

MHR 7413 Syllabus v2 October 17, 2016
ADVANCED STRATEGIC ANALYSIS

Jeff Rodek
Fisher College of Business
The Ohio State University Fall 2016

Email: rodek.2@osu.edu

Phone: (614) 247-8812

Office: Fisher 634

Office Hours: By Appointment

Class: Monday & Wednesday 10:15 – 11:45am

Gerlach 315

The objective of *Advanced Strategic Analysis* is to improve your ability to analyze a firm's competitive situation and related strategies to create competitive advantage in a more realistic setting than is possible using the traditional case method. While many MBA level business courses offer insight into the basic strategy frameworks and tools, few students leave their MBA education adequately prepared to undertake the tasks associated with rigorous strategic analysis in real situations. Often this lack of preparation is due to difficulties students have translating the insights presented in conceptual lectures or pre-packaged case discussions to ill-structured, real-world business problems. This course emphasizes analysis of "real-world" firms.

We accomplish this objective by first briefly reviewing the theoretical frameworks and supportive tools for analyzing firms that you learned in the core strategy course among others. From here we go deeper to apply these frameworks and tools to firms using real-time raw data from industry sources. Overall, this course seeks to help students to bridge the gap between evaluating firms from a theoretical perspective via preset case studies and real-world analysis where you must identify the relevant information for evaluating a firm's profitability growth prospects and the sources of improved, if not sustainable competitive advantage within that industry. The ability to use these frameworks and tools appropriately helps student to efficiently identify relevant information embedded in massive amounts of publicly available data and information, how to assess the relationships among key variables highlighted by management theory, and how to interpret those relationships to develop educated opinions regarding the value creation opportunities in an industry and the viability of a firm's strategy in a specific context. Ultimately, the course is designed to provide opportunities to link theories from one's coursework with field data in order to create well-grounded insights about a firm.

The pedagogical approach taken in *Advanced Strategic Analysis* involves a mixture of discussion sessions and experiential workshops. The discussion sessions review the conceptual underpinnings and propositions associated with fundamental frameworks and tools of firm analysis, present examples of how these tools may be applied in practice, and provide recommendations to guide students in their own data collection and analysis efforts. In experiential workshop sessions students are asked to collect publicly available information regarding a well-known firm, conduct their own examination of the issues facing that firm, and present their analysis to the class as a whole. Group discussions accompany these workshops and offer opportunities for students to draw inferences from the data, practice identifying competitive issues, and discuss potential managerial activities that may address these issues. Ultimately, the process is designed to allow students to look at a firm through the lens of management theory to gain an accurate and comprehensive understanding of the company.

COURSE REQUIREMENTS AND GRADING

Required Materials:

- **Book:** Zenger, Todd. (2016). *Beyond Competitive Advantage: How to Solve the Puzzle of Sustaining Growth while Creating Value*. Boston: Harvard Business Review Press.
- Other readings will be available either in a digital course pack (HBS) or via links in Carmen.
- I reserve the right to add readings (*an example might be an article published after our first class*) or slightly modify assignments during the course.

Grading:

The overall course grade will reflect your performance in terms of the:

- Individual Assignment 1 (10 %)
- Team Assignment *interims* A&B (10 %)
- Team Assignment *final* (30 %)
- Class Participation (20 %)
- Individual Assignment 2 (30 %)
100 %

The requirements of the course are identical for everyone. This means it is not possible to “make up” for poor performance or absences through “extra credit” work. As required by school policy, grading will be based on relative rather than absolute standards, with an average grade likely to be 3.6 or lower.

Individual Assignment 1 DRAFT

Each student will write a 2 page paper analyzing a public firm of their choice.

Elements will *tentatively* include

- Vision
- Mission
- Industry & Market position
 - Revenue Market Share
 - Valuation
- Brand Image
- 2-3 key strategies
- Citations regarding data & information sources are required.

The detailed prospectus will be available in Carmen.

Individual Assignment 2 DRAFT

Each student will write a paper with the following requirements (approximately 4 pages):

- Key lessons learned in the course
- Final Competitive Analysis of selected firm
 - *Vision*
 - *Mission*
 - *Industry & Market position*
 - *Revenue Market Share*
 - *Valuation*
 - *Brand Image*
 - *Value Chain Analysis*
 - *Analysis of 2-3 key strategies utilizing SWOT and VRIO tools*
- Citations regarding data & information sources are required.

The detailed prospectus will be available in Carmen

Team Assignment DRAFT

Students will be assigned to teams of five or six individuals on the first day of class. Each team will be required to conduct a workshop for the course along with one other team. Two rivals within an industry will be analyzed in each workshop, with each team analyzing one of the rivals. Depending on class size (and the resulting number of teams) a workshop will comprise either a full or half class period. Teams will be responsible for conducting their own research and analysis using available data & information to develop their insights and recommendations.

The objective of the workshop is to provide students with an opportunity to examine a firm utilizing Competitive Analysis frameworks (Five Forces and Value Chain) and strategy evaluation tools (SWOT, VRIO). Each team assignment should identify:

- a. Assumptions and propositions associated with the frameworks being applied
- b. Available data to test these propositions and/or the results of your analysis
- c. Brief summary of Five Forces Analysis
- d. The firm's corporate theory
- e. Detailed analysis of the firm's Value Chain
- f. Evaluation of the firm's strategic actions (2-3) (utilize VRIO & SWOT)
- g. Evaluation of the firm's efforts to achieve stakeholder buy-in
- h. Recommended changes or additions to the firm's current strategic actions to create increased competitive advantage and achieving stakeholder buy-in
- i. Alternative actions considered but not recommended

To facilitate data collection, I suggest analyzing **public firms** to ease data collection efforts by providing access to a number of data sources (e.g., 10-Ks, published articles, corporate websites, etc.).

**This team assignment will include “checkpoint” papers and final presentation/paper.
The detailed prospectus will be available in Carmen.**

Class Participation:

Since much of our learning will occur through in class discussion, the grading plan attempts to emphasize the *quality* of your questions and the insight you provide through your comments, not just quantity.

I will assign different class members to be reporters for each class period. These students will note the contributions of their classmates; I will use this record to supplement my own contribution records.

I understand that participating in class can be an intimidating experience initially, especially in a large class. Verbal discussion is highly desirable since the entire class learning experience relies on as many as possible taking responsibility for contributing to the discussion. However, I will provide participation credit to those who come prepared and submit a very short “memo” prior to the start of class (maximum of 1 page). Simply jot down your answers/thoughts regarding the topic, assigned readings and any assignment questions for that day. The content of the “memo” is not graded but is a signal to me that you are fully prepared. I want to keep the writing burden low: bullet points, fragments of ideas, short sentences are fine. Spend your time preparing and engaging with the material, not writing prose

This is an elective course so my goal is to provide an enjoyable learning opportunity for all of us! Please arrive on time and be prepared to contribute each day!

COURSE AGENDA

Session 1: Monday, October 17
Topics: Syllabus Review, Creating Competitive Advantage, Strategy Elements, and Five Forces

Readings:

- “Perils of Bad Strategy”, Rumelt
- Beyond Competitive Advantage, (Preface, Introduction)

*Previously Assigned in Strategy & Implementation, MBA 6391 and MHR 7412

- “What Is Strategy”, Michael Porter, HBR*
- FIVE FORCES: “Understanding Industry Structure”, Porter, HBR*

Session 2: Wednesday, October 19
Topics: Strategy Development (VALUE CHAIN), Strategy Analysis Tools (VRIO and SWOT) and Finding Data and Information

Readings:

- “CEO’s, Get To Know Your Rivals”, HBR, H00X5D, Fund
- “Ethical Dimensions of Competitive Analysis”, Porter and Rangan

*Previously Assigned in Strategy & Implementation, MBA 6391 and MHR 7412

- VALUE CHAIN: “Creating Competitive Advantage,” Ghemawat & Rivkin, HBR*
- DATA GATHERING: “Finding Information for Industry Analysis”, Rivkin & Cullen
- VRIO: “A Valuable Chain: Real World Strategies...”, Barney & Clifford, HBR, 2010

Session 3: Monday, October 24
Topics: Corporate Theory

Readings:

- Beyond Competitive Advantage, (Chapter 1)

Session 4: Wednesday, October 26
Topics: Business Models and Planning Elements

Readings:

- “Why Business Models Matter”, Magretta, HBR
- “How to Write a Great Business Plan”, Sahlman, HBR

Session 5: Monday, October 31
Topic: Blue Ocean vs. Five Forces

Readings:

- “Red Ocean Traps”, Kim & Mauborgne
- “Blue Ocean Strategy”, Kim & Mauborgne, HBR
- “Identify Blue Ocean’s by mapping”, Kim & Mauborgne

Session 6: Wednesday, November 2
Topic: Role of the Board of Directors & Strategic Planning Processes

Readings:

- “The Board’s Role in Strategy Development”, De Kluyber, BEP025, 2009

Assignment: Individual Assignment 1 Due at beginning of class

Session 7: Monday, November 7
Topic: **Financing the Corporate Theory (Capital Markets & Devaluating Complex Theories)**

Readings:

- Beyond Competitive Advantage, (Chapter 3)
- “Activist Campaigns Yield Mixed Results”, WSJ, Oct. 6, 2015
- “Can Big Still Be Beautiful?” Fry, Fortune

Session 8: **Wednesday, November 9**
Topic: **Guest Speaker: S Davis, former Chairman & CEO, Bob Evans**

Readings: NONE

Assignment: **Team Checkpoint Papers (A) Due** at beginning of class

Session 9: Monday, November 14
Topic: **M&A and Other Investments**

Readings:

- Continue with Beyond Competitive Advantage, (Chapter 2)

Session 10: Wednesday, November 16
Topic: **Make or Buy; Shaping Relationships**

Readings:

- Beyond Competitive Advantage, (Chapters 4 and 5)
- “Can P&G Find Its Aim Again”, Fortune, June 16, 2016

Assignment: **Team Checkpoint Papers (B) Due** at beginning of class

Session 11: Monday, November 21
Topic: **Organizational Design and Strategic Leadership**

Readings:

- Beyond Competitive Advantage, (Chapters 6 and 7)

THANKSGIVING BREAK **Wednesday, November 23 - Friday, November 25**

Session 12: Monday, November 28

Workshop 1: **Teams 1 & 2**
Workshop 2: **Teams 3 & 4**

Assignment: **ALL Team Papers Due**

Session 13: Wednesday, November 30

Workshop 3: **Teams 5 & 6**
Workshop 4: **Teams 7 & 8**

Session 14: Monday, December 5
Topic: **Case/TBD/Guest Speaker... To be discussed in class**

Readings: (Tentative)

- “Strategies To Fight Low Cost Rivals”, Kumar
- “Angela Ahrendts (Apple Stores)”, Fortune Most Powerful Women
- “Angela Ahrendts (Burberry)

Session 15: Wednesday, December 7
Topic: **TBD/Open Discussion**

Assignment: **Final Individual Paper Due** in class on the 7th, or by the 9th via Dropbox

CLASSROOM POLICIES

Attendance. Since class participation is part of the grading consideration, attendance matters. I will circulate a sign-in sheet at the start of each class for your signature. *There will be one excused absence for the term (prior notification required via email). Any excused absences beyond the first or any unexcused absences will adversely impact your class participation evaluation, unless due to a true emergency. Excused absences are*

Regarding excused absences, I assure you I am extremely understanding about such issues, and realize that people (even MBA students!) have personal lives. I know there will be the occasional personal emergencies or business travel that comes up. I will excuse absences in the case of documented serious illness, family emergency, religious observance, civic obligations, or job interviews (but please try to avoid scheduling interviews during class sessions).

If we have a guest speaker, attendance in class is even more critical. Also, please be on time on guest speaker days rather than walk in while the speaker is already presenting. If you must arrive late, you MUST advise me in advance and I will notify the speaker before they start. In addition please stay in the room during the complete session. I trust you can understand the need for this discipline. We are collectively representing Fisher College and The Ohio State University.

Disability Services. Any student who feels s/he may need an accommodation based on the impact of a disability should contact me privately to discuss your specific needs. Please contact the Office for Disability Services at 614-292-3307 in room 150 Pomerene Hall to coordinate reasonable accommodations for students with documented disabilities.

Technology: The use of laptops, smartphones, & other electronic devices is allowed in class, except during workshops and guest lectures. Please be considerate of others if using technology in the classroom – don't be disruptive.

Academic Integrity: Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's Code of Student Conduct, and that all students will complete all academic and scholarly assignments with fairness and honesty. Failure to follow the rules and guidelines established in the University's Code of Student Conduct and this syllabus may constitute "Academic Misconduct." The Ohio State University's Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's Code of Student Conduct is never considered an "excuse" for academic misconduct. I recommend that you review the Code of Student Conduct and, specifically, the sections dealing with academic misconduct. If I suspect that a student has committed academic misconduct in this course, I am obligated personally and required by the university to report my suspicions to the Committee on Academic Misconduct (COAM). If COAM determines that you have violated the University's Code of Student Conduct (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University. If you have any questions about the above policy or what constitutes academic misconduct in this course, please contact me.
