering the first two modules: ICA and RBV. The mid-term exam will be 50 multiple-choice or short-answer essay questions and will cover the material (e.g., readings, cases, text, lectures, and discussions) up to that point in the course.

**Individual Final Exam.** The final exam is scheduled according to the University's final exam schedule (see calendar at end of this syllabus for date). It will be a two hour comprehensive exam covering all of the modules and material (e.g., readings, cases, text, lectures, and discussions). The format will be 50 multiple-choice or short-answer questions similar to the mid-term exam.

**Classroom preparation, homework, participation, and commitment.** This part of your grade will be based on effective contributions to class discussions, turned-in homework assignments, and participation in research activities. Appendix B shows the behaviors associated with the different possible scores.

**Short Assignments** You are required to complete five (5) case analyses. If you wish, you may submit two case analyses in a module (see below for each module) and only the best one will count towards your final grade. The case analyses are of different types. Some require the application of particular analytical tools or models to a case. Others require you to provide recommendations to the company featured in a particular case. Case analyses will typically consist of your key recommendations to the managers in a case, along with the supporting logic for those recommendations. They should be presented in memo format (bullet points are acceptable if the points are explained sufficiently). You should identify the strategic problems facing the managers, state your position as what the managers in the case should do, and support that position using strategic logic. You should not use precious space rehashing facts from the case. Instead, key facts should be used (sparingly) to help justify particular recommendations. That is, do not simply restate what the case writer has said in other words. Go beyond the facts provided by the case writer by doing some new analysis of the situation facing the managers. Then develop recommendations based on the analysis. Also, when making recommendations, do not dwell on things that the company is already doing. Instead, focus on things the company is not yet doing, but probably should, according to your analysis.

**You must do at least one Case Analysis from each of the following modules:**

✓	<b>Module 1: Industry &amp; Competitive Analysis</b>
	Cola Wars Continue
	RTE Cereal

✓	<b>Module 2: Internal Analysis</b>
	Apple Inc. in 2012
	Samsung Electronics
	Cirque du Soleil
	Google Inc.

✓	<b>Module 3: Competitive Dynamics</b>
	Dogfight over Europe: RyanAir (A)
	Competitive Dynamics in Home Video Games (A) & (B)
	Bitter Competition: Holland Sweetener vs. Nutrasweet (A)
	A350 XWB: Airbus' answer to Boeing's Dreamliner
	Gucci Group 2009

✓	<b>Module 4: Corporate Strategy</b>
	The Walt Disney Co.: The Entertainment King
	PepsiCo's Restaurants
	Kodak and Digital Revolution (A)

✓	<b>Module 5: Internationalization</b>
	P&G Japan: The SK-II Globalization Project
	Grolsch
	Olam International
	Cappuccino Trail: The Global Economy in a Cup

**Policies for Case Analysis assignments:**

1. ***Late case analysis assignments will not be accepted. No excuses, no exceptions. Students must submit Case Analysis assignments through Turnitin within Blackboard.***
2. ***Case analysis assignments must be typed in 12-point font with one-inch margins around the page.***

**Participation in class discussions:** Because case courses require active participation in order to advance the learning of all participants, your overall commitment and attitude toward this course, and your daily active *verbal* participation in case discussions, will be closely monitored. In grading class commitment and participation, I will consider both the quantity and quality of your class contributions. Class participation is obviously a function of your preparation, skills, attitude, and willingness to commit yourself actively in front of colleagues and me. A classroom is a cost-free environment for experimenting and learning to "play the game." Make use of it. Shyness is no excuse.

With regard to quality, the dimensions include:

*Relevance* -- does the comment bear on the subject at hand? Comments that do not link up with what the discussion is focusing on can actually detract from the learning experience.

*Causal Linkage* -- are the logical antecedents or consequences of a particular argument traced out?

Comments that push the implications of a fact or idea as far as possible are generally superior.

*Responsiveness* -- does the comment react in an important way to what someone else has said?

*Analysis* -- is the reasoning employed consistent and logical?

*Evidence* -- have data from the case, assigned readings, from personal experience, from general knowledge been employed to support the assertions made?

*Importance* -- does the contribution further our understanding of the issues at hand? Is a connection made with other cases we have analyzed?

*Clarity* -- is the comment succinct and understandable? Does it stick to the subject or does it wander?

*Course Preparation and Knowledge Evaluation:* To evaluate your course preparation and your understanding of course materials, homework, quizzes, case notes, short case analysis write-ups and/or in-class presentations may be used throughout the semester.

I will call on students *at random*, to take the lead in various aspects of class discussions at least once or twice during the semester. If you are not present, are late, or are not sufficiently prepared to make a substantial contribution to the class discussion, you will lose points for class contribution. If you make helpful comments, you will accumulate points for class contribution. Since it is unlikely that there will be enough opportunities to call on each of you more than once or twice, be warned that failure to be thoroughly prepared, on all occasions, can be devastating to your overall grade.

I score each of you at the end of each case discussion session using a 2 if you are present that changes to a 1 if you are late or leave early. For efforts above sitting in class, I upgrade to a 3, 4, or 5 depending on the quality of your participation.

Attempts to dominate class discussion rarely result in consistent and significant contributions. Based on these scores, your participation cards, and peer evaluations I assign participation/commitment scores for the final point total based on the scoring sheet (developed several years ago by students at Marshall) in Appendix B.

**Research Participation:** The University of Southern California, of which you are a member, is one of the world's leading research universities. The Marshall School of Business is also a leading center of research within its scholarly domain including strategic management, organizational behavior, marketing, finance, accounting, and data sciences. This recognition by the outside community enhances the value of your degree to employers as well as to other educational institutions to which you may subsequently apply for further education. Research universities are distinguished by not just educating students in past

knowledge but also by being the primary engine that creates new knowledge for the advancement of society. Research within the Marshall School takes several forms such as historical analysis of published records, participant observation and in-depth interviews, surveys of current business practices, and laboratory research. You have an obligation as a student member of the University's scholarly community to contribute to the research mission because you personally benefit from the results of this research in your education by learning the latest information from leading research scholars in their field and the reputation by association you enjoy now as a student and in the future as a graduate. The stronger this reputation becomes over time, the more you personally benefit long after your days as a student. Therefore, there is a mandatory research requirement as part of your education in the Marshall School in this course. You can choose one of two options to fulfill this requirement. Please note that, if you do not complete one of these two options, you will lose the points for this part of your grade.

#### Option 1:

First, you can participate in research studies. To do this, you will attend sessions outside of class, conducted by researchers in MOR at Marshall. You will earn ½ credit or 1 credit for each separate study you complete; most sessions are no more than an hour long. You will need to obtain 4 credits during the semester in order to fulfill the research requirement. If you choose this option, please register for an account at <http://marshall-mor.sona-systems.com/> (see instructions posted separately to Blackboard) no later than Friday, September 5, 2014. **Those who do not register or reactivate by this date will be required to complete Option 2.** After you verify your account, you will need to check the site regularly to find open studies and sign yourself up for appointments. Studies are scheduled throughout the semester, on various days and times. It's important that you complete your credit early; if you wait until the end of the semester, there may not be enough studies available. You are not guaranteed an available study spot. *Please note: If you earn your first 3 credits by showing up to ALL of your scheduled sessions, on time, then you will earn your 4th credit "free," as a bonus. That is, the system is "earn three, get one free"-- again, provided that you show up to all three early sessions as scheduled and on time.* To receive full participation points, you must earn your first credit by Friday, October 17, 2014. Your other credits can be earned any time before Friday, December 5, 2014 (the last day of classes). As a courtesy to the researcher and other students waiting for spots, please use the online system to cancel your appointment ASAP if you can't make it.

#### Option 2:

Your second way to complete the research requirement is to write 3 short, 3-page research papers on topics prearranged with your discussion instructor or 497 professor. Students must be aged 18 or older by Friday, October 17, 2014 in order to choose Option 1; otherwise, you will need to use Option 2. Papers must be turned in no later than Friday, December 5, 2014 to me.

**IMPORTANT NOTES:** (A) If you already have a research study account from a past BUAD 304 or BUAD 497 course, you will need to email the administrator from the website in order to request **account reactivation**. Past credits earned CANNOT be used for current courses. (B) If you are enrolled for Marketing BUAD 307, please make sure you visit the Marketing research study website your Marketing Professor has given you. Please see your Marketing syllabus. Each course has its own unique Sona Systems web address. **Credits will NOT transfer from one class to the other for credit fulfillment, no exceptions.**

**Group Project.** The group project is a team exercise. The main idea of the term project is to conduct an in-depth study of a particular industry, and to compare and contrast the competitive strategies of a firm (or a group of firms) within the industry. The group is free to choose the industry and the specific firm(s) it will analyze. However, if I believe the industry and/or firm you choose are not appropriate, I may advise you to choose a different industry and/or firm. **Detailed instructions regarding the term project will be posted on blackboard. SUBJECT TO CHANGE: Please see Blackboard for the latest version.**

☐ **Written Report:** Your report should include three major parts such as (1) an industry analysis (including a brief history of the industry and future directions of the industry as a whole if appropriate),

(2) a strategic analysis of the firm(s) of interest (including firm histories and strategic strengths & weaknesses, evaluations of firm's strategy), and (3) practical recommendations for the future.

□ **Presentation:** All groups will present their solutions. The presentation allows the team to report its analysis and recommendations to the class. The exact presentation time and date for each team will be assigned. The presentation will also be graded on a group basis. You will receive comments and from all class participants on your presentation. Clarity and creativity are strongly encouraged in the presentation.

□ **Peer Evaluations:** Each of you will complete a peer evaluation of the members of your group. The peer evaluation form is in the Appendix and will also be posted on Blackboard. Your peer evaluation form is due no later than the last day of class.

**TIP: if you experience any group-related problem (e.g., free rider, conflict, etc.), please contact me immediately.** Only one firm may be chosen by each group, so I encourage you to sign-up for one as soon as possible but not later than the 6<sup>th</sup> session (9/15/14).

### **Assignment Submission Policy:**

This term we will be using the Blackboard (Bb) feature called, "Turn-it-In". I have placed a link to each assignment in both the Homework Assignments folder and the Outside Project folder. It provides a means for providing you with comments directly on your papers and should expedite the feedback to you on your performance. Turn-it-In is linked to a large database to check for plagiarism (see Academic Integrity below) as well as providing an efficient means for grading assignments without either clogging other e-mail systems or using paper. The feedback provided to you by the "Turn-it-In" system will include a receipt as well as an indication of the percent of plagiarized material from other sources contained in its database.

The "Turn-it-In" system requires an opening and closing window for submissions (papers cannot be submitted either too early or late). As a result, the window closes at the deadline set into the computer. No papers will be accepted by the system after this computerized clock is set to close which is always the date and time announced (usually midnight the day before the assignment is discussed). As young adults nearing college graduation you are expected to have developed good professional work habits including meeting time deadlines.

A word about late work: Late work in the "real world" is often grounds for dismissal and you should have learned this lesson early in your education rather than now as you near graduation. An inability to turn in the correct assignment, carefully executed, on time reflects badly on all past, current, and future Trojans and damages the reputation and consequently the market value of the degree and experience that you, your family, and fellow Trojans have worked so hard to attain. Therefore, you are advised to turn in your assignments through the "Turn-it-In" system before the time window closes (this is done automatically by the computer at midnight, i.e., 11:59 p.m.). Any work submitted or turning in the incorrect assignment after this deadline will not be accepted and will not be graded resulting in a "0" for the assignment.

### **Evaluation of Your Work:**

You may regard each of your submissions as an "exam" in which you apply what you've learned according to the assignment. I will do my best to make my expectations for the various assignments clear and to evaluate them as fairly and objectively as I can. If you feel that an error has occurred in the grading of any assignment, you may, within one week of the date the assignment is returned to you, write me a memo in which you request that I re-evaluate the assignment. Attach the original assignment to the memo and explain fully and carefully why you think the assignment should be re-graded. Be aware that the re-evaluation process can result in three types of grade adjustments: positive, none, or negative.

### **Add/Drop Process**

If you are absent six or more times prior to 11/14/14 (the last day to withdraw from a course with a grade of “W”), I may ask you to withdraw from the class by that date. These policies maintain professionalism and ensure a system that is fair to all students.

### **Retention of Graded Coursework**

Final exams and all other graded work which affected the course grade will be retained for one year after the end of the course *if* the graded work has not been returned to you (i.e., if I returned a graded paper to you, it is your responsibility to file it, not mine).

### **Technology Policy**

Laptop and Internet usage is not permitted during academic or professional sessions unless otherwise stated by me. Use of other personal communication devices, such as cell phones, is considered unprofessional and is not permitted during academic or professional sessions. ANY e-devices (cell phones, PDAs, I-Phones, Blackberries, other texting devices, laptops, i-Pads, and i-Pods) must be completely turned off during class time. Upon request, you must comply and put your device on the table in off mode and FACE DOWN. You might also be asked to deposit your devices in a designated area in the classroom. Videotaping faculty lectures is not permitted due to copyright infringement regulations. Audiotaping may be permitted if approved by me. Use of any recorded or distributed material is reserved exclusively for the USC students registered in this class.

### **Statement for Students with Disabilities**

Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me as early in the semester as possible. DSP is located in STU 301 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. For more information visit [www.usc.edu/disability](http://www.usc.edu/disability).

### **Statement on Academic Integrity**

USC seeks to maintain an optimal learning environment. General principles of academic honesty include the concept of respect for the intellectual property of others, the expectation that individual work will be submitted unless otherwise allowed by an instructor, and the obligations both to protect one’s own academic work from misuse by others as well as to avoid using another’s work as one’s own. All students are expected to understand and abide by these principles. *SCampus*, the Student Guidebook, ([www.usc.edu/scampus](http://www.usc.edu/scampus) or <http://scampus.usc.edu>) contains the University Student Conduct Code (see University Governance, Section 11.00, while the recommended sanctions are located in Appendix A).

Students will be referred to the Office of Student Judicial Affairs and Community Standards for further review, should there be any suspicion of academic dishonesty. The Review process can be found at: <http://www.usc.edu/student-affairs/SJACS/>. Failure to adhere to the academic conduct standards set forth by these guidelines and our programs will not be tolerated by the USC Marshall community and can lead to dismissal.

### **No Recording and Copyright Notice**

It is a violation of USC’s Academic Integrity Policies to share course materials with others without permission. No student may record any lecture, class discussion or meeting with me without my prior express written permission. The word “record” or the act of recording includes, but is not limited to, any and all means by which sound or visual images can be stored, duplicated or retransmitted whether by an electro-mechanical, analog, digital, wire, electronic or other device or any other means of signal encoding. I reserve all rights, including copyright, to my lectures, course syllabi and related materials, including summaries, PowerPoints, prior exams, answer keys, and all supplementary course materials available to the students enrolled in my class whether posted on Bb or otherwise. They may not be

reproduced, distributed, copied, or disseminated in any media or in any form, including but not limited to all course note-sharing websites. Exceptions are made for students who have made prior arrangements with DSP and me.

All students are expected to be familiar with USC's Academic Integrity Policies (i.e., copying, fraudulent possession of an exam, plagiarism, submission of purchased papers, submitting the same assignment to more than one instructor) and be aware of recommended sanctions (i.e., F for the course, suspension or expulsion) associated with violating such policies. See Appendix A in the SCAMPUS Guidebook for more detail.

#### **Emergency Preparedness/Course Continuity**

In case of a declared emergency if travel to campus is not feasible, USC executive leadership will announce an electronic way for instructors to teach students in their residence halls or homes using a combination of Bb, teleconferencing, and other technologies.

Within 24 hours of the declared emergency, check Bb for announcements on how the missing course time will be made-up. USC's Bb learning management system and support information is available at [Blackboard.usc.edu](https://blackboard.usc.edu).

## **A Few Helpful Resources Suggested by Various Faculty**

### **Textbooks**

- Barney, Jay B. & Hesterly, William S., Strategic Management and Competitive Advantage: Concepts and Cases. Upper Saddle River, NJ: Prentice Hall, 2006.
- Besanko, David, Dranove, David, Shanley, Mark and Schaefer, Scott, Economics of Strategy, Third Edition, Hoboken, NJ: John Wiley & Sons, 2004.
- Grant, Robert M., Contemporary Strategic Analysis, 7<sup>th</sup> ed. West Sussex, U.K., John Wiley & Sons, 2010.
- Grant, Robert M. & Jordan, Judith; Foundations of Strategy, West Sussex, U.K., John Wiley & Sons, 2012.
- Hitt, Michael A., Ireland, R. Duane, and Hoskisson, Robert E.; Strategic Management: Competiveness and Globalization. Mason, Ohio: South-Western, 2012.
- Peng, Mike W., Global Strategy. Mason, OH: South-Western, 2006.
- Saloner, Garth, Shepard, Andrea and Podolny, Joel, Strategic Management. New York, NY: John Wiley & Sons, 2001.

### **General Reading**

- Magretta, Joan, Why Business Models Matter. Harvard Business Review, 2002.
- Porter, Michael E., What is Strategy? Harvard Business Review, November-December 1996.

### **External / Industry Analysis**

- Porter, Michael E., The Five Competitive Forces that Shape Strategy, Harvard Business Review, January 2008.

### **Internal Analysis**

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#	Date	Day	Topic	Reading and Assignments	Deliverables	G&J text
1	8/25	M	<b>Course Introduction</b>	What is Strategy?	USC – CT model	Ch. 1
2	8/27	W	Case	<i>Wal*Mart Stores Inc.</i>		
	9/1	M	Holiday			Ch. 2
<b>Module I: Industry &amp; Competitive Analysis</b>						
3	9/3	W	<b>Lecture: Industry Analysis</b>	Competitive Forces that Shape Strategy	Quiz #1 Strategy & Industry Analysis	Ch. 2
4	9/8	M	Case	<i>Cola Wars Continue: Coke and Pepsi in 2010</i>	Case Analysis Homework Due NLT midnight 9/7 (see Homework Assignment above)	
5	9/10	W	Case	<i>The Ready-to-Eat Breakfast Cereal Industry</i>	Turn-in Case Analysis Homework Due NLT midnight 9/9	
<b>Module II: Internal Analysis</b>						
6	9/15	M	<b>Lecture: Internal Analysis</b>	Creating Competitive Advantage	<i>Submit name of outside project group and firm chosen.</i> Quiz #2 (Module I)	Ch. 3 & 4
7	9/17	W	Case	<i>Apple Inc. in 2012</i>	Turn-in Case Analysis Homework Due NLT midnight 9/16	Reader: Competitive Advantage: The Value Chain and Your P&L
8	9/22	M	Case	<i>Samsung Electronics</i>	Turn-in Case Analysis Homework Due NLT midnight 9/21	
9	9/24	W	Case	<i>Cirque du Soleil</i>	Turn-in Case Analysis Homework Due NLT midnight 9/23	
10	9/29	M	Case	<i>Google Inc.</i>	Turn-in Case Analysis Homework due NLT midnight 9/28	
<b>Module III: Competitive Dynamics</b>						
11	10/1	W	<b>Lecture: Competitive Dynamics</b>	Review Modules I&II - Competitor Analysis & Business Models	Quiz #3 (Module II)	Ch. 5 & 6
12	10/6	M	<b>MIDTERM EXAM</b>	Module I&II		
13	10/8	W	Case	<i>Dog Fight Over Europe: Ryanair (A)</i>	See Bb for details. Homework Due NLT midnight 10/7	
14	10/13	M	Case	<i>Competitive Dynamics in Home video Games (A) &amp; (B)</i>	Turn-in Case Analysis Homework Due NLT midnight 10/12	
15	10/15	W	Case	<i>Bitter Competition: Holland Sweetener Co. vs. NutraSweet (A)</i>	Turn-in Case Analysis Homework. Due NLT midnight 10/14	
16	10/20	M	Case	<i>A350 XWB: Airbus' answer to Boeing's Dreamliner</i>	Turn-in Case Homework Analysis. Due NLT midnight 10/19	
17	10/22	W	Case	<i>Gucci Group N.V. (A), and Gucci Group in 2009</i>	Turn-in Case Analysis Homework. Due NLT midnight 10/21	
<b>Module IV: Corporate Strategy and Internationalization</b>						
18	10/27	M	<b>Lecture: Corporate Strategy</b>	Piskorski, "Note on Corporate Strategy"	Quiz#4 (Module III)	Ch. 7
19	10/29	W	Case	<i>Walt Disney Co.: The Entertainment King</i>	Turn-in Case Analysis Homework. Due NLT midnight 10/28	
20	11/3	M	Case	<i>PepsiCo's Restaurants – Date of latest update 2001</i>	Turn-in Case Analysis Homework. Due NLT midnight 11/2	
21	11/5	W	Case	<i>Kodak and Digital Revolution (A)</i>	Turn-in Case Analysis Homework.	

					Due NLT midnight 11/4	
22	11/10	M	<b>Lecture: International-ization</b>	Gupta & Govindarajan, "Managing Global Expansion"	Quiz #5 (Module IV up to Internationalization)	Ch. 8
23	11/12	W	Case	<i>P&amp;G Japan: The SK-II Globalization Project</i>	Last day to drop class with a "W". Turn-in Case Analysis Homework. Due NLT midnight 11/11	
24	11/17	M	Case	<i>Grolsch: Growing Globally</i>	Turn-in Case Analysis Homework. Due NLT midnight 11/16	Ch. 9
25	11/19	W	Case	<i>Olam International</i>	Turn-in Case Analysis Homework. Due NLT midnight 11/18	
26	11/24	M	Case	<i>Cappuccino Trail: The Global Economy in a Cup</i>	Turn-in Case Analysis Homework & <b>Final Group Project Due. Both due NLT midnight 11/23</b>	
	11/26	W	HOLIDAY			
27	12/1	M	Group Presentations 1			
28	12/3	W	Group Presentations 2 and <b>Course Review</b>			
	12/5	F	<b>Deadline for peer evaluation for all group assignments (homework &amp; project) and any research papers in lieu of research credit hours. Send directly to me by e-mail (not through Bb).</b>		<b>Both due NLT midnight 12/5</b>	
29	12/10	W	<b>Final Exam Section: 15093, 15098</b>	<b>15093: 4:30-6:30pm ACC 201 15098: 7:00-9:00pm ACC 201</b>		
29	12/12	F	<b>Final Exam Section: 15095</b>	<b>11am-1:00pm WPH 207</b>		

## Appendix A: Peer Evaluation

Please allocate 100 points (total) across all the members of your team apart from yourself to reflect your assessment of their individual contributions to the team effort. I will treat your assessments as confidential.

Your name: \_\_\_\_\_

Group Project Title: \_\_\_\_\_

Team-member name (excluding yourself):	Contribution:
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1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____

Total:	100
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In the space below, provide some summary comments that can be fed back to each of your team members (feel free to use the back of this sheet if you need more space):

Greatest Strength:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

Areas for Improvement:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

## **Appendix B: Participation Behaviors and Associated Scores**

### **Excellent performance range: 100 to 90**

- initiates information relative to topics discussed
- accurately exhibits knowledge of assignment content
- demonstrates excellent listening by remaining on "same page" as rest of class as demonstrated by comments
- brings up questions that need to be further explored
- clarifies points that others may not understand
- draws upon practical experience or personal opinion
- offers relevant/succinct input to class
- actively participates in simulations and classroom exercises
- demonstrates ability to apply, analyze, evaluate, and synthesize course material
- demonstrates willingness to take risk in attempting to answer unpopular questions
- completes 90-100% of homework assignments with a grade of 90% or better
- attends over 90% of all classes

### **Good performance range: 85 to 89**

- regularly participates in discussions
- shares relevant information
- gives feedback to classroom group discussions
- consistently demonstrates knowledge of reading assignments
- demonstrates ability to analyze/apply course material
- demonstrates willingness to attempt to answer questions
- completes 85-89% of homework assignments with a grade of 85% or better
- attends more than 85% of all classes

### **Fair/average performance range: 80-84**

- participates in group discussion when solicited
- demonstrates knowledge of course material
- offers clear, concise, "good" information relative to class assignments
- offers input, but tends to reiterate the intuitive
- completes 80-84% of homework assignments with a grade of 80% or better
- attends more than 80% of all classes

### **Poor performance range: 75-79**

- occasional input, often irrelevant, unrelated to topic
- reluctant to share info
- not following flow of ideas
- personal application only
- drains energy from class goals
- completes 75-80% of homework assignments with a grade of 75% or better
- attends more than 75% of all classes

### **Unacceptable performance range: <74**

- fails to participate even when specifically asked
- gives no input
- does not demonstrate knowledge of readings and cases
- shows up to class; does nothing
- shows up late or leaves early
- uses electronic entertainment devices during class (e.g., texting, e-mail, has laptop open)
- group distraction
- irrelevant discussion
- not sticking to topic
- Behaves toward others in disruptive fashion, for example, sarcastic comments aimed at others
- completes less than 75% of homework assignments
- Misses 25% or more of all classes