

MGMT 4300 (CRN 11349)  
Strategic Management  
The University of Texas at El Paso

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<b>Class Time</b>	Tu-Th 6:00PM-7:20PM
<b>Class Room</b>	312
<b>Instructor</b>	Dr. Sergio Grove
<b>Office</b>	BUSN 213
<b>Office Hours</b>	I have office hours Tuesdays and Thursdays from 8AM to 9AM, then 10:20AM-11:00AM, and finally, 7:20PM-8:00PM. Given the COVID limitations, we will require some coordination, but if I am available, there is no waiting. You can check if I am online, just text or call. You may also text or call my cellphone.
<b>E-mail</b>	<a href="mailto:sagrove@utep.edu">sagrove@utep.edu</a>
<b>Phone</b>	860-391-9717 (mobile)
<b>Textbook</b>	Jay Barney & William Hesterly. <i>Strategic Management and Competitive Advantage, 6<sup>th</sup> edition</i> . New York, NY: Pearson. ISBN: 978-0134741147
<b>Cases</b>	Course pack includes two cases. You can order it at: <a href="https://hbsp.harvard.edu/import/855502">https://hbsp.harvard.edu/import/855502</a> E-delivery costs about \$17. 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. <b>You must submit your receipt to blackboard to get credit for Harvard related quizzes and activities.</b>

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## 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 (after the midterm). This group should collaborate for the Team Discussion, and may want to collaborate during the final presentation activities. 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 the TA (mamahalungka@miners.utep.edu), and the TA 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 by fixing them. So, a quiz is an activity supported by Blackboard, that consists of two different stages. The first quiz (a-preparation) will not provide you with the right answer; it will just tell you what is wrong or right. **You can take this quiz two times and it is not graded.** 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 a-

preparation quiz should help you with the Entry Quiz, which is graded and you'll take every week (almost). Finally, **the Exit Quiz is also graded and we will have it every week. No book or notes for Entry and Exit quizzes.** My recommendation for obtaining 100% on Entry and Exiting quizzes is to take professional notes when taking a-preparation (including correct answers). Also, professional notes during the class time will help with the Exit Quiz.

- 3) 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	Formative Quiz (a-prep) Entry Quiz Exit Quiz
Understand the concept of competitive advantage	Reading: textbook Chapter 1 Case preparation Upload your Harvard receipt.	Formative Quiz (a-prep) Entry Quiz Exit Quiz
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	Formative Quiz (a-prep) Entry Quiz Exit Quiz
Detailed Industry Analysis. Understand who are the industry <b>suppliers, buyers, and direct competitors</b> , and how they shape competition within the industry.	Readings: Case Microsoft Search	Formative Quiz (a-prep) Entry Quiz Exit Quiz
Detailed Industry Analysis. Understand threat of <b>new entrants, and substitutes</b> , and how they shape competition within the industry.	Readings: Case Microsoft Search	Formative Quiz (a-prep) Entry Quiz Exit Quiz

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	Formative Quiz (a-prep) Entry Quiz Exit 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	Formative Quiz (a-prep) Entry Quiz Exit 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	Formative Quiz (a-prep) Entry Quiz Exit Quiz
Understand that different firms may compete in the same industry with different business-level strategies. Some using differentiation and other cost.	Readings: Apple	Formative Quiz (a-prep) Entry Quiz Exit Quiz
Understand what is a vertical integration, why some firms do it, and their impact on competitive advantage.	Readings: textbook Chapter 8 to 9	Formative Quiz (a-prep) Entry Quiz Exit Quiz You should have a team by now
Understand how a vertical integration makes sense when considering the industry analysis.	Readings: Zara Case. Team discussion Recommend group meeting with the instructor (30min)	Formative Quiz (a-prep) Entry Quiz Exit Quiz
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 (a-prep) Entry Quiz Exit Quiz

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 (a-prep) Entry Quiz Exit Quiz
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 (The reason for having entry quizzes every week). 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) Entry Quizzes	15%
(2) Exit Quizzes	10%
(3) BBA assessment	15%
• BBA exam.	10%
• BBA video presentation.	5%

Group assessment

(4) First Midterm	20%
(5) Second Midterm.	20%
(6) 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 stages, 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) Quizzes (Blackboard)**

In this course, the first quiz (a-preparation) will provide you with training; it will just tell you what is wrong or right. The Entry Quiz will happen every Monday from (4AM to 11:59PM) and will be graded. The Exit Quiz will also happen every week, but on Fridays from (4AM to 11:59PM) and will also be graded.

**Only Entry and Exit quizzes are counted for your final grade (not a-preparation).**

**Things happens such as, my camera failed, or “Respondus” kicked me out, etc. Therefore, you can delete the lowest grade that you obtained in each of the Quizzes (Entry and Exit).**

### **(2) 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 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.

### **(3) First and Second Midterm (Blackboard)**

These midterms will be based on a collection of questions from all the Exit Quizzes. **Things**

**happen, so I recommend you be at the room to take the midterms (I will be there).**

#### **(4) Final Team project**

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.

#### **(5) 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](mailto: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](http://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/Activity
1	8/24/21	Intro to Strategy 4900/ Syllabus	Read Syllabus, and CV
	8/26/21	Overview: Strategic analysis	Exit Quiz about overview and syllabus
2	8/31/21	Industry analysis 1/Case: Apple Inc.	Read Case. Entry Quiz
	9/2/21	Industry analysis 2/Case: Apple Inc.	Read Case. Exit Quiz
3	9/7/21	Strategic Management Process,	Read Chapter 1 Entry Quiz
	9/9/21	Competitive advantage and positioning	Read Chapter 1 Exit Quiz
4	9/14/21	Detailed Industry Analysis (suppliers, buyers, and direct competitors)	Read Case Microsoft Search Entry Quiz
	9/16/21	Detailed Industry Analysis (threat of new entrants, and substitutes)	Read Case Microsoft Search Exit Quiz
5	9/21/21	Car Industry analysis	Read Chapter 3 Entry Quiz
	9/23/21	Evaluating a Firm's Internal Capabilities	Exit Quiz
6	9/28/21	Cost Leadership	Read Chapter 4 Entry Quiz
	9/30/21	Mini Midterm (What to expect), questions, etc.	It is not graded, we will discuss the Mini-Midterm in Class.
7	10/5/21	Product Differentiation	Read Chapter 5
	10/7/21	Firms compete in the same industry with different business-level strategies	We will use all the cases. Exit Quiz
8	10/12/21	Case: Google Inc.	Read Case
	10/14/21	First Midterm	No class (You can take it during the class time, I will be in the room for questions)
9	10/19/21	Zara: Fast-Fashion	Read Case, Zara: Fast-Fashion
	10/21/21	Final project class. What is it? How is it work? OMG I am panicking!	You need to submit the group to our TA before the class starts.
10	10/26/21	Vertical Integration	Read Chapter 8 Entry Quiz
	10/28/21	Example final using Zara	Exit Quiz
11	11/2/21	Corporate Diversification	Read Chapter 9 Entry Quiz (recall your notes for all the cases)
	11/4/21	Final project in class Activities	Activity
12	11/9/21	Strategic Alliances	Read Chapter 11 Entry Quiz
	11/11/21	Final project in class Activities	Activity, submit your industry and firm for the final.
13	11/16/21	Mergers and Acquisitions (Voluntary group presentation week for advanced groups)	Read Chapter 12 Entry Quiz
	11/18/21	Second Midterm	No class (You can take it during the class time, I will be in the room for questions)
14	11/23/21	Group Presentation (Class or week) (Voluntary group presentation week for advanced groups)	Read Chapter 12 Entry Quiz
	11/25/21	Thanksgiving Holiday - University Closed	No class
15	11/30/21	Group Presentation (Class or week)	Formative
	12/2/21	Group Presentation (Class or week)	Formative
16	12/6/21	Group Presentation (Week)	Formative

The Entry Quiz will happen every Monday from (4AM to 11:59PM) and will be graded. The Exit Quiz will also happen every week, but on Fridays from (4AM to 11:59PM) and will also be graded.

*If you have tested positive for COVID-19, you are encouraged to report your results to [covidaction@utep.edu](mailto:covidaction@utep.edu), so that the Dean of Students Office can provide you with support and help with communication with your professors. It is important to follow all instructions that you receive as part of the diagnosis, including isolation and staying at home until a negative test is produced.*

*If you experience COVID-19 symptoms, please follow the isolation protocol by staying at home and getting tested as soon as possible. If the test is negative but you are still seeking accommodations, please contact the Dean of Students Office for guidance in a timely manner. Your instructor will work with the Dean of Students Office to determine the extent of any such accommodations.*

*We strongly encourage you to think and act proactively in all matters related to COVID-19 and your academic endeavors. The Center for Disease Control and Prevention recommends that people in areas of substantial or high COVID-19 transmission wear face masks when indoors in groups of people. The best way that Miners can take care of miners is to get the vaccine. If you still need the vaccine, it is widely available in the El Paso area, and will be available at no charge on campus during the first week of classes. For more information about the current rates, testing, and vaccinations, please visit [epstrong.org](http://epstrong.org).*