

## **MOR 588: Corporate Strategy and Competitive Dynamics**

Fall 2022, Monday and Wednesday, 12:30 to 1:50 pm, JKP 210

**Instructor:** Peer C. Fiss  
**Office:** Hoffman Hall 521  
**Office Hours:** 2-3 pm on class days or by appointment (email me)  
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### **COURSE DESCRIPTION AND LEARNING OBJECTIVES**

The business landscape has undergone major transformations in the past decade. New organizational forms, including platforms and ecosystems have become dominant and legacy companies have fought aggressively with M&As, restructuring, and expanding into the online space. The success of these strategies depends on the degree to which companies can influence competitive conditions through pre-emptive and other tactics. Change and renewal are continuous.

This course explores the various modes of corporate development available to managers to drive growth and change. The course objectives are as follow:

1. Arm you with tools to select the appropriate strategy for a given situation
2. Understand a variety of different business models and forms of competitive dynamics
3. Develop a framework for selecting and executing mergers and acquisitions
4. Acquire a comprehensive understanding of corporate leadership, renewal, and change
5. Show command of these skills by developing a strategic proposal for a real-world firm

This is an applied, case- and project-based course with accompanying readings to help structure your thinking. I will post case preparation questions prior to each session. The readings offer a starting point for analyzing the case, but I encourage extension of the ideas, and to integrate them across topics and cases in our discussions. Given the nature of the course, we will also apply the lessons from the cases to understand the challenges and implications of relevant recent and on-going issues. Since corporate development is a complex phenomenon that we can only discuss in parts, it is important that you evolve your own mental framework throughout the course.

### **COURSE MATERIALS**

The readings and cases for this course are available as an online case packet from Harvard Business School Publishing. To order the case pack (reader), please go to the following web address (you need this unique address to order the case pack for this course):

<https://hbsp.harvard.edu/import/966183>

You need to have a student account with HBS Publishing to get the reader. If you don't already have one, it is quick and easy to create one. Once you see the MOR 588 package, there is a button to PURCHASE MATERIALS. If you have technical difficulty, you may call Harvard Business Publishing technical support (800) 545-7685. They are available 24/7.

The remaining readings are available through Blackboard. To save costs, I use our library resources to place readings available through HBR on the course website.

I will be posting case preparation questions, lecture notes, and other information about assignments and group projects on Blackboard. Please check the Blackboard course page regularly.

## Course Requirements and Evaluation

### *Participation – 15%*

Regular attendance and participation are critical to successfully completing this course. I expect you to actively participate during class sessions and encourage you to prepare for class with your classmates. For cases, you should be prepared to set forth the core challenge facing the case protagonist(s), offer a critical assessment of the situation, and lay out cogently and persuasively a course of action. For readings, you should be prepared to outline the topic that each reading addresses, describe its central points, and offer your critical analysis of them. When cases and readings are assigned for the same day, you should be able to draw links between the case and reading in your discussion.

My evaluation of in-class participation is based on the following:

- *Relevance* – Does the comment or question meaningfully bear on the subject at hand? Irrelevant or inappropriate comments can detract from the learning experience.
- *Responsiveness* – Does the comment or question connect to what someone else has said?
- *Analysis* – Is the reasoning employed consistent and logical? Has data from course materials, personal experience, or general knowledge been employed to support the assertions/findings?
- *Value* – Does the contribution further the understanding of the issues at hand?
- *Clarity* – Is the comment concise and understandable?

During class sessions, I will frequently assume the role of a facilitator to encourage a discussion that includes perspectives from a variety of viewpoints and, secondly, to help pull together prevailing analyses and recommendations. The direction and quality of a discussion is the *collective responsibility of the class*.

*Class Participation—Behavioral Anchor Rating Scale:*

#### Excellent Performance

- Initiates information relative to topics discussed
- Accurately exhibits knowledge of assignment content
- Clarifies points that others may not understand
- Shares personal experiences or opinions related to topic
- Offers relevant / succinct input to class
- Actively participates in class exercises
- Demonstrates ability to apply, analyze, evaluate & synthesize course material.
- Demonstrates willingness to attempt to answer unpopular questions
- Builds on other students' contributions

#### Average Performance

- Participates in group discussions when asked
- Demonstrates knowledge of course material
- Offers clear, concise, “good” information on class assignments
- Offers input, but tends to reiterate the intuitive
- Attends class regularly

#### Unacceptable Performance

- Fails to participate even when directly asked

- Gives no input to discussions
- Does not demonstrate knowledge of the readings
- Shows up to class: does nothing
- Distracts group / class
- Irrelevant discussion

### ***Executive Memos – 20%***

Please select two (2) cases that will be covering during the term. For each of them, please prepare an executive memo on what has happened since the end of the case. The report should not exceed two pages double-spaced. You may attach exhibits **if they are referenced in the text**. Exhibits might include the application of a framework with clearly developed conclusions which are referenced in the memo.

Please use no more than half a page to discuss what happened after the case. **The focus of the memo should be on the lessons learned in light of the concepts and frameworks discussed throughout the course.** Accordingly, your memo should focus on the takeaways from what has happened since the case and how they generalize to help us understand corporate strategy and competitive dynamics. **The memos are due via Turnitin on Blackboard by the beginning of class on the day that we discuss the particular case you have chosen in class;** late assignments cannot be accepted for the obvious reasons.

### ***Group Project – 45%***

The group project is intended to give you the opportunity to apply your learning from the course to a real-world context that is interesting, current, and relevant. Specifically, you will prepare an analysis of and recommendations regarding a key strategic challenge of a particular corporation selected by me.

For this year, I have been able to secure the cooperation of the APM Studios, the podcast production division of American Public Media. Operating in the fast-changing digital media space, APM Studios seeks to grow aggressively through building and acquiring content. The COO of APM, Alex Schaffert, will join us towards the middle of the course to provide further information and answer your questions.

You will form teams of 6 students. **The teams should be finalized and emailed to me no later than September 15.** The deliverable will be a deck of about 20 annotated PPT slides outlining your analysis and recommendations to the Credit Union. **Group projects are due as a softcopy via Turnitin on Blackboard by 8 pm on Wednesday, November 16.** I will be evaluating all projects and assign grades for them.

In addition, the three top scoring teams will present their work to APM COO Alex Schaffer and her team, who will provide feedback on their analysis that will benefit all teams. We will also pick the winning team during this session. **Project presentation will take place on Wednesday, November 30.**

**As an additional incentive, for members of the three top scoring teams the final assignment is optional.** Members of the winning team will receive a score of 100/100 points on the final assignment regardless of whether the team members choose to submit that final assignment or not. Members of the runner-up teams will receive a score of 95/100 if they do not submit a final assignment, or if they choose to submit, the score of that assignment, whichever is higher.

### ***Final Assignment – 20%***

The final assignment is intended to demonstrate your command of the corporate strategy issues we have covered over the course of the semester. Specifically, I will be providing you with a set of articles regarding current issues in corporate strategy. Of these articles, **you will select a subset and for each of them prepare**

**an executive memo in response to the question.** The guidelines for these memos are the same as for the executive memos. The final assignment is open-notes, open-book and must be the result of entirely individual work. No collaboration of any form is permitted. You are welcome to conduct additional research beyond the articles provided and may rely on any external sources you find useful. Please be sure to properly provide credit for external sources; as you know, plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences.

The final assignment is due as a **softcopy via Turnitin on Blackboard by 8 pm on Wednesday, December 7.**

## **ADDITIONAL INFORMATION**

### **Use of Recordings**

Pursuant to the USC Student Handbook ([www.usc.edu/scampus](http://www.usc.edu/scampus), Part B, 11.12), students may not record a university class without the express permission of the instructor and announcement to the class. In addition, students may not distribute or use notes or recordings based on University classes or lectures without the express permission of the instructor for purposes other than personal or class-related group study by individuals registered for the class. This restriction on unauthorized use applies to all information that is distributed or displayed for use in relationship to the class.

### **Open Expression and Respect for All**

An important goal of the educational experience at USC Marshall is to be exposed to and discuss diverse, thought-provoking, and sometimes controversial ideas that challenge one’s beliefs. In this course we will support the values articulated in the USC Marshall “[Open Expression Statement](#).”

## **STATEMENT OF ACADEMIC CONDUCT AND SUPPORT SYSTEMS**

### **Academic Conduct:**

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Part B, Section 11, “Behavior Violating University Standards” [policy.usc.edu/scampus-part-b](http://policy.usc.edu/scampus-part-b). Other forms of academic dishonesty are equally unacceptable. See additional information in SCampus and university policies on [Research and Scholarship Misconduct](#).

### **Students and Disability Accommodations:**

USC welcomes students with disabilities into all of the University’s educational programs. The Office of Student Accessibility Services (OSAS) is responsible for the determination of appropriate accommodations for students who encounter disability-related barriers. Once a student has completed the OSAS process (registration, initial appointment, and submitted documentation) and accommodations are determined to be reasonable and appropriate, a Letter of Accommodation (LOA) will be available to generate for each course. The LOA must be given to each course instructor by the student and followed up with a discussion. This should be done as early in the semester as possible as accommodations are not retroactive. More information can be found at [osas.usc.edu](http://osas.usc.edu). You may contact OSAS at (213) 740-0776 or via email at [osasfrontdesk@usc.edu](mailto:osasfrontdesk@usc.edu).

## Support Systems:

*Counseling and Mental Health - (213) 740-9355 – 24/7 on call*

[studenthealth.usc.edu/counseling](http://studenthealth.usc.edu/counseling)

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

*National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call*

[suicidepreventionlifeline.org](http://suicidepreventionlifeline.org)

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

*Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-9355(WELL), press “0” after hours – 24/7 on call*

[studenthealth.usc.edu/sexual-assault](http://studenthealth.usc.edu/sexual-assault)

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

*Office for Equity, Equal Opportunity, and Title IX (EEO-TIX) - (213) 740-5086*

[eeotix.usc.edu](http://eeotix.usc.edu)

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants.

*Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298*

[usc-advocate.symphlicity.com/care\\_report](http://usc-advocate.symphlicity.com/care_report)

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office for Equity, Equal Opportunity, and Title for appropriate investigation, supportive measures, and response.

*The Office of Student Accessibility Services (OSAS) - (213) 740-0776*

[osas.usc.edu](http://osas.usc.edu)

OSAS ensures equal access for students with disabilities through providing academic accommodations and auxiliary aids in accordance with federal laws and university policy.

*USC Campus Support and Intervention - (213) 821-4710*

[campussupport.usc.edu](http://campussupport.usc.edu)

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

*Diversity, Equity and Inclusion - (213) 740-2101*

[diversity.usc.edu](http://diversity.usc.edu)

Information on events, programs and training, the Provost’s Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

*USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call*

[dps.usc.edu](http://dps.usc.edu), [emergency.usc.edu](http://emergency.usc.edu)

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

*USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call*

[dps.usc.edu](http://dps.usc.edu)

Non-emergency assistance or information.

*Office of the Ombuds - (213) 821-9556 (UPC) / (323-442-0382 (HSC)*

[ombuds.usc.edu](http://ombuds.usc.edu)

A safe and confidential place to share your USC-related issues with a University Ombuds who will work with you to explore options or paths to manage your concern.

*Occupational Therapy Faculty Practice* - (323) 442-3340 or [otfp@med.usc.edu](mailto:otfp@med.usc.edu)  
[chan.usc.edu/otfp](http://chan.usc.edu/otfp)

Confidential Lifestyle Redesign services for USC students to support health promoting habits and routines that enhance quality of life and academic performance.

## **ABOUT YOUR PROFESSOR**

Peer Fiss is the Jill and Frank Fertitta Chair of Business Administration and a Professor of Management & Organization, and Sociology (by courtesy). He is also the Associate Vice Dean for Research for the Marshall School. He is an expert on strategic management, change, and organization. His recent work has focused on strategies for establishing products and business models in newly emerging industries, the challenges of configuring firms for high performance, and set analytics. At Marshall, Peer teaches courses at the MBA and executive level. He speaks to Fortune 500 companies on a variety of issues around their strategic planning processes. Peer was the 2015 winner of the Golden Apple teaching award for the MBA Core. He is also the winner of a 2015 USC Mellon Mentoring Award for mentoring graduate students and the winner of the 2020 Marshall Faculty Award for PhD Mentoring. He holds a Ph.D. from Northwestern University and a master's degree from the University of Hamburg.

COURSE SCHEDULE				
Session	Date	Topic	Case	Reading
1	22-Aug	Introduction to the course		
2	24-Aug	Opening case	Alphabet Eyes New Frontiers #9 717 418	
3	29-Aug	Frameworks		Creating Corporate Advantage
4	31-Aug	Related Diversification: Vertical	Arauco (A): Forward Integration or Horizontal Expansion?	
	5-Sep		<b>Labor Day</b>	
5	7-Sep	Related Diversification: Product/Skill	International Management Group (IMG)	
6	12-Sep	Unrelated Diversification		Strategies of Unrelated Diversification;
7	14-Sep	Unrelated Diversification	Danaher Corporation	
8	19-Sep	Unrelated Diversification	Danaher Corporation	
9	21-Sep	Unrelated Diversification	House of Tata—1995: The Next Generation (A)	From dodo to phoenix; Avoiding the dinosaur trap
10	26-Sep	Review of issues in diversification		
11	28-Sep	Business Model and Platform Competition	Walmart, Inc. takes on Amazon.com	
12	3-Oct	Business Model and Platform Competition	Voice Wars	
13	5-Oct	Business Model and Platform Competition	The Video Streaming Wars in 2019: Can Disney catch Netflix?	
14	10-Oct	Business Model and Platform Competition	Redfin: Redefine Real Estate,	Why Some Platforms Thrive and Others Don't
15	12-Oct	Focus Case: AMP Studios	Visit by Alex Schaffert, COO, APM Studios	Strategic Planning materials for AMP Studios
16	17-Oct	Focus Case: AMP Studios	Visit by Alex Schaffert, COO, APM Studios	
17	19-Oct	Acquisitions		Mergers and Acquisitions: Overcoming pitfalls...
18	24-Oct	Acquisitions	Cadbury Schweppes: Capturing Confectionery (A)	

19	26-Oct	Acquisitions	Cadbury Schweppes: Capturing Confectionery (B)	
20	31-Oct	Acquisitions	\$19B 4 txt app WhatsApp ....omg!	
21	2-Nov	Acquisitions	No class -- work on group projects	
22	7-Nov	Acquisitions	PepsiCo's Restaurants	
23	9-Nov	Organizational Structure		Corporate Strategy and Structure
24	14-Nov	Organizational Structure	Procter & Gamble: Organization 2005	
25	16-Nov	Organizational Structure	Unilever's New Global Strategy: Competing Through Sustainability	
26	21-Nov	Open Content – we may use this class to catch up on current issues or final issues related to the group projects		
	23-Nov		<b>Thanksgiving</b>	
27	28-Nov	Conclusion/Recap/Questions	Course wrap up	
28	30-Nov	Project Presentation	Project Presentation	

**Appendix I. MARSHALL GRADUATE PROGRAMS LEARNING GOALS**

Marshall Graduate Program Learning Goals	MOR 588 Objectives that support this goal	Assessment Method*
<p><b><i>Learning Goal #1: Develop Personal Strengths.</i></b>  <b>Our graduates will develop a global and entrepreneurial mindset, lead with integrity, purpose and ethical perspective, and draw value from diversity and inclusion.</b></p>		
<p>1.1 Possess personal integrity and a commitment to an organization’s purpose and core values.</p>		
<p>1.2 Expand awareness with a global and entrepreneurial mindset, drawing value from diversity and inclusion.</p>	1-4	Class discussion, executive memos, group project, final assignment
<p>1.3 Exhibit awareness of ethical dimensions and professional standards in decision making.</p>	1-5	Class discussion, executive memos, final assignment
<p><b><i>Learning Goal #2: Gain Knowledge and Skills.</i></b>  <b>Our graduates will develop a deep understanding of the key functions of business enterprises and will be able to identify and take advantage of opportunities in a complex, uncertain and dynamic business environment using critical and analytical thinking skills.</b></p>		
<p>2.1 Gain knowledge of the key functions of business enterprises.</p>	1, 2	Class discussion, executive memos, group project, final assignment
<p>2.2 Acquire advanced skills to understand and analyze significant business opportunities, which can be complex, uncertain and dynamic.</p>	1-5	Class discussion, executive memos, group project, final assignment
<p>2.3 Use critical and analytical thinking to identify viable options that can create short-term and long-term value for organizations and their stakeholders.</p>	1-5	Class discussion, executive memos, group project, final assignment

<p><b><i>Learning Goal #3: Motivate and Build High Performing Teams.</i></b>  <b>Our graduates will achieve results by fostering collaboration, communication and adaptability on individual, team, and organization levels.</b></p>		
<p>3.1 Motivate and work with colleagues, partners, and other stakeholders to achieve organizational purposes.</p>		<p>Group project</p>
<p>3.2 Help build and sustain high-performing teams by infusing teams with a variety of perspectives, talents, and skills and aligning individual success with team success and with overall organizational success.</p>		
<p>3.3 Foster collaboration, communication and adaptability in helping organizations excel in a changing business landscape.</p>		<p>Class discussion, group project</p>