



**BUSINESS POLICY AND STRATEGY
FALL 2002**

PRELIMINARY SYLLABUS (UPDATED MAY 20, 2002)

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Office Hours: TBA

Course webpage: TBA

Required Materials

TEXTBOOK: TBA

CASEBOOK: TBA

Course Objectives

How can companies design and implement strategies that will enable them to create and maintain sustainable competitive advantages?

This course is designed with this question in mind. The objective is to teach students the concepts, analytical techniques, and real-world cases that will help them understand the basis for superior and sustainable firm profitability. Ideally, students should leave this course with the skills and knowledge to analyze, critique, and recommend strategies that are appropriate to a company's external environment and its internal capabilities. The skills and concepts in this course are analogous to those of a management consultant or industry analyst, who add value through analytical techniques that can be applied to a broad variety of firms and industries. To reinforce this approach, assignments are research-oriented and designed to mimic those of a consulting team that has been charged with developing a strategy for a "client" firm.

Course Prerequisites

Students are expected to have taken basic courses in all of the major functional areas such as accounting, finance, marketing, and operations management, as well as management and organizational analysis. A familiarity with micro-economics is also useful in this course.

Overview of the Course

The first part of the course focuses on business level strategy, focusing on three main topics: external analysis, internal analysis, and competitive dynamics. The second half of the course expands the concept of strategy to the corporate level and considers the firm as a portfolio of businesses, Here we study topics relating to the scope of the firm (diversification and vertical integration), modes of implementing the chosen scope (mergers and acquisitions; alliances; restructuring); global competition and international expansion; and the strategic importance of corporate governance.

The course is designed to create an integrated and cumulative learning experience: analytical concepts will crop up across multiple topics and in different contexts, and later topics will build on earlier ones. Each topic area consists of a mix of lectures and cases. There will be at least one case per topic, in which we will apply lessons learned in lecture to a real-life business situation. Handouts and in-class “mini-cases” provide supplements to the text and cases. **Students are responsible for material covered in these supplemental materials, even though they may not appear on the syllabus. Exams will cover not only material in the text and cases but also concepts covered in class and in supplemental content, e.g., handouts and mini-cases.**

The class schedule is posted on the course webpage. It is important that students check this page every week as handouts may be linked to the schedule. Students also need to check for any changes to the schedule over the course of the semester.

Instructor and Teaching Assistant

Students are welcome to meet with me to review course material and help prepare assignments. In the second half of the course (after the midterm) students may make an appointment to meet with me to discuss their progress in the course and explore ways they can improve their final grade.

Course Requirements and Grading

Points earned for each grade component will be summed to obtain a total score of 100 for the course. Students will be rank-ordered based on this total score to determine their course grade. Generally, final grades are based on a class curve, as per school policy. This policy suggests the following grade distribution: Top 20% A's, next 40% B's, and the lowest 40% C's, D's, and F's. I may institute some flexibility in this distribution, in either direction, depending on how well the class performs. Thus, it is in everyone's best interest to perform as well as possible.

The grading components for the course are as follows:

Component	Points
1. Participation	10
2. Attendance	0 up to 3, -1 for each absence beyond 3
3. Midterm Exam	15
4. Final Exam	30
5. Team Memo and Presentation	5
6. Team Industry Analysis Paper	15
7. Team Final Presentation	10
8. Team Final Paper	15
TOTAL POINTS	100

(1) Participation (10% of grade)

Participation is a major portion of your grade. You are expected to have done the reading or prepared the case for the day and come to class ready to join in discussions. At the end of each class session I note which students made valuable contributions to the discussion. It will be very difficult to get an A in this class if you do not speak up in class at some point in the semester. Note that asking questions counts as participation, and asking questions that stimulate a good group discussion counts as excellent participation! In other words, there are a variety of ways to participate: answering questions is one way, asking them is another, and sharing insights and ideas that come to mind during class is yet another.

In order to assess accurately the quality of your participation, it is essential that I know each of you individually as soon as possible. To facilitate this, I ask that you do the following:

1. choose a seat and stay there for the remainder of the semester
2. bring a name card to class and place it in the slot provided at the front of your desk
3. have your photo taken in class with your team on the day of the first presentations

In order to benefit fully from case discussions, everyone should:

- Come to class well prepared. Look at the case questions *before* you read, and read the case with those in mind. Come to class prepared to discuss those questions.
- If tables and figures are provided, perform basic analysis to uncover trends and issues that may not be explicitly mentioned in the case. Probe beyond what is written to what you think may really be going on, using the course lectures and readings as a guide.
- Given the complexities of the real world, there is no single right answer, although some answers are better than others. To find those, use strategic concepts and tools to analyze a situation.
- Listen carefully to your classmates and suggest supporting or alternative views. Thoughtful debate is highly encouraged.
- Participation is graded on quality and not just quantity.

(2) Attendance policy

I will take attendance. You have 3 "free" absences; use them as you like (job interview, illness, personal matters, religious holidays). You may choose any day for a free absence **except** a day in which your team presents. There is a "don't ask, don't tell" policy for absences: do not inform me or send me an explanation if you are not in class. If you do not go beyond the 3 free absences your grade will be unaffected. Once you use up your 3 free absences, 1 point will be deducted from your grade for each additional absence, with no exceptions. I will also deduct a point if you are absent on a day when your team presents, even if you haven't used up your 3 free absences.

If you do have to miss a class, it is your responsibility to find out from your classmates what was covered in class, and to pick up any handouts. **The lectures, discussions and in-class "mini-cases" will often cover material that is not in the text so regular attendance is required to do well in this course.**

(3) Exams (45% of grade)

There will be two in-class exams covering each part of the course. The format is a closed-book exam consisting of short-answer and multiple choice questions. Exams cover material from the text, cases, lectures, and in-class mini-cases. I do not give make-up exams. If you miss an exam you will lose that portion of credit towards your final grade.

(4) Team project (45% of grade)

Working in teams is an integral part of the work for this course. There are three team assignments. These assignments build on each other throughout the course so team cohesion and learning is critical for successful completion of the work. Students who cannot devote a significant portion of time outside of class to meet with their teams should not take this course. Team members will have an opportunity to evaluate each other at the end of the course, and students who do not meet team responsibilities will receive lower grades on team projects. There are separate handouts on the team project.