473 PB - BUSINESS POLICY AND STRATEGY

Syllabus – Spring 2012

<table>
<thead>
<tr>
<th>Class:</th>
<th>Wednesday 6:00 pm to 8:50 pm, Cremer Hall 515</th>
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<tbody>
<tr>
<td>Office:</td>
<td>Cremer Hall 504</td>
</tr>
<tr>
<td>Office hours</td>
<td>After Class</td>
</tr>
<tr>
<td>Phone:</td>
<td>201-889-6459</td>
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<tr>
<td>Email:</td>
<td><a href="mailto:apore@emporia.edu">apore@emporia.edu</a> (When sending email, write 473pbysp12 on the subject line)</td>
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</tbody>
</table>

Note: This syllabus is subject to change

COURSE OVERVIEW & OBJECTIVES

Business Policy and Strategy is a senior-level management course about the strategies used by firms to create and maintain competitive advantage. To be successful, the firm’s strategy must permeate all departments and functional areas. As such, this course integrates knowledge and skills gained from your studies in the functional areas of business (e.g., marketing, organizational behavior, finance, accounting...). In drawing on these tools, we explicitly apply a general management point of view – we will analyze decisions and strategies in light of the total enterprise. We will also spend some time on corporate strategy – how do firms create value with multiple business units. The need to possess superior strategies is more critical than ever because no firm or organization can take its competitive advantages for granted in today's turbulent and global business environment. These issues will help you understand and cope with issues you will face in the business world. The major objectives of this course are to help you:

(1) develop a working knowledge of fundamental strategic management issues, concepts, and frameworks;

(2) develop a "general management" orientation and the ability to think strategically about business issues;

(3) combine strategic management skills, knowledge from other courses, and work-related insights to diagnose and solve strategic problems.

Acquiring strategic management knowledge and skills helps you to become much more marketable to prospective employers. You also gain the ability to better understand and plan your professional career in relation to the changing business environment.
LEARNING EXPERIENCE

The objectives of this course include acquiring knowledge of strategic management frameworks and concepts as well as developing analytical skills to diagnose and solve strategic problems. The course employs multiple methodologies such as case discussions, readings, lectures, written analyses, team projects, experiential exercises, and peer evaluations. The readings expose you to the latest issues, theories, and frameworks in strategic management. The class lectures outline and clarify these issues, theories, and frameworks. We spend a lot of time delving into real-world strategic scenarios - in-class case discussions and written case analyses expose you to both the subjective and objective dimensions of strategic management. Finally, you will develop and test your collaborative skills in the context of simulation and team research projects. Peer evaluations of team members will also be conducted in order to simulate the evaluation contexts we face in the business world.

This is a highly interactive course! We will discuss interesting strategic issues in a non-threatening classroom environment. However, it is imperative that each one of you is WELL-PREPARED on a DAILY basis to participate in class, by knowing the material and preparing your thoughts about it.

GRADING

Summary of Grading Elements

<table>
<thead>
<tr>
<th>Description</th>
<th>Points</th>
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<tbody>
<tr>
<td><strong>1) Individual Assignments</strong></td>
<td>35</td>
</tr>
<tr>
<td>1.1) Class Participation</td>
<td>20</td>
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<tr>
<td>1.2) Class Attentiveness</td>
<td>5</td>
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<tr>
<td>1.3) Individual SWOT analysis</td>
<td>5</td>
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<tr>
<td>1.4) Major Field Test (MFT)</td>
<td>5</td>
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<tr>
<td><strong>2) Team Assignments</strong></td>
<td>65</td>
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<tr>
<td>2.1) Case Analysis (fortune 500 company)</td>
<td>5+10+10=25</td>
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<tr>
<td>2.1.1) Introduction, Vision, Mission and SWOT</td>
<td>5</td>
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<tr>
<td>2.1.2) Strategy and Competitor Analysis</td>
<td>10</td>
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<td>2.1.3) Issues Analysis</td>
<td>10</td>
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<td>2.2) ERP Simulation</td>
<td>5+10+5+5+5+10=40</td>
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<td>2.2.1) Simulation Overview</td>
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<td>2.2.2) Simulation Plan</td>
<td>10</td>
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<td>2.2.3) Reports Analysis</td>
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<td>2.2.4) Performance Targets</td>
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<td>2.2.5) Rank</td>
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<td>2.2.6) Presentation</td>
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Grades will be assigned as follows.

<table>
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<tr>
<th>Points</th>
<th>Most likely Grade</th>
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<tr>
<td>90 and above</td>
<td>A</td>
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<tr>
<td>80 - 89</td>
<td>B</td>
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<tr>
<td>70 - 79</td>
<td>C</td>
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<tr>
<td>60 - 69</td>
<td>D</td>
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<tr>
<td>59 and below</td>
<td>F</td>
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Note: The table above is meant to give you an idea for grading distribution; the actual grades you receive may also depend upon performance of your classmates in addition to your performance.

1) INDIVIDUAL ASSIGNMENTS (35 points)

Reports/Papers of all individual assignments should be named as follows: 473pbysp12-nameofthe report/paper-yourlastname-firstname and should be submitted on blackboard.

1.1) Class Participation (20 points): The business world expects you to be able to both communicate ideas and respond constructively to the ideas of others. Class participation prepares you for this aspect of the workplace and helps to give you confidence in your ability to think, communicate, and build upon the ideas of others around you. In this course, you will integrate your existing functional skills and display and practice them in an atmosphere that is far more forgiving than the real world (although you may think otherwise!). It is critical (to the success of this course and its enjoyment by all of us) and urgent (since you will graduate soon) that you take this opportunity to develop your analytical and communication skills. To do this, you MUST participate. In order to pass the class, you must participate frequently during the semester, at an appropriate quality level.

I expect you to substantiate your comments with the facts of the case or from other readings. Since attendance is required for participation, I expect you to be present for all classes, including class presentations.

You should note that solutions to strategic management problems are varied, with no clear right or wrong answers. The goal of the class discussions is NOT to come to a comfortable consensus but, instead, to learn about the dynamics of strategic management by grappling with difficult and complex strategic problems. Often the best strategic solution becomes apparent over time. For this reason, the fear of being wrong should not inhibit your participation. Instead, you should come well prepared to each class and be ready to answer questions/discuss your strategic analysis.
Business Policy and Strategy is very interactive course and not a lecture course. My role is that of a facilitator, i.e., to help you: (a) understand and apply strategic thinking, and (b) communicate and learn from each other in class. Because your participation is so vital to the overall success of the class, I will record daily participation grades.

Grading Criteria for Class Participation

(a) Class attendance is absolutely essential for this course: the daily participation grades reflect attendance. Only documented illnesses, emergencies, religious holidays and university engagements (such as a scheduled sports event) will be recognized as legitimate absences. It is best to contact me promptly in case of a legitimate absence. Non-legitimate absences will result in severe deductions from your class participation scores.

(b) Disrupting the class will negatively affect your participation grade. This includes arriving late to class. Respect your fellow students and professor and do not disrupt the class in any way.

(c) Participation grades depend on the quality and quantity of participation.

I place less value on participation that primarily repeats facts without analysis or disrupts the flow of the class discussion without reason.

If you attend class but do not regularly participate in the discussion, do not expect to receive a passing grade in the class participation. Remember that effective communication is critical in the business world and that, if you have problems communicating (for example, due to shyness), this class provides you with the opportunity to tackle them. Feel free to discuss any participation issues with me (before it's too late and the semester is ending!) – I will do my best to assist you, as long as it's early enough in the semester.

1.2) Class Attentiveness (5 points): It is important for you to pay attention to the discussions in the class. I will call upon you during the course to make sure that you are paying attention in the class. This will help you to develop your listening skills as in the business world good listening skills are essential to understand the ongoing discussion and to contribute effectively.

1.3) Individual SWOT analysis (5 points) (5 – 10 minute presentation): SWOT (Strength Weakness Opportunity and Threat) analysis is an important step in analyzing your personal situation and choosing a career that best suits your needs. Use your imagination and think of this presentation as a means of doing an honest evaluation of your professional goals (aim a little higher, but be realistic) and your ability to achieve those goals.

1.4) Major Field Test (MFT) in Business (5 points) (2hrs): All students pursuing a Bachelor of Science in Business are required to earn a score of 135 (or higher) of a possible 200 on the Major Field Test in Business (MFT). The MFT is administered to students enrolled in MG 473 –
Some of the content of this course (MG 473) is a portion of the material that is examined on the MFT. More information about the MFT is available at [http://www.ets.org/mft](http://www.ets.org/mft).

You are encouraged to learn this material in depth and remember it. From this course, MG 473 – Business Policy - the following topics are included in the MFT:

**A. Strategic Management Inputs**
- Strategic Management and Strategic Competitiveness
- The External Environment: Opportunities, Threats, Industry Competition and Competitor Analysis
- The Internal Environment: Resources, Capabilities, and Core Competencies

**B. Strategy Formulation**
- Business Level Strategy
- Competitive Rivalry and Competitive Dynamics
- Corporate Level Strategy
- Acquisition and Restructuring Strategies
- International Strategy
- Cooperative Strategy

**C. Strategy Implementation**
- Corporate Governance
- Organizational Structure and Controls
- Strategic Leadership

### MFT Score to Numerical Score Conversion Chart (as per School of Business policy)

<table>
<thead>
<tr>
<th>MFT Percentile</th>
<th>MFT Score</th>
<th>Numerical Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>95-99 %</td>
<td>176-200</td>
<td>+5</td>
</tr>
<tr>
<td>85-94 %</td>
<td>169-175</td>
<td>+4</td>
</tr>
<tr>
<td>75-84 %</td>
<td>163-168</td>
<td>+3</td>
</tr>
<tr>
<td>65-74 %</td>
<td>158-162</td>
<td>+2</td>
</tr>
<tr>
<td>55-64 %</td>
<td>154-157</td>
<td>+1</td>
</tr>
<tr>
<td>45-54 %</td>
<td>150-153</td>
<td>0</td>
</tr>
<tr>
<td>35-44 %</td>
<td>146-149</td>
<td>-1</td>
</tr>
<tr>
<td>25-34 %</td>
<td>142-145</td>
<td>-2</td>
</tr>
<tr>
<td>15-24 %</td>
<td>138-141</td>
<td>-3</td>
</tr>
<tr>
<td>5-14 %</td>
<td>120-137</td>
<td>-4</td>
</tr>
<tr>
<td>0-4 %</td>
<td>0-119</td>
<td>-5</td>
</tr>
</tbody>
</table>

For additional information about MFT click on the following links: Test Description, Sample Questions, Comparative Data, Incentive.
2) TEAM ASSIGNMENTS (65 points)

Team Presentations (this applies to all the team presentations you will be doing for this course)

You are highly encouraged to use your creativity to make the presentation lively and interesting – videos, skits, role-plays, and props are examples of useful additions to the presentation!

You should treat the team presentations as professional presentations. Important guidelines are: (a) dress professionally, (b) use visual aids such as overheads, (c) speak clearly and professionally, (d) be prepared for questions, and (e) do not exceed the time allotted to your team. Note that every member of the team is expected to participate in the presentation.

All team presentations should include a) Outline of the presentation (what you will talk about) b) body of the presentation (discuss and support various aspects/ strategies) c) Conclusion – briefly summarize the main points of the presentation and end with a strong conclusion.

Reports/Papers of all team presentations should be named as follows: 473pbysp12-nameofthe report/paper-team# and should be submitted on blackboard.

Grading Criteria for Team Assignments

In grading your team assignments, I use the following criteria. Read them carefully before you start any assignment and before you hand it in:

(a) Rigor of Analysis: Your group’s team presentation should use the appropriate frameworks from the class that are germane to the problem.

(b) Logical Consistency: Your recommendations should be logically consistent with your analysis. You should also not recommend an alternative that you have not carefully analyzed.

(c) Realistic Recommendations: While I do not want to discourage you from being creative, it is important that you consider the organizational realities that may act as barriers to certain strategies (e.g., politics, culture, access to resources). Also consider the organizational consequences and changes necessary to initiate any bold moves.

(d) Clarity of Writing: Presentations should be addressed to a managerial audience. This means that you should outline carefully, write clearly and concisely, and use appropriate tables and graphics to support your argument. Given that the writing and analysis for your team project will probably be divided up among your team members, make sure that the presentation flows smoothly (e.g., consistent writing style, format, etc.).

The team projects should be a fun and worthwhile learning experience! Please ensure that you manage the process well. For my part, I will be available throughout the semester to guide you.
If you have any serious problems with free-riders and/or slackers, then: (a) try to manage and discuss your concerns with the slacking individual, and (b) if that doesn't work, alert me immediately, i.e. in a timely fashion (you should NOT wait until the last few days before the project is due). It is your responsibility to manage the team project well; remember that team management is a valuable part of the learning experience.

In extreme cases, non-performing team members may fail the course. You will have the opportunity to rate team members’ contributions through an end-of-semester peer evaluation. A copy of the peer evaluation is attached to this syllabus. Note that the peer evaluation is not meant to substitute for taking timely and proactive steps concerning non-performing team members.

2.1) Team Project (Case Analysis) (25 points)

A significant part of the learning experience in the course is the team project. The goal of this project is to help you apply your knowledge and skills to an interesting, current strategic situation facing a real-life company. Each team will pick a fortune 500 company and present it in the class (cases will be assigned on a first come first serve basis). Each team will present the case for no more than twenty minutes. You will be doing three presentations for your chosen company. Make sure you use visual aids (powerpoint presentation with charts and graphs) to support and/or illustrate your points.

2.1.1) Introduction, Vision, Mission and SWOT (5 points) (15 minute presentation): Try to come up with an interesting story about the name of the company, the way it got started or anything interesting about the founder(s). In this section include company’s brief history, product lines, pie charts/graphs about the market share/revenue generated from various products and international presence (revenue generated from various regions). Elaborate on its vision and mission statements and how closely it has followed its vision and mission. Also, talk about the company’s strengths, weaknesses, opportunities and threats.

2.1.2) Strategy and Competitor Analysis (10 points) (15 minute presentation): Elaborate on the strategies used by the company and compare its strategies with its competitors. Use stock chart (5 years) with at least two competitors and S&P500. Any other charts/graph comparing various aspects (market share/profitability/product lines etc.) of the company and its competitors.

2.1.3) Issues Analysis (10 points) (15 minute presentation): Your team will identify key international, ethical, social responsibility/environmental and diversity issues facing a fortune 500 company. The team will then present its strategic recommendations for the company. You are encouraged to conduct as much original research as possible (for example, through personal interviews), in addition to using the Internet and our bricks and mortar library. Focus should be on analysis and not mere presentation of facts, figures and numbers.

(Look at the jury evaluation form on the course website to see how juries would be grading you)
Powerpoint Outline - This is a generic outline and is meant to be a guide, feel free to experiment with this and come up with a format more suitable for your particular company situation. Also, in this presentation you will be using main points from the previous two presentations.

a) Outline - Talk about what you are going to talk about, introduce your team members and briefly talk about the various parts the team members will talk about.

b) Introduction – Use main points from Introduction, Vision, Mission and SWOT presentation

c) Strategy and Competitor analysis – Use main points from Strategy and Competitor Analysis presentation. Also, include stock chart with at least two competitors and S&P500. Any other charts/graph comparing various aspects (market share / profitability / product lines)

d) Issues (this section should be the bulk of your presentation) – focus only on these issues: social responsibility, global, ethical and diversity issues. When discussing issues make sure you focus on:
  • what is the issue
  • why is it an issue
  • is the issue unique to the company
  • company’s response (before and after the issue became public)
  • your recommendations (make sure they are realistic)

e) Final recommendations and conclusion – Final recommendations and conclusion should flow from the previous analysis.

2.2) ERP Simulation – The ERP Simulation is an innovative “learning-by-doing” approach to understanding business concepts. Using a continuous-time simulation, students are put in a situation in which they have to run their business with a real-life ERP system. Teams of five to six students operate a firm in a make-to-stock manufacturing supply chain and must interact with suppliers and customers by sending and receiving orders, delivering their products and completing the whole cash-to-cash cycle. A simulation program, ERPsim, was developed to automate (i) the sales process, so that every firm receives a large number of orders in each period of the simulation, (ii) part of the production process, in order to account for production capacity, and (iii) part of the procurement process, to account for delay in delivery and payment. Using standard and customized reports in SAP, students must analyze their transactional data to make business decisions and ensure the profitability of their operations.

2.2.1) Simulation Overview (5 points) (paper - 5-10 pages, 10-12 pt. font, double spaced):

In ERP Sim co-managers of each company are responsible for making decisions related to production, pricing, marketing, accounting, finance, inventory, warehousing etc. Discuss all the factors (related to this Simulation) you would consider in order to successfully run your company. Use the tools you have learned in the Strategy class to analyze the situation (both internal and external).

Briefly discuss each and every factor, the options available (ex: increasing production, decreasing setup time, etc..) and its pros and cons and its significance. Also, pay special attention to efficient use of facilities and capital and any other factors that could negatively affect your profit margins (ex: warehousing cost, interest on loans, etc..). Don’t forget to mention factors
such as interest rate, raw material price fluctuations etc., that may influence the decision making process.

**Do not discuss your strategy in this paper.** Make sure the paper is to the point and guides the reader through your thought process. Also, the conclusion of the paper should include a summary of your analysis and the factors that you feel are more important.

2.2.2) **Simulation Plan (10 points)** (paper - 5-10 pages, 10-12 pt. font, double spaced):
- Who are you - Introduction
- Where are you now - your position after the end of practice rounds - SWOT
- Where do you want to go – Vision
- Your core purpose and focus - Mission
- How will you get there –
  - Strategy: Discuss your strategy and justify (include charts/figures/statistics) the reasons for picking the same (you could have different strategies for different kinds of products / geographic reasons)
- Strategy implementation
- Detours - Strategic adjustments
- Conclusion

2.2.3) **Reports Analysis (5 points)** (paper - 5-10 pages, 10-12 pt. font, double spaced):
Briefly discuss various reports available in the Simulation and also discuss their significance.

2.2.4) **Performance Targets (5 points)** (paper - 1-5 pages, 10-12 pt. font, double spaced):: Set performance targets for Cumulative Net Income, Total sales and Net Margins. After each round of play evaluate your performance and make adjustments to it and email me the revised targets before each successive round of play. Feel free to use charts/tables/graphs to support your achievements/failures and elaborate on the reasons for the same.

2.2.5) **Rank (5 points)**: First placed team will receive 5 points and the points for other teams will depend upon their performance relative to the first placed team.

2.2.6) **Presentation (10 points)** (20 minute presentation):
Presentation Outline - This is a generic outline and is meant to be a guide, feel free to experiment with this and come up with a format more suitable for your particular company situation. Feel free to use charts and figures to support your arguments. Also, in this presentation you will be using main points from the previous presentations/reports.
- Vision statement – Goal of your company
- Mission statement – Purpose and scope of your company’s operations
- SWOT Analysis – Look at the various reports of the Simulation you played so far to figure out your SWOT.
- Initial Strategy – Initial Strategy you used for your company (identify one of the five strategies we discussed in class)
- Strategic Goals – Discuss your strategic goals (based on your performance targets)
- Strategy Implementation – Based on 1) thru 5) discuss steps you took to implement your chosen strategy. Discuss products you focused on, selling price (high/low), production
targets, marketing expenses, regions you produced and/or marketed to and so on. Also, elaborate on the roles your team members played.

7) **Strategic Adjustments** – Steps you took to ensure that your company was capable of handling unexpected situations or situations when your chosen strategy was not working as per your expectations.

8) **Justify your final market position** – What were the major reasons for your final market position, compare your situation with your competitors, how did you fare..? Were you able to achieve your strategic goals, if yes, why and if no, why not. Are you happy with your team’s overall performance, if you were to play this Simulation again, what would you do differently and would like me to do differently?

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**CLASS POLICIES**

1. You are expected to do all the assignments and be prepared to attend class. If you expect to miss more than one class meeting (including for job interviews), make sure you contact me promptly.

2. If you miss a class, it is your responsibility to find out from classmates what materials were covered, what assignments are due, and what handouts were distributed in class. If you miss a class when an assignment was due, you will not be allowed to make up the assignment (unless you had a valid and documented emergency).

3. I will attempt to do everything I can to use the class time effectively and ask that you do the same, this includes arriving, starting, and ending on time. Respect your fellow students and professor and do not disrupt the class in any way.

4. All written work should be emailed to me by the due date and time. Make sure you write your team number, the names of all team members, and your section number on the written work!

5. **Academic and personal integrity**: Violations of honor codes and other integrity problems are completely unacceptable. In doing projects/assignments, you should cite all external sources of information (including Internet sources), fully and completely. Under no circumstances, should you "recycle" materials from another class or from students who took the class in the past. To maintain fairness to all other students, violators of academic integrity will be penalized by receiving failing grades and will be reported to the appropriate University authorities.

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**ACADEMIC DISHONESTY (ESU Policy):**

Academic Dishonesty Policy
Faculty Senate Bill 96002
Academic dishonesty, a basis for disciplinary action, includes but is not limited to activities such as cheating and plagiarism (presenting as one’s own the intellectual or creative accomplishments of another without giving credit to the sources or sources).

The faculty member in whose course or under whose tutelage an act of academic dishonesty occurs has the option of failing the student for the academic hours in question.

Emporia State University may impose penalties for academic dishonesty up to and including expulsion from the university.

The student has the right to appeal the charge of academic dishonesty in accordance with the university’s Academic Appeals policy and procedures set forth in accordance with the university’s Academic Appeals policy and procedures set forth in the Faculty Handbook.

ACADEMIC ACCOMMODATIONS: Emporia State University will make reasonable accommodations for persons with documented disabilities. Students need to contact the Director of Disability Services and the professor as early in the semester as possible to ensure that classroom and academic accommodations are implemented in a timely fashion. All communication between students, the Office of Disability Services, and the professor will be strictly confidential. Office of Disability Services and Non-Traditional Student programs is located at 242 SE Morse Hall. Contact information: 620-341-6637, Voice 620-341-6646 TTY or e-mail disabser@emporia.edu.

EMERGENCY PREPAREDNESS: In the event of a tornado evacuation from the classroom, use the stairwell and go to the first floor hallway. If anyone needs special assistance to get down the stairs, please let me know the first day of class so that we can arrange for class members to be prepared to help you.

CLASS ADMINISTRATION

1. I frequently call on students to summarize readings and participate in the discussion. Be prepared for this!

2. Feel free to contact me with any questions or concerns you have during my office hours or send me an email (make sure the subject of the email starts with 473physp12:).
Your team is given 100 points in total, for the purpose of peer evaluation. Allocate these points among members of the team, based upon the relative contribution of each team member to your project. The total sum must add up to 100 (Make sure you include yourself in the evaluation). This information will be strictly confidential, viewed only by the instructor for the purpose of evaluation.

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<tr>
<th>Team Member Name</th>
<th>Points</th>
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Total = 100

Comments and additional information: