INSTRUCTOR: Leonard B. McKendrick, PhD AKA – Dr. Len

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OFFICE Water Tower Campus, Maguire Office – 460
1 East Pearson, Chicago, IL 60611

OFFICE HOURS: BY APPOINTMENT

MGMT. 304 – STRATEGIC MANAGEMENT

SPRING 2014

M – W – F (SECTION 103): 11:30AM – 12:20PM, WTC, Corboy, Room 521

M – W – F (SECTION 104): 12:35 PM – 1:25 PM, WTC, Corboy, Room 422

Catalog Description

This is a capstone course that analyzes the responsibilities of general management in formulating, communicating and implementing a strategic plan. Through case studies, the course applies the principles of strategic analysis to business situations so as to integrate all of the core courses in the undergraduate business program.

Pre-requisites: MGMT 201, MARK 201, FINC 332, OMPG/ISOM 332 with grades of C- or better. Senior standing or above.
Course Overview

Strategic Management is the capstone course for the Loyola undergraduate business administration degree, and is also a bridge to working responsibly and effectively in the real world. It is first and foremost a course about "strategy" and about "managing for success". The course centers on the theme that a company achieves sustained success if and only if its managers (1) have an astute, timely strategic game plan for running the company and (2) implement and execute that plan with proficiency. We shall explore in some depth how and why a well-conceived and well-executed strategy nearly always enhances a company's long-term performance.

This is a "big-picture" course in that it integrates much of the knowledge that you have gained in the core business curriculum. It is designed to improve your skills as a general manager, i.e., someone responsible for an entire organization or strategic business unit. A general manager must integrate the various functions of an enterprise by overseeing the formulation, implementation, review and revision of an organizational strategy that is both desirable (in terms of stakeholder values) and feasible (in terms of the external environment and organizational resources). The skills needed to fulfill those responsibilities include analyzing and understanding the organization as a whole; integrating business philosophy and practice; working with and through other people; and learning from experience. Strategic Management provides each student with the opportunity to improve his or her skills in these areas through the following methods:

1. Learning strategic management concepts by readings in the main textbook and lectures/class discussions about the processes and challenges of strategic management.

2. Strategic analysis of real organizations by reading, analyzing, reflecting upon and discussing assigned cases to: (a) identify and understand past strategic choices and the ramifications of those choices; (b) identify current choices available to the organization and analyze the impact of those decisions on key stakeholders; and (c) develop and defend strategic recommendations for possible adoption by the organizations studied.

3. Strategic management of a simulated firm. Student teams play a computer game in which they manage firms in a competitive environment (the competition is with other student teams) by formulating, implementing, reviewing and revising company strategy over a number of years of operation.

Course Objectives & Learning Outcomes

1. To develop your capacity to think strategically about a company, its present business position, its long term direction, its resources and competitive capabilities, the caliber of its strategy, and its opportunities for gaining a sustainable competitive advantage.

2. To build your skills in conducting strategic analysis in a variety of industries and competitive situations, and to provide you with a stronger understanding of the competitive challenges of the market environment.
3. To provide you with the tools needed to take a certain set of facts, analyze the situation using the concepts of strategic management, and make effective recommendations as to a particular course of action.

4. To give you hands-on experience in crafting business strategy, reasoning carefully about strategic options, using "what-if" analysis to evaluate action alternatives, and making sound strategic decisions.

5. To integrate the knowledge gained in earlier core business courses, show you how the various pieces of the business puzzle fit together, and demonstrate why various portions of a business need to be managed in strategic harmony for the organization to operate in a winning fashion.

**Required Materials**


2. Global Business Strategy Game Simulation by Arthur Thompson, Jr., Gregory J. Stappengeck, Mark A. Reidenbach, Ira F. Thrasher, and Christopher C. Harms – Information as to how to access and utilize this website will be provided in class. **Cost= $ 42.95** – purchase on website: Student Registration: [http://www.glo-bus.com/#students](http://www.glo-bus.com/#students)

3. Supplemental cases, exercises, and handouts will be distributed throughout the term

**Course Requirements**

1. Attendance at all class sessions is expected, especially during the discussion of the case studies. Please email me if a circumstance beyond your control will prevent you from attending class.

2. Active, useful and regular contribution to discussions in class. This requires that students be well-prepared by having read and analyzed the assigned readings and/or case studies prior to class, that they be present at each class, and that they participate constructively in class discussions. Because much of the learning in class comes from class discussion, a student cannot earn an A for the course without contributing to the class as an engaged individual student.

3. Active, useful and dependable participation on the student’s Business Strategy Game simulation team. This includes attendance at team meetings outside of class, and constructive contributions to the team’s analysis, decisions, and oral and written reports. Individual performance is evaluated by team members.

4. No extra credit assignments will be allowed, and other assignments that are turned in beyond the due date will not be accepted or reduced in grade.
**Computation of Grade**

- Class Participation & Engagement ~ [Individual]  
  10%

- Global Business Strategy Simulation ~ [Senior Leadership Team]  
  25%
  - Group Norms (10%)
  - Initial Strategic Plan (25%)
  - Implementation & Revision of Strategy during game (65%)

- Final Written Report of GBS Experience  
  10%

- Final Oral Presentation of GBS Experience  
  10%

- Midterm Examination ~ [Individual]  
  20%

- Final Project: Organizational Restructuring ~ [Individual]  
  15%

- Strategic Industry Analysis ~ [Individual]  
  10%

100%

The GBS Game, GBS Oral Presentation and GBS Written Report grades are team grades in which all team members receive the same grade. Peer Evaluations will be completed by the students at mid-semester and at the end of the class.

Team members who do not appropriately contribute to the team effort or carry their share of the workload will have their grades for one of more of these assignments decreased based on the Peer Evaluations of their teammates.

**Course Grading Scale**

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>A</td>
<td>100 – 93%</td>
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<tr>
<td>A-</td>
<td>92 – 90%</td>
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<tr>
<td>B</td>
<td>89 – 87%</td>
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<tr>
<td>B-</td>
<td>86 – 83%</td>
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<tr>
<td>B+</td>
<td>89 – 87%</td>
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<tr>
<td>C</td>
<td>76 – 73%</td>
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<tr>
<td>C-</td>
<td>72 – 70%</td>
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<tr>
<td>C+</td>
<td>79 – 77%</td>
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<tr>
<td>D</td>
<td>66 – 60%</td>
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<td>D+</td>
<td>69 – 67%</td>
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<tr>
<td>F</td>
<td>59 and below</td>
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Quinlan School of Business Policy on Make-Up Examinations

Loyola University academic policy provides the tests or examinations may be given during the semester or summer sessions as often as deemed advisable by the instructor. Because Quinlan faculty believe examinations represent a critical component of student learning, required examinations should be taken during the regularly scheduled class period. Make-up examinations are discouraged. Exceptions may be granted only the faculty member or department chair, and only for unavoidable circumstances (illness verified by a signed physician’s note, participation in intercollegiate athletic events, subpoenas, jury duty, military service, bereavement, or religious observances). A make-up examination may be scheduled only with the permission of the appropriate Quinlan Assistant or Associate Dean.

If a make-up examination must be given, it is the responsibility of the faculty member to prepare, schedule, and proctor the exam. The only regular exception is for the student – athlete, who may use the testing services of the Athletic Department to complete a make-up examination. Students with documented special testing needs will be accommodated.

Quinlan School of Business Policy on Academic Integrity

All members of the Quinlan School shall refrain from academic dishonesty and misconduct in all forms, including plagiarism, cheating, misrepresentation, fabrication, and falsehood. Plagiarism or cheating on the part of the student in individual or group academic work in in examination behavior will result minimally in the instructor assigning the grade of “F” for the assignment or examination. In addition, all instances of academic dishonesty must be reported to the chairperson of the department involved.

For further information about expectations for academic integrity and sanctions for violations, consult the complete Quinlan School of Business Honor Code and Statement of Academic Integrity on the Quinlan website:

BUSINESS REFERENCES

- Advertising Age
- Barron’s
- Bloomberg BusinessWeek
- Crain’s
- Daily Finance
- Economist
- Entrepreneur
- Fast Company
- Financial Times
- Forbes
- Fortune
- Hoover’s
- Inc.
- Kiplinger
- Money
- Morningstar
- Motley Fool
- Seeking Alpha
- Wall Street Journal
- Your favorite city paper – Business section


3) Good To Great (2001) – Jim Collins


5) Mary Parker Follett: Prophet Of Management (1995) – Mary Parker Follett & Pauline Graham (editor)

6) Never Eat Alone: And Other Secrets To Success, One Relationship At A Time (2005) – Keith Ferrazzi

7) Principle – Centered Leadership (1992) – Stephen Covey

8) Pour Your Heart Into It: How Starbucks’ Built A Company One Cup At A Time (1997) – Howard Schultz & Doris Jones Yang

9) Steve Jobs (2011) – Walter Isaacson


12) The 7 Habits Of Highly Effective People (1989) – Stephen Covey


**Schedule of Activities**

These are the planned activities for each week, although I maintain the right to amend this schedule as time permits. Any changes to the schedule will be announced in class as soon as practicable prior to the relevant date or activity/assignment.

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Assignments / Activities</th>
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</table>
| 1    | January 13 – 15 – 17 | * Welcome & Course Overview  
* Chapters 1 & 2  
* **CASE:** McDonald’s Strategy – Plan To Win  
* **Reading:** The Purpose of Strategy Is To Win, P&G CEO, A.G. Lafley |
| 2    | January 20   | * **MLK, JR. HOLIDAY ~ NO CLASSES**  
22 – 24  
* Chapter 3  
* U.S. Airline Industry Review |
| 3    | January 27 – 29 – 31 | * Chapter 5  
* **CASE:** Southwest Airlines in 2010: Culture, Values, & Operating Practices  
* SWOT Review / Practice Sets  
* Organizational Analysis Expectations / Q&A |
| 4    | February 3 – 5 – 7 | * REVIEW INDUSTRY ANALYSIS EXPECTATIONS / Q&A  
* **CASE:** Starbucks’s Strategy...  
* Chapter 4  
* **CASE:** Netflix’s Business Model & Strategy In Renting Movies & TV Episodes |
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<tr>
<th>Day</th>
<th>Dates</th>
<th>Events</th>
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| 5   | February 10 – 12 – 14 | * **EARLY (BEFORE/ON): INDUSTRY ANALYSIS – FEB, 12**  
* **DUE: INDUSTRY ANALYSIS – FEB, 14**  
* Strategic Career Management = Plan + Execute!  
* **Reading:** The 10 Secrets Of A Master Networker  
* Effective Networking & Negotiating |
| 6   | February 17 – 19 – 21 | * **GLO – BUS SIMULATION BEGINS!**  
* **Reading:** GLO – BUS Participant’s Guide  
  --Expectations  
  --Form Senior Leadership Teams (SLT) / Select CEO’s  
  --**Teambuilding Activity:** Develop Group Norms / SLT Planning Meetings  
* **SLT PLANNING MEETINGS: PRACTICE DECISION 1 ~ SUN, FEB, 23 @ 11:59 PM**  
* Team Management Review & Best Practices – Stages Of Group Development  
* **MIDTERM REVIEW GUIDE ~ FRIDAY, FEB. 21**  
* **Chapter 6 – Supplementing the Chosen Competitive Strategy – Other Strategic Choices** |
| 7   | February 24 – 26 – 28 | * **MIDTERM ~ FRIDAY, FEB. 28**  
* **SLT PLANNING MEETINGS: PRACTICE DECISION 2 ~ THURSDAY, FEB, 27 @ 11:59 PM**  
* **Handout:** Global Digital Camera Industry  
* **Chapter 8 – Corporate Strategy: Diversification and the Multi-Business Company** |
| 8   | March 3 – 8 | **SPRING BREAK – NO CLASSES. **PLAY HARDER!
**MIDTERM REVIEW**

* SLT PLANNING MEETINGS: DECISION 1 – YEAR 6: SUN, MARCH 9 @ 11:59 PM

* CASE: Panera Bread in 2011 – Pursuing Growth in a Difficult Economy

**SLT PLANNING MEETINGS: DECISION 2 – YEAR 7: SUN, MARCH 16 @ 11:59 PM**

* Chapter 9 – Strategy, Ethics and Corporate Social Responsibility


**SLT PLANNING MEETINGS: DECISION 3 – YEAR 8: SUN, MARCH 23 @ 11:59 PM**

* CASE: Apple Inc. in 2011: Can It Prosper Without Steve Jobs?

**SLT PLANNING MEETINGS: DECISION 4 – YEAR 9: SUN, MARCH 30 @ 11:59 PM // EMAIL DR. LEN REVISED STRATEGY**

* SLT PLANNING MEETINGS: DECISION 5 – YEAR 10: WED, APRIL 2 @ 11:59 PM

* Industry Analysis Review / PM Best Practices

* HANDOUT: How Blackberry Blew It: The Inside Story

**SLT PLANNING MEETINGS: DECISION 6 – YEAR 11: SUN, APRIL 6 @ 11:59 PM**

* SLT PLANNING MEETINGS: DECISION 7 – YEAR 12: WED, APRIL 9 @ 11:59 PM

* HANDOUT: AmazonFresh Is Jeff Bezos’ Last Mile Quest For Total Retail Domination
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<tr>
<th>Date</th>
<th>Description</th>
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<tbody>
<tr>
<td>April 14–16</td>
<td>* EARLY [ BEFORE/ON ] FINAL PROJECT ~ MON. APR. 14</td>
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<td>* FINAL PROJECT DUE ~ WED. APR. 16</td>
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<td>* Delivering Exceptional Presentations – OPEN Model</td>
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<td><strong>Goal:</strong> To <strong>OWN</strong> the Room!</td>
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<td>* Video Presentation Critiques</td>
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<td>* SME Presentations / Class Feedback</td>
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<td>* SLT Planning Meetings / Teambuilding</td>
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<td>April 17–21</td>
<td><strong>EASTER HOLIDAY – NO CLASSES</strong></td>
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<td>April 23–25</td>
<td>* DUE: GSB FINAL WRITTEN REPORTS – MON. APRIL 23</td>
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<td>* SLT Self &amp; Peer Assessment &amp; Debrief / Gallery Walk – Leading &amp; Following</td>
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<td>* DUE: GSB PRESENTATIONS – FRIDAY, APRIL 25</td>
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<td>* Presentation Best Practices</td>
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<td>* MGMT. 304: Strategic Review &amp; Moving Forward…</td>
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<td>* <strong>CELEBRATE!</strong></td>
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**CONGRATULATIONS!**

*?

**LIVE LONG & PROSPER**

*?

**MAY THE FORCE BE WITH YOU**

*?

**DO WELL – DO GOOD**