

MGMT 4300 (CRN 11404)
Strategic Management
The University of Texas at El Paso

Class Time	Asynchronous
Class Room	Online
Instructor	Sergio Grove
Office	BUSN 216
Office Hours	I have virtual office hours Mondays from 8AM to 2PM. Given the COVID limitations, we will use Zoom (or another platform) and will require some coordination, but if I am available, there is no waiting time and I will be there 24/7 ☺
E-mail	sagrove@utep.edu
Phone	860-391-9717 (mobile)
Textbook	Jay Barney & William Hesterly. <i>Strategic Management and Competitive Advantage, 6th edition</i> . New York, NY: Pearson. ISBN: 978-0134741147
Cases	Course pack includes two cases. You can order it at: https://hbsp.harvard.edu/import/750783 E-delivery costs about \$8.5. For a surcharge, you can choose to have printed copies sent to you, but this is not recommended; let's save some trees ☺. It is a course requirement that you purchase the case at harvard.edu. These cases have copyrights and the owner may enforce those copyrights.

OVERVIEW

Organizations use strategic management to decide how to allocate resources in pursuit of higher performance. Managers make such decisions despite ambiguity about cause and effect, the complexity of tradeoffs between conflicting priorities, and uncertainty about future conditions. What makes my course unique is that I provide you with real-life examples and advice from my career as an international executive, CEO, and entrepreneur. You will get advice ranging from complex business situations to advice as simple as ensuring that you always carry a second pair of pants with you (LOL let's discover why over the course).

COURSE DESCRIPTION

Welcome to Management 4300! The course focuses on the understanding of why some companies perform better than others. Specifically, it is designed to provide students with theoretical knowledge and real-world frameworks and business experience to understand how companies can develop and sustain a competitive advantage.

By the end of this semester, you should be able to identify firms employing successful strategies and explain why, argue whether their success can be sustained, and describe the extent to which their experience applies to other firms. You should be able to use quantitative and qualitative analytical skills to make logical and persuasive arguments about the extent to which decisions that are successful under one set of conditions will also be successful in different scenarios. This requires several competencies:

- Critical reasoning in the identification and solving of business problems
- Anticipation of likely actions by competitors and potential changes in the world
- Integrative understanding of firms and their impact on society
- Fluency in common analytical frameworks and relevant terminology
- Appreciation of practical challenges inhibiting the implementation of strategies

COURSE LEARNING OBJECTIVES

The overarching goal of the course is to understand the key elements of strategic management of a company: analysis of the firm and its competitive environment, analysis of strategic alternatives, and development of strategic recommendations. The course is anchored in the concept of industry analysis, which is the key element when developing the firm's strategy. The basic introduction to the topic is covered by Chapter 2. The industry analysis, as a cornerstone to the firm's strategy, will be supported by the following learning objectives and corresponding activities and assessments.

To better understand the following objectives in the table below, I briefly explain some concepts.

- 1) You are responsible for forming groups the first week of class. This group should collaborate for the Team Discussion, and may want to collaborate during the Formative Quizzes. A group requires five members, no less no more. If you can't find a group, or if two, three, or four people need to find the extra members, just email me, and I will find you a group. (All the activities that require a team will use the same team composition for the whole semester).
- 2) Quiz: I do not believe in pass or fail. I practice formative learning, which means that the student learns from their mistakes, and by fixing them. So, a quiz is an open book activity supported by Blackboard, that consists of two different stages. The first quiz (a) will not provide you with the right answer; it will just tell you what is wrong or right. You can take this quiz three times. At each attempt, you should take notes about what you did wrong. That way, you can return to the book chapter you read (or business case) and find the right answer. The second quiz (b) is graded as usual (just one shot), and will provide you with complete feedback when the activity is closed for the section. My recommendation for obtaining 100%: Read first, go for quiz (a), take professional notes (including correct answers) and then return to quiz (b). Only quiz (b) is

counted for your final grade, but you must achieve 90% as a minimum score in test (a) to be able to get credit for your grade in the corresponding quiz (b).

- 3) Team Project: Depending on the week, you may be required to submit a word document (other formats not accepted), have a video meeting with me, or a present in power point. This activity requires submitting only one document per group to Blackboard (if required).
- 4) Final Team Project: This project is your final exam, and you must use the same teams that you used throughout the semester.

LEARNING OBJECTIVE	ACTIVITIES	ASSESSMENT
To be able to understand and internalize the concept of Business Strategy and what encompasses the strategic management process.	Readings: textbook Chapter 1 Team discussion to solve the Quiz.	Formative Quiz BBA assessment
Understand the concept of competitive advantage	Reading: textbook Chapter 1 Team discussion to solve the case.	Formative Quiz BBA Assessment
Basics of the Industry Analysis. Understand the impact of the external environment on profitability. What is an industry? Who are your competitors?	Readings: textbook Chapter 2 Team discussion	Formative Quiz BBA Assessment
Detailed Industry Analysis. Understand who are the industry suppliers, buyers, and direct competitors , and how they shape competition within the industry.	Readings: Case Microsoft Search Team discussion	Formative Quiz
Detailed Industry Analysis. Understand threat of new entrants, and substitutes , and how they shape competition within the industry.	Readings: Case Microsoft Search Team discussion	Team Project (industry attractiveness writeup)

Application of the industry analysis to understand why and how firms develop and/or redeploy resources to obtain capabilities as the source of competitive advantage	Readings: textbook Chapter 3 Team discussion	Formative Quiz
Understand when cost leadership strategy makes sense. To understand that cost leadership is a business-level strategy that may provide competitive advantage.	Readings: textbook Chapter 4 Team discussion	Formative Quiz
Understand when differentiation strategy makes sense. To understand that differentiation strategy is a business-level strategy that may provide competitive advantage.	Readings: textbook Chapter 5 Team discussion	Formative Quiz
Understand that different firms may compete in the same industry with different business-level strategies. Some using differentiation and other cost.	Readings: Apple Inc. Team discussion Group meeting with the instructor (30min)	Formative Quiz Team Project (submit complete industry analysis for the personal computer industry focusing in B2P)
Understand what is a vertical integration, why some firms do it, and their impact on competitive advantage.	Readings: textbook Chapter 8 to 9 Team discussion	Formative Quiz
Understand how a vertical integration makes sense when considering the industry analysis.	Readings: Zara fast fashion. Team discussion Group meeting with the instructor (30min)	Formative Quiz Team Project (the industry analysis). Find the fashion industry signals that explain this successful vertical integration.
Understand strategic alliances and why some firms select this corporate strategy instead of acquiring the other company, and why they may fail.	Readings: textbook Chapter 11 Revisit the Apple case. Team discussion	Formative Quiz BBA Assessment Team Project: Name the alliances that you found in the Apple Inc. case. From the industry analysis perspective, why were they formed?

Understand when mergers and acquisitions make sense from a resource perspective and/or from an industry perspective and why most of them fail.	Readings: textbook Chapter 12 Revisit the Microsoft case. Team discussion	Formative Quiz BBA Assessment
Understand the strategy development process. What are the steps to develop a business-level strategy? What are the steps to explain why a corporate strategy may take place?	Team discussion	Formative Quiz BBA Assessment Final Team Project (pick a public/large company to analyze and develop the strategy).

COLLEGE OF BUSINESS ADMINISTRATION GOALS AND OBJECTIVES OF BBA

The College of Business Administration has established objectives to assess its BBA program. The BBA program objectives assessed in MGMT 4300 are the following:

- A1. BBA students will assess an organization's strengths, weaknesses, opportunities, and threats and will integrate these factors into a viable strategic plan.
- A2. BBA students will analyze a firm's financial and accounting information, identifying firm strengths and weaknesses and will develop suitable strategies to improve corporate performance.
- A3. BBA students will recognize, measure, and analyze market demand for a product or service and will integrate this analysis into an effective marketing strategy.
- A4. BBA students will understand the role of financial markets and institutions in our economy and will integrate these monetary factors into an effective decision-making process.
- A5. BBA students will employ production operation models to supply chain problems and will recommend the operating strategy that maximized shareholder value.
- A6. BBA students will integrate decision processes and models from management, marketing, economics, finance, and accounting into the value creation process.
- B1. BBA students will employ information technology to collect and evaluate business data to support the formulation of organizational strategies based on the results of their analysis.
- B2. BBA students will apply quantitative methods and frameworks to business problems and will incorporate the results of analysis into operating strategies.
- D2. BBA students will prepare and make a persuasive, professional speech on a current business topic.

LEARNING METHOD

The best way to learn strategic management is through active experience, informed debate, proper preparation for our video meetings, and maintaining a professional attitude. I assign a moderate amount of reading, but expect all students to be fully prepared (readings and assignments). Discussions should stimulate your thinking and help prepare you to use strategic management in your career whether you plan to work in an accounting firm, entrepreneurships, start a non-profit, or join a *Fortune 500* firm. You do not need to pursue a career in strategy for this course to be relevant, and you should think about how the skills developed in this course also apply to non-business situations.

EVALUATION

Individual assessment:

- | | |
|--|-----|
| (1) Video Conference meetings (individual class participation) | 10% |
| (2) Quizzes (second attempt graded) | 35% |
| (3) BBA assessment | 15% |
| • BBA exam (individual) | 10% |
| • BBA video presentation (individual) | 5% |

Group assessment

- | | |
|-------------------------------------|-----|
| (4) Team projects | 20% |
| (5) Final Team project presentation | 20% |

GRADING

Without critical feedback in practice, you will be ill-prepared to compete in real life. I give you tough feedback to share some of my expertise and help improve your chances of success when you stop practicing and start applying these skills in your daily work. You will gain the most from the course if you put your best efforts into your practice, and then learn how you can improve further. Otherwise, my feedback will tell you things you already know – a waste of my expertise and your opportunity to learn.

I hold students to high standards from the beginning of the course to help you learn what it takes to do “A” level work in strategic management. Because this field involves different skills than many others, students’ initial performance level is often below their aspirations. Please try to focus less on the grade for an assignment and more on whether you see improvement in your work. Students often perform very well on later assignments, especially when they react to low grades by focusing on the need to develop different skills. Many students find it helpful to have an individual conversation with me, in which I can tailor the material to your unique background and learning style. You will receive individualized feedback on certain assignments to gain specific insight into the areas where you can

improve most. Please contact me if you do not understand a comment. The grade you earn for an assignment indicates how your performance compares to **business professionals**, and not to the rest of the class:

- A – Provides insights that add value (on par with professional work in management)
- B – Demonstrates basic knowledge of strategic principles but adds little value
- C – Exhibits partial understanding of strategic management principles
- D – Neglects to complete all assignments OR exhibits major deficiencies in key concepts
- F – Fails to complete all assignments AND performs poorly on those completed

Grading scale:

$$100 \geq A \geq 90$$

$$90 > B \geq 80$$

$$80 > C \geq 70$$

$$70 > D \geq 60$$

$$60 > F$$

(1) Video Conference meetings (ZOOM)

In this online course, video conferences meetings are equivalent to classroom discussions in a regular face to face course. **In this case, I refer to meetings coordinated and scheduled with each group (not a lecture for all the students at the same time).** Dialogue between people with different viewpoints – whether conflicting or complementary – often provides insight about the complexities of strategy. During the video conference, by sharing your insights with the entire group, you demonstrate your mastery of the subject and enhance the learning of your classmates. Likewise, your learning experience will be enhanced by the comments made by other students. There are several ways to contribute insightful comments:

- Make interesting points supported by good reasoning
- Ask clarifying questions
- Challenge conventional wisdom with logic (as opposed to opinion)
- Test creative or innovative ideas that are not fully developed, but are worth considering
- Engage in constructive debate with classmates
- Demonstrate proper use of analytical techniques
- Synthesize multiple comments to arrive at solutions for stated problems
- Offer recommendations that seasoned managers would find valuable

Conversely, the following behaviors detract from your class contribution grade:

- Making redundant or obvious comments
- Asking self-serving or irrelevant questions
- Starting with pre-formed opinions rather than rigorous analysis
- Trying to guess my analysis instead of performing your own
- Hindering other students' willingness to participate

Your grade is based on the quality (not necessarily quantity) of your insightful comments that advance group discussions. Your performance during the meetings are evaluated during the team project activities and the final team project that involves video conferring with me. You will have

several meetings where you may have the chance to accomplish these requirements. During my course, I expect a colleague relationship, working together. Then, it is your responsibility to reach out to me if you have doubts about your performance during the meetings. We can have special video meetings to clarify and advise you.

How to setup a video-meeting.

- You are responsible for scheduling a video-meeting that all your members can attend.
- The group leader (you name them) will send a calendar invitation to my email with all the members in the team included.
- All the emails regarding team activities/issues are required to be cc'd to all the team members--all the time.
- Before sending the calendar invitation be sure that all the members agree on dates and times. It is better to offer me two or three different dates and times to me before sending the calendar invitation. Again, all the members must be copied.
- Please remember this activity is not a whole course lecture, is a one team at a time meeting.

(2) Quizzes (Blackboard)

In this course, a “Quiz” is a long open book activity supported by Blackboard. The first quiz (week number with letter “a”, i.e. for week one, 1a) can be taken up to three times. You must take notes about what you did wrong and right on quiz (a), and your grade is the one obtained during the second quiz (b). That quiz is denoted with the week number and a letter “b”. The quiz (a) will not tell you the right answer, only signal what was wrong or right, so take good notes!!! That way, you can return to the book chapter you read (or business case) and find the right answer (you can take quiz (a) up to three times and you need to score at least 90% to get credit from quiz (b)).

In summary, the first quiz (a) will provide you with training; it will just tell you what is wrong or right. The second quiz (b) will provide you with complete feedback after the quiz is closed for the section. My recommendation for obtaining 100% at quiz (b):

- Read the chapter first.
- Go for quiz (a).
- Take professional notes (including correct answers) and then return to quiz (b). What I mean by professional is linking the question with concepts. If you take notes like an answer key you will fail quiz (b) because it may not contain the same questions. In other words, do not try to stockpile the questions from quiz (a) because they will be useless for quiz (b). Remember that the goal in quiz (a) is to inform you where you need more work to succeed on quiz (b).

Only quiz (b) is counted for your final grade, but you must obtain at least 90% in quiz (a) to get credit for quiz (b). You may have three attempts for quiz (a), but only one for (b). You will have limited time per each attempt. The quiz (a) will be long, but the quiz (b) will be significantly shorter. From my point of view, quiz (b) is more like a “real” quiz while the (a) is like a class, where you take notes. Those notes will be crucial to do well in your BBA assessment! Quiz (b) may contain questions from quiz (a) as well as new questions (more likely). The correct answers will be provided after the exam is closed for the whole section. How could you do really poorly? If you do not take the questions in (a) seriously, then the new questions in (b) would be unmanageable. See this process as formative, in that when you get 90% in (a) you show sufficiency to increase the odds of doing well in (b).

(3) BBA assessment (Blackboard)

It consists of (a) an individual exam (10%) and (b) an individual video presentation (5%). It assesses the degree of fulfillment of the BBA program's learning goals listed above. I will provide further information in class.

Individual presentation: Each student is required to make and record a 2-3 minute individual presentation explaining (a) their learning experience in the BBA Program, and (b) how this course ties to it. Regarding the learning experience in the BBA Program, describe mainly what you learned in your major(s). Regarding how the course ties to your BBA learning experience, describe of how this course helped in the accomplishment of the aforementioned BBA goals. Think of this video as a promotional tool you could use in your job search. I will provide further information in class.

(4) Team projects (Blackboard)

Team projects are short assignments devoted to showing the application of the course content. These tasks are a group assignment consisting of a word document (other formats not accepted), a video-meeting with me, or a power point presentation. All the deliverables must be submitted to Blackboard.

(5) Final Team project (Blackboard Collaborate)

The goal for this final exam is to develop your company's strategic plan (Pick a S&P 500 or any relevant company). At this point in the semester, you should have all the elements to do so. However, I will provide some help. To succeed on this task, you need to account for all the relevant variables:

- 1) Industry analysis.
- 2) Macro trends that can change the industry. You need to indicate how the trend will influence the industry and how you will take advantage/safeguards of that.
- 3) Value Chain, industry analysis vs business strength matrix. You need to find the competitive advantage for the firm that you are reviewing.
- 4) Analyze vertical integrations opportunities.
- 5) Analyze possible mergers or acquisitions.
- 6) Develop strategic recommendations: functional strategies, business level strategy, and corporate strategy.
- 7) Use the DuPont analysis framework to analyze your firm performance, compared to one competitor, supplier or buyer.
- 8) Would you buy this company? How would you increase your firm performance? How could a newcomer (undergraduate first job) contribute to your strategy?

The final project is a 30 min presentation. Plan 15 min to present and 10 min for questions. This activity attempt to simulate a real-world meeting, so expect to be on the grill for a few minutes ☺. This activity is not designed to scare you. It is a way of preparing you to face the challenges that I had as CEO, entrepreneur, and international business executive.

(6) Team peer evaluation (Blackboard)

It is necessary to fairly evaluate the contribution that each member of your team made to the team's overall performance in team activities. This contribution should reflect your assessment based on the following Teamwork Outcome Objective: Students will work effectively with individuals and teams to accomplish a common goal while demonstrating respect and value for a diversity of opinions, viewpoints, and perspectives.

ADDITIONAL POLICIES**Disabilities:**

If you have a disability and need classroom accommodations, please contact The Center for Accommodations and Support Services (CASS) at 747-5148, or by email to cass@utep.edu, or visit their office located in UTEP Union East, Room 106. For additional information, please visit the CASS website at www.sa.utep.edu/cass.

Academic Honesty:

"The University of Texas at El Paso prides itself on its standards of academic excellence. In all matters of intellectual pursuit, UTEP faculty and students must strive to achieve excellence based on the quality of work produced by the individual. In the classroom and in all other academic activities, students are expected to uphold the highest standards of academic integrity. Any form of academic dishonesty is an affront to the pursuit of knowledge and jeopardizes the quality of the degree awarded to all graduates of UTEP. It is imperative, therefore, that the members of this academic community understand the regulations pertaining to academic integrity and that all faculty insist on adherence to these standards. Any student who commits an act of academic dishonesty is subject to discipline. Academic dishonesty includes, but is not limited to, cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, and any act designed to give unfair advantage to a student or the attempt to commit such acts. Proven violations of the detailed regulations, as printed in the Handbook of Operating Procedures (HOP), and available in the Office of the Dean of Students and on the homepage of the Dean of Students at: <http://www.utep.edu/dos> may result in sanctions ranging from disciplinary probation, to a failing grade on the work in question, to a failing grade in the course, to suspension or dismissal, among others." (UTEP's Handbook of Operating Procedures)

Week	Date	Topic	Preparation
1	8/24	Syllabus and my business experience	Read Syllabus
		Syllabus Quiz	Additional video material
2	8/31	What Is Strategy and the Strategic Management Process, and Competitive advantage.	Read Chapter 1
		Formative Quiz. Submit your group to sagrove@utep.edu	Additional video material
3	9/7	Industry Analysis	Read Chapter 2
		Formative Quiz	Additional video material
4	9/14	Detailed Industry Analysis (suppliers, buyers, and direct competitors)	Read Case Microsoft Search
		Formative Quiz	Check supplemental material (CSM). Additional video Material
5	9/21	Detailed Industry Analysis (threat of new entrants, and substitutes)	Read Case Microsoft Search
		Firm boundaries M&A	CSM. Additional video material.
6	9/28	Evaluating a Firm's Internal Capabilities	Read Chapter 3
		Formative Quiz	CSM
7	10/5	Cost Leadership	Read Chapter 4
		Formative Quiz	CSM
8	10/12	Product Differentiation	Read Chapter 5
		Formative Quiz	CSM
9	10/19	Firms compete in the same industry with different business-level strategies	Read Case Apple Inc.
		Formative Quiz, Team Project (submit complete industry analysis for the personal computer industry focusing in B2P). One file per group uploaded to Blackboard.	CSM Strategic Profit Model
10	10/26	Vertical Integration	Read Chapter 8
		Formative Quiz	CSM
11	11/2	Corporate Diversification	Read Chapter 9
		Formative Quiz. Team Project (pick a public/large company to analyze; indicate who are the suppliers, buyers, substitutes, and direct competitors? One file per group uploaded to Blackboard.)	
12	11/9	Strategic Alliances	Read Chapter 11
		Formative Quiz, Group meeting with me (15min) to plan the final team project.	
13	11/16	Mergers and Acquisitions (Voluntary group presentation for advanced groups)	Read Chapter 12
		Formative Quiz	
14	11/23	Group Presentation (26-27 Thanksgiving Holiday - University Closed)	
15	11/30	Group Presentation	
16	12/7	BBA exam (Blackboard), BBA presentation video deadline.	Chapters 1,2,3,4,5,8,9,11 and 12 + DuPont

Deadlines are attached to each assignment and they will also be informed as an announcement. As a general rule, quiz (a) will be available on Wednesday at 9AM for 36 hours, but once started, you will only have an small amount of time to completed at each of the three attempts. Quiz (b) will be available on Friday for 12 hours, but once started you will have a short amount of time to complete it (remember that quiz (b) is just one shot; this quiz is for real).