

**San José State University**  
College of Business/School of Management (BUS3)  
BUS 189, Strategic Management, Sections 01 and 26, Spring 2017

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<b>Office Hours:</b>	Tuesdays and Thursdays 4:45 pm to 5:45 pm Other times by appointment
<b>Class Days/Time:</b>	Section 01: Tue 6:00 pm – 8:45pm Section 26: Thu 6:00 pm – 8:45 pm
<b>Classroom:</b>	Section 01: BBC 3 Section 26: BBC 205
<b>Prerequisites:</b>	100W or 100WB and graduating senior status

**Faculty Web Page and MYSJSU Messaging**

Course materials such as syllabus, handouts, notes, assignment instructions, etc. can be found on the on [Canvas Learning Management System course login website](https://sjsu.instructure.com) at <https://sjsu.instructure.com>. You are responsible for regularly checking with the messaging system through [MySJSU](http://my.sjsu.edu) at <http://my.sjsu.edu> to learn of any updates. Please make sure the email you have in MySJSU is one you check frequently

**Course Description**

From the course catalog:

Integrative capstone seminar analyzing interrelationships of managerial decisions/actions within and between the firm and its environment. Applies multi-disciplinary techniques to diagnose and recommend actions appropriate to specific company situations, using case method. Prerequisite: Any 100W. Restricted to graduating seniors only. Allowed Declared Majors: All Business Majors. Lower Division Business Pool. Graduating Senior Status.

Business 189 is a senior capstone seminar for business majors. The goal of the seminar is to learn the fundamentals of how to manage organizations strategically. Strategic management of organizations is a complex undertaking, which starts with the central question: why do some companies succeed while others fail? The course will require you to examine this question by integrating knowledge from prior business courses, while simultaneously learning and applying new strategic management concepts, principles, frameworks and methodologies. Applies multi-disciplinary techniques to diagnose and recommend actions appropriate to specific company situation, using the case method of teaching.

## **Course Goals**

1. To learn the fundamentals of strategic management in order to analyze business situations from a strategic perspective.
2. To understand the fundamental principles of and interrelationships among business functions such as: R&D, production, marketing, customer service, finance, human resources and information technology and how each contributes to or destroys business value.
3. To understand the interrelationships of business to individuals, other organizations, government and society.
4. To analyze complex, unstructured qualitative and quantitative problems, using appropriate tools.
5. To comprehend and critically evaluate information presented in written and numeric form.
6. To express ideas clearly, logically and persuasively in oral and written communication.
7. To sharpen ability to think critically, logically and strategically.

## **Lucas College and Graduate School of Business Program Goals**

(Not All Program Learning Goals are Covered in Every Course)

### **BSBA Goals:**

#### **Goal One: Business Knowledge**

Understand basic business principles and demonstrate discipline-specific competencies as applied to local and global environments.

#### **Goal Two: Communication**

Communicate ideas clearly, logically, and persuasively in oral and written format, using technology appropriately.

#### **Goal Three: Ethical Awareness**

Recognize, analyze, and articulate solutions to ethical issues that arise in business.

#### **Goal Four: Leadership, Teams and Diversity**

Comprehend the challenges and opportunities of leading and working in diverse teams and environments.

#### **Goal Five: Critical Thinking**

Comprehend, analyze, and critically evaluate complex and unstructured qualitative and quantitative business problems, using appropriate tools and technology.

#### **Goal Six: Innovation**

Recognize, analyze, and articulate strategies for promoting creativity and innovation.

## Course Learning Outcomes (CLO)

Upon successful completion of this course, students will be able to:

1. Conduct strategic analysis using analytical tools such as SWOT, 5 forces, PESTEL, and through integrating different business disciplines
2. Formulate and articulate recommendations on creating and sustaining competitive advantage
3. Participate in class discussions using case studies on real and current strategic business examples to support or illustrate point of view
4. Conduct research on a company to evaluate its strategy, competitive position, and future growth prospects

## Required Texts/Reading

### Textbook

Strategic Management 3e, Frank Rothaermel, Georgia Institute of Technology, McGraw Hill Education

### Cases

Access cases at the following link: <http://cb.hbsp.harvard.edu/cbmp/access/58065870>

See letter on last page for further details.

## Course Requirements and Assignments

Classes will consist of readings from the textbook and case discussions as detailed in the course syllabus (included below) to illustrate various strategic management concepts. Class participation is an important part of the learning process, and will comprise 25% of one's grade. A group project researching the strategy of a chosen company will demonstrate one's ability to work within a team to produce a quality report and compelling class presentation. The group project will comprise 25% of one's grade. There will be a mid-term exam and final exam which will comprise 20% and 30% of one's grade respectively.

## Exams

The mid-term exam will be conducted during class. It will be a written essay style, closed book exam

- Section 01 – Tuesday Mar 21
- Section 26 – Thursday Mar 16

The final exam will be a written essay style, closed book exam

- Section 01 – Tuesday May 23 – 5:15 pm – 7:30 pm
- Section 26 – Thursday May 18 – 5:15 pm – 7:30 pm

## **Group Projects**

Students will form a group and prepare a class presentation and written report on one of the following companies:

1. Walmart
2. Nike
3. Coca-Cola
4. H&M
5. Cirque du Soleil
6. Uber
7. Disney
8. Samsung

Issues to consider in the presentation and written report should include, but need not be limited to:

- Overview and evaluation of company's corporate strategy
- Analysis of company's competitive advantage and position in its industry
- Evaluation of how company's strategy and competitive position in its industry has evolved over time
- Assessment of company's future potential and challenges

Class presentations will be allotted 45 minutes for group presentation. Presenting group should be prepared for question/answer session after its 45 minute presentation. The written report will be due on May 11 for Section 26 and May 16 for Section 1.

Group project will be evaluated based on:

- Scope of issues, depth of research and quality of analysis in evaluating the selected company (40%)
- Depth of knowledge displayed in Q&A session (15%)
- Clear, organized and engaging class presentation and written report (20%)
- Team cohesiveness (15%)
- Time and equipment management (10%)

## **Grading Information**

- 25% class participation
- 25% group project
- 20% written mid-term exam
- 30% written final exam

## **Classroom Protocol**

Lucas College and Graduate School of Business: Program Goals and Class room policy

<http://www.sjsu.edu/cob/Students/policies/index.html>

## University Policies

Per University Policy S16-9, university-wide policy information relevant to all courses, such as academic integrity, accommodations, etc. will be available on Office of Graduate and Undergraduate Programs' [Syllabus Information web page at](http://www.sjsu.edu/gup/syllabusinfo/) <http://www.sjsu.edu/gup/syllabusinfo/>

## Lucas College and Graduate School of Business:

**Mission:** We are the institution of opportunity in Silicon Valley, educating future leaders through experiential learning and character development in a global business community and by conducting research that contributes to business theory, practice and education.

## Course Syllabus

1. Course Introduction (Thu Jan 26, Tue Jan 31)

2. What is Strategy? (Thu Feb 2, Tue Feb 7)

Reading assignments:

- Strategic Management, pp 3-15 (LO1-1 to LO1-4)
- Case: Apple Inc. in 2015
  1. What historically have been Apple's competitive advantages?
  2. Analyze the PC industry, what were the firm effects vs. the industry effects in Apple's performance?
  3. What is Apple's competitive advantage in smartphones? How is it similar or different than the PC industry?
  4. How would you evaluate Apple's competitive advantage for the Apple Watch?

3. Strategic Leadership: Managing the Strategy Process (Thu Feb 9, Tue Feb 14)

Reading assignments:

- Strategic Management, pp 32-46 (LO2-1 to LO2-5)
- Case: Back to the Future: GM and the Electric Vehicle
  1. How did GM's short term goals conflict with long term planning regarding the electric vehicle?
  2. Does GM seem to operate under a product oriented or customer oriented focus?
  3. Why did Tesla progress further in developing the electric vehicle vs. GM?
  4. What role should environmental or other wider social benefits play in a company's strategy?

4. External Analysis: Industry Structure, Competitive Forces, and Strategic Groups (Thu Feb 16, Tue Feb 21)

Reading assignments:

- Strategic Management, pp 64-82 (LO3-1 to LO3-2)
- Watch “B Corp Anthem – B the Change” <https://www.youtube.com/watch?v=V-VFZUFJwt4>
- Case: Etsy: A “B Corp” Start-Up Takes on Amazon
  1. What are Etsy’s vision, mission and values?
  2. What does B Corporation status mean to Etsy?
  3. What is Etsy’s business strategy? Can they be successful?
  4. What challenges is Etsy facing?
  5. What should be Etsy’s plan for the future?

5. External Analysis: Industry Structure, Competitive Forces, and Strategic Groups (Thu Feb 23, Tue Feb 28)

Reading assignments:

- Strategic Management, pp 82-94 (LO3-3 to LO3-6)
- Case: Comcast Corporation
  1. What are the differences between OTT services and cable TV operations?
  2. Why did HBO and CBS introduce OTT services?
  3. What is the consumer appeal to ‘cord cutting’?
  4. How should Comcast respond to the announcements of HBO and CBS?

Group 1 Presentation: Walmart

6. Understanding the Customer (Thu Mar 2, Tue Mar 7)

Reading assignments:

- Case: NASCAR: Leading a Marketing Transformation in a Time of Crisis
  1. What are new potential customer segments to target to NASCAR? Which one segment should have top priority and why?
  2. What are the shortcomings of NASCAR’s digital strategy and how can they be improved?
  3. Why has NASCAR failed to develop stars in the sport and how can this be addressed?
  4. Why are some fans disappointed in the NASCAR event experience and how can this be fixed?
  5. How would you prioritize the actions that need to be taken?
- Video - Focus group excerpts <https://vimeo.com/109054128> password: stra?sno
- Video - Kyle Busch on the car of tomorrow <https://vimeo.com/109054127> password: lep!car

Group 2 Presentation: Nike

7. Internal Analysis: Resources, Capabilities, and Core Competencies (Thu Mar 9, Tue Mar 14)

Reading assignments:

- Strategic Management, pp 104-118 (LO4-1 to LO4-4)
- Case: Tin Mining, Inc
  1. What problems did TMI face in January 2009?
  2. What are TMI's organizational capabilities developed up to 2004? Have any of these organizational capabilities deteriorated by 2009? How and why?
  3. What recommendations should the new President give to the Board?

Mid-term course review

#### 8. Internal Analysis: Resources, Capabilities, and Core Competencies (Thu Mar 16, Tue Mar 21)

Reading assignments:

- Strategic Management, pp 118-132 (LO4-5 to LO4-8)
- Case: McDonald's Corporation
  1. What trends in the external environment are affecting McDonald's business?
  2. How is McDonald's positioned vis-à-vis its competitors?
  3. What does McDonald's need to do to meet changing customer needs and competitive offerings?

Mid-term exam

#### 9. Business Strategy: Differentiation, Cost Leadership, and Blue Oceans (Thu Mar 23, Tue Apr 4)

Reading assignments:

- Strategic Management, pp 159-166 (LO5-5 to LO 5-6), 174-202 (LO6-1 to LO6-6)

Group 3 Presentation: Coca-Cola

#### 10. Business Strategy: Differentiation, Cost Leadership, and Blue Oceans (Thu Apr 6, Tue Apr 11)

Reading assignments:

- Case: The Marvel Way: Restoring a Blue Ocean
  1. What were Marvel's competitive advantages in the 1960's?
  2. What led to their bankruptcy in 1998?
  3. What actions made after their bankruptcy that aided in their recovery?
  4. How does Marvel's recovery illustrate blue ocean strategy?

Group 4 Presentation: H&M

#### 11. Business Strategy: Innovation and Entrepreneurship (Thu Apr 13, Tue Apr 18)

Reading assignments:

- Strategic Management, pp 208-225 (LO7-1 to LO7-3)

- Case: Value Innovation by Chobani
  1. How did Chobani initially implement value innovation in the yogurt market?
  2. What stages of the industry life cycle has Chobani experienced so far?
  3. Using the Five Forces analysis, how attractive is the US Greek yogurt market now?
  4. What is Chobani's future in the US yogurt industry? How does it retain its leadership position and continue to grow?

Group 5 Presentation: Cirque du Soleil

## 12. Business Strategy: Innovation and Entrepreneurship (Thu Apr 20, Tue Apr 25)

Reading assignments:

- Strategic Management, pp 225-243 (LO7-4 to LO7-6)
- Case: NakedWines.com – Disrupting the Wine Industry?
  1. How has NWC brought innovation into the wine industry, if at all?
  2. Who are NWC's stakeholders? What do they need/want/expect?
  3. What forces in the operating environment have the biggest impact on NWC?
  4. How well is NWC positioned to take advantage of these forces or at least minimize the impact of these forces?
  5. As NWC is a young company with limited resources, what should Gormley and his team focus on first?

Group 6 Presentation: Uber

## 13. Corporate Strategy: Vertical Integration and Diversification (Thu Apr 27, Tue May 2)

Reading assignments:

- Strategic Management, pp 252-284 (LO8-1 to LO8-9)

Group 7 Presentation: Disney

## 14. Corporate Strategy: Vertical Integration and Diversification (Thu May 4, Tue May 9)

Reading assignments:

- Case: General Electric after GE Capital
  1. Analyze GE's external environment since 2001 using PESTEL. What are the effects these changes have had on GE?
  2. What is GE's current level of diversification? Historically has GE become more or less diversified? Why has GE been moving in this direction?
  3. How would you evaluate Mr. Immelt as a strategic leader?
  4. How would you evaluate GE's corporate strategy from Mr. Welch to Mr. Immelt?

Group 8 Presentation: Samsung



15. Corporate Strategy: Mergers and Acquisitions, Strategic Alliances (Thu May 11, Tue May 16)

Reading assignments:

- Strategic Management, pp 294-304 (LO9-1 to LO9-2)
- Case: \$19B 4 txt app WhatsApp...omg!
  1. Why did Facebook purchase WhatsApp rather than build upon its own messaging system?
  2. How much money is WhatsApp worth? Why?
  3. What business model should Facebook use to manage WhatsApp in the future?

Course Review

Dear Students,

Thank you so much for participating in this field test of Harvard Business Publishing's new reader. We are excited to receive your feedback, and it will be critical in our development process. As a thank you for your participation, we are supplying all your materials this semester at no charge.

Here are a couple of notes for you:

- You can access your coursepack here: <http://cb.hbsp.harvard.edu/cbmp/access/58065870>
- There are a mix of materials in your coursepack, some of which will open in the reader and others that will open as PDFs. All materials that will open in the reader are noted with "(Test)" at the end of the title. You also may notice that these are labeled as "Core Curriculum Readings" – this is simply a metadata discrepancy because we're delivering these materials in pilot mode. As long as the title matches the one in your syllabus, you will be accessing the correct material.
- Please try using the reader on your phone, tablet, or other mobile devices, in addition to your desktop or laptop. We want to know about your experience across all your devices.
- Highlights and note taking are available in the reader and will sync with all your devices.
- There are printing options available for you as well, in case you need a hard copy of the materials.
- A brief walkthrough that covers all of the reader features will launch when first open the reader.
- For accessing on different devices, here are our browser recommendations:
  - iOS tablets and phones: Safari, Firefox
  - Android tablets and phones: Chrome, Firefox
  - Windows/Mac desktop: Chrome, Firefox, Safari
- To report an issue with the reader, send an email to [ReaderHelp@hbsp.harvard.edu](mailto:ReaderHelp@hbsp.harvard.edu). Please include (1) description of the issue you are seeing; (2) device and operating system (for example, "Mac OS X 10.2" or "iPhone with iOS 9.2"); and (3) the browser and version. You can obtain this information by visiting our System Check page from your device: <http://forio.com/hbp-support/>. Copy and paste the information from that page or include a screen shot in your email.

Thank you again. We hope you have a wonderful experience and we look forward to hearing your feedback!

Sincerely,  
Nicole

**Nicole Harris**

Director of Product Management  
Higher Education

**HARVARD BUSINESS PUBLISHING**