

University of Southern California  
Marshall School of Business

BUAD 497: STRATEGIC MANAGEMENT  
Spring 2010

**Instructor:** Feng Zhu, Ph.D.  
**Office:** Hoffman Hall 705  
**Office Phone:** 213-740-8469  
**Email:** [fzhu@marshall.usc.edu](mailto:fzhu@marshall.usc.edu)  
**Office Hours:** Thursdays 1:00 p.m. – 1:50 p.m. and by appointment  
**Prerequisites:** 1 from (BUAD-250b or BUAD-305) and (BUAD-304 and BUAD-306 and BUAD-307) and 1 from (BUAD-302 or BUAD-302T) Corequisite: 1 from (BUAD-311 or BUAD-311T)

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**COURSE DESCRIPTION**

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This course introduces the concepts and tools of strategy formulation and competitive analysis. It is concerned with managerial decisions and actions that materially affect the success and survival of business enterprises. The course focuses on the information, analyses, organizational processes, and skills and business judgment managers must use to craft strategies, position their businesses and assets, and define firm boundaries, so as to maximize long-term profits in the face of uncertainty and competition.

*Strategic Management (BUAD 497)* is an integrative and interdisciplinary course in two important respects. First, it takes a broad view of the environment that includes buyers, suppliers, technology, economics, capital markets, competitors, government, and global forces; and it assumes that the external environment is dynamic and characterized by uncertain changes. As such, it draws together ideas from other functional/discipline-based courses that you have already taken, such as Accounting, Economics, Finance, Marketing, Organizational Behavior, and Statistics. Second, because this course takes a *general management* perspective, it views the firm as a whole, and examines how policies in each functional area are integrated into an overall competitive strategy. It is intended that you develop this “general management point of view” in this course, which is the best vantage point for making decisions that affect long-term business performance. Using this perspective, you will make key strategic business decisions in this course such as shaping organizational purpose to evolving opportunities, creating competitive advantages, choosing competitive strategies, securing and defending sustainable market positions, and allocating critical resources over long periods. Decisions such as these can only be made effectively by viewing a firm *holistically*, and over the long term.

This course is intended to help you develop skills for formulating strategy. These skills will help you in whatever job you take after graduation as well as in your personal investing and choice of employment. The strategy formulation process demands the mastery of a body of analytical tools and the ability to take an integrative point of view. You will develop these skills through:

- In-depth analysis of industries and competitors
- Prediction of competitive behavior
- Analysis of how firms develop and sustain competitive advantages

NOTE: BUAD 497 is taught by several instructors. Policies regarding assignments and grading may be different for each instructor. Be sure to refer ONLY to this syllabus.

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## COURSE MATERIALS

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Course Reader: The assigned cases and selected articles for this course are available from the University Book Store. Additional materials may be provided during the semester for you to purchase in the bookstore.

Text: Barney & Hesterly (BH), Strategic Management and Competitive Advantage: Concepts, 3rd ed., 2010, ISBN-10: 0136094945, Publisher: Pearson. You may also buy the digital version at: <http://www.coursesmart.com/9780136111603>

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## EDUCATIONAL OBJECTIVES

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**Theory and Concepts.** The central concept in this course is competitive strategy. Definitions abound, but they all share some sense of the allocation of critical resources over relatively long periods of time in pursuit of specific goals and objectives. Successful strategies exploit external conditions, entrepreneurial insights, and internal resources in the pursuit of sustainable competitive advantage. Strategy can be usefully thought of as the comprehensive alignment of an organization with its *future* environment.

Success, however, depends not only on the soundness of the strategy, but also on its effective implementation through appropriate organizational and administrative choices. In the end, unforeseen external factors may cause a well-conceived and executed strategy to fail, in spite of its initial wisdom -- but a poor execution of a bad strategy drastically increases the chance of failure for the firm. Since chances to act strategically are infrequent, a missed or mismanaged opportunity can prove disastrous for any firm.

Understanding the concept of competitive strategy formulation is a primary educational objective in this course. Developing this understanding will involve mastering an array of economic, strategic, and organizational concepts and theories, and acquiring an integrative general manager's point of view. This course will cover theories for in-depth industry and competitor analysis, for anticipating and predicting future industry developments, and for examining the impact of change (in technologies, tastes, government regulations, global competition, and other important environmental forces) on competition and industry evolution. This course will also examine the economic underpinnings of competitive advantages, and the fundamental conditions that allow firms to conceive, develop, and sustain advantageous strategic positions.

**Analytical Skills.** Theoretical concepts are a great aid to understanding, but by themselves they do not help resolve real business problems or challenges. Analytical skills and techniques are also needed to question and validate the facts and premises assumed in the theories. A second educational objective is to further increase each student's inventory of useful analytical skills and tools. Some of the tools are quantitative -- analyzing financial statements, computing comparative buyer costs, and calculating the effects of scale and learning on production costs, for example -- while others are more qualitative. Learning how to apply these techniques, and, more importantly, when to apply them, is a key objective of the course.

In learning to examine a business and its problems or opportunities, this course will provide you with experience in conducting comprehensive strategic analyses. This experience will include: 1) identifying firms' strategies and testing them for consistency, 2) recognizing potential entrepreneurial opportunities and strategic challenges/problems, 3) selecting and establishing competitively protected market niches, 4) identifying

competitive advantages and building defenses to circumvent the advantages of rivals, 5) formulating and implementing internally consistent business strategies, and 6) designing efficient and effective organizations.

**Rhetorical Skills.** The best analysis in the world will have little effect if it cannot be communicated to others. Managers must be able to articulate their views coherently and persuasively, and they must be skilled at understanding and critiquing other points of view. Management is a "verbal sport"; perhaps 90% of a typical manager's day is consumed by oral communication. Time is often scarce. You must learn to make convincing arguments quickly, or the merits of your ideas are likely to become irrelevant. This skill takes practice, and we will place a great deal of emphasis on it in class.

**Wisdom.** Much of the knowledge that successful managers employ consist of "rules of thumb" about what issues are likely to be important in certain kinds of business situations. These rules of thumb, or heuristics, are often implicit in the thinking of people who have never bothered to articulate them explicitly. A fourth goal of this course is to help you build up your set of useful "stories" and heuristics for your future managerial careers.

In this course we are as much interested in developing an appreciation for the *art* of management as we are in understanding the *science* of management. Tools alone may make you a good analyst; they will not make you a strategist. While the ability to master analytical models, frameworks, and tools is essential, ultimate success is more strongly predicated on prescient judgment, entrepreneurial insight, iconoclastic vision, and a willingness to act forcefully with conviction.

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## COURSE FORMAT AND THE CASE DISCUSSION METHOD

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In order to achieve the objectives of the course, we will devote substantial time to the analysis and discussion of selected cases. (Lectures will be given to elaborate key theoretical models and frameworks or to reinforce crucial concepts. Cases provide a natural test-bed for theory and provide vivid examples that aid memory of concepts. While nothing can surpass first hand personal industry and managerial experience as a basis for analysis and decision-making, case analysis is an indispensable proxy for the kind of knowledge that can only be gained through years of experience and research. A mix of business cases has been selected on a range of companies from a variety of industry settings. Each case is intended to teach us something specific, yet each can teach many things. We will not attempt to exhaust each case of all its learning experiences, but rather build up a kit of analytical tools, skills and insights, progressively over all the selected cases.

There are other reasons for employing the case discussion method of instruction. First, it allows you to develop skills at problem definition in addition to problem solving. Cases typically do not have an obvious set of tasks whose performance will lead to mastery. Rather, they force you to sift through a mass of information, some of it irrelevant or contradictory, in order to identify the important or strategic issues. Second, the case method gives you a chance to deal with ambiguity. Most cases do not have obvious "right" answers. Managers must be able to function in situations where the right answer is not known, without falling into the trap of assuming that any answer is as good as another. Some analyses and proposed strategies are clearly wrong, and some are clearly better than others. A popular phrase in case analysis classes is "*There are no right answers, but there are wrong answers.*" Case discussion techniques provide a chance to learn the meaning of analytical rigor in situations that are more ambiguous than black-and-white problems.

These rationales are offered because the case method is unfamiliar to most of you and frequently causes initial confusion. There will be many times when I, as your instructor, will not reveal my own opinions about a particular issue, and there will be cases which will not end up neatly packaged with an "answer." You may discover that your preparation "misses" key points of a case, especially at first. This is a normal part of the learning experience.

The quality of your learning experience will be directly determined by: (1) your degree of preparation, active listening, and participation, and (2) your classmates' preparation, listening, and participation. Some will not agree with you, and you may be asked to defend your argument or change your mind. So long as criticism is directed at arguments and not at individuals, is relevant to the issues at hand and coherently argued, it is very much welcomed.

**Case Preparation & Discussion.** Cases provide you with information essential for subsequent discussion and debate, and require active *in-class* participation to ensure the class' success. Case discussions require extensive preparation before class, as well as active participation in class. The following is a recommended approach to preparation of cases:

- a. Rapidly read the assigned case and other materials to gain a general understanding of the industry, the firm, and the general competitive situation and issues.
- b. Carefully review the discussion questions provided in Blackboard for the session for clues as to what issues require special attention.
- c. Carefully re-read the case, taking notes that sort information, facts, and observations under a number of relevant headings. Use the discussion questions to guide your own thinking about the issues.
- d. Formulate theories or hypotheses about what is going on as you read ("the company loses money on small orders"), modifying or rejecting them as new information surfaces ("Table 2 shows that shipping costs per unit are higher for small orders, but only for long-distance shipments").
- e. Perform quantitative analyses, "crunching" whatever numbers are available. It is important to provide quantitative support wherever possible, particularly when exploring various hypotheses as to the nature and importance of certain phenomena. (If the requisite data are not available in the case, precise descriptions of what data are missing often triggers ideas for making creative use of the information that is available.) It is usually worthwhile to identify trends in the firm or industry, preferably with a quantitative measurement. Some of these trends, often very important ones, will not be flagged in the text of the case.
- f. Prepare detailed notes that you will bring with you to class to help guide your interventions in class discussions.

You will probably want to, and are strongly encouraged to, form *study groups* that will meet regularly to share insights and ideas about the assigned cases. While this is, of course, voluntary, past experience has shown that satisfactory performance in this course, and a good grade, depend on it.

There is a good chance that you will feel a bit confused or overwhelmed during the first few sessions of the course. This is a byproduct of the peculiar structure of the strategy course that does not build up linearly by successively adding components of knowledge week by week. Rather, every case in a sense contains all the material in the entire course. Furthermore, the early theoretical concepts probably won't have much meaning for you until you've worked through a few cases. As a result, there is no logical way to start off except by immersion, i.e. throwing you in the deep end of the pool and letting you struggle to stay afloat. The good news is that the number of new ideas for you to learn drops off quickly, and old ideas continue to be relevant. This

way you will get multiple chances to master the basic concepts of the course. So remember: SOME CONFUSION IS NORMAL AT FIRST.

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## COURSE EVALUATION

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Course grades will be determined by students' relative performance on the following course components:

Course Participation	20%
Quizzes	10%
Final Exam	20%
Group Case Presentation	15%
Group Challenge Team	10%
Group Project Presentation	10%
Group Project Write-up Part A	5%
Group Project Write-up Part B	10%
<b>Total</b>	<b>100%</b>

In order to pass this course successfully, a passing grade must be achieved in the combined average of the group projects AND in the combined average of the individual components. Plus and minus grades will be assigned to those immediately above or below grade cutoff points. The distribution of grades will closely follow the guidelines of the Marshall School of Business.

**Course Participation.** Part of course participation will be based on effective contributions to class discussions. These include input that is relevant to the course content and the topic of discussion. Your overall commitment and attitude toward this course, and your daily active *verbal* participation in case discussions will be closely monitored. The case notes that you prepare in advance will be hugely valuable to you during these discussions. Class participation is obviously a function of preparation, skills, attitude, and a willingness to actively commit yourself in front of your instructor and colleagues.

Students *will* be called on at random to take the lead in various aspects of the case discussion: to identify critical problems, provide analysis of relevant data (including financial data), generate alternative recommended courses of action, and generate ideas about implementation. The quality of the contributions made during these periods affect a student's overall participation grade. If the student called upon is not present, is late, or is not sufficiently prepared to make a contribution to the class discussion, he/she will lose points for class contribution. Factual misstatements, comments that demonstrate a lack of adequate preparation, or comments that come late in a discussion that distract the class and indicate that the student has not been actively listening will be noted as "negative" course participation.

In grading class participation, I will look at both the *quantity* and *quality* of your class contributions. With regard to quality, the dimensions that I look for include:

*Relevance* -- does the comment bear on the subject at hand? Comments that do not link up with what the discussion is focusing on can actually detract from the learning experience.

*Causal Linkage* -- are the logical antecedents or consequences of a particular argument traced out?

Comments that push the implications of a fact or idea as far as possible are generally superior.

*Responsiveness* -- does the comment react in an important way to what someone else has said? *Analysis* -- is the reasoning employed consistent and logical?

*Evidence* -- have data from the case, from personal experience, from general knowledge been employed to support the assertions made?

*Importance* -- does the contribution further our understanding of the issues at hand? Is a connection made with other cases we have analyzed?

*Clarity* -- is the comment succinct and understandable? Does it stick to the subject or does it wander?

I score each of you at the end of each case discussion session using a 2 if you are present that changes to a 1 if you are late or leave early. For efforts above sitting in class, I upgrade to a 3, 4, or 5 depending on the quality of your participation. Attempts to dominate class discussion rarely result in consistent and significant contributions.

At the end of each case discussion, students who actively participated in the discussion are encouraged to turn in a **PARTICIPATION CARD**. These cards should list your name, the date, the case discussed that day, and a synopsis of your contributions during that day's discussion (just a very short summary). The Participation Cards will be used in combination with the instructor's own daily evaluations to determine your participation grade for the day. For this purpose, please purchase a package of 3x5 index cards and bring them to each class.

NOTE: You are not required to turn in Participation Cards, but *they are helpful for both you and me especially during the first few weeks* because I may not be able to memorize your name for the first few weeks. I do my best to record every single contribution (and disruption for that matter) you make in the classroom. However, I might also forget to record some of your participations. Participation cards are a great way to remind me of your contribution.

Participation also comprises involvement in research activities. You can choose one of two options to fulfill this requirement. Please note that, if you do not complete one of these two options, you will lose the points for this part of your grade (5%).

#### Option 1:

First, you can participate in research studies. To do this, you will attend sessions outside of class, conducted by researchers in organizational behavior at Marshall. Shorter studies offer 1/2 credit per session, and longer ones offer 1 credit per session. Most sessions are no more than an hour long. You will need to obtain 3 credits during the semester in order to fulfill the research requirement. If you choose this option, please register for an account at <http://marshall.usc.edu/497studysignup> no later than February 1, 2010. After you verify your account, you will need to check the site regularly to find open studies and sign yourself up for appointments. Studies are scheduled throughout the semester, on various days and times. It's important that you complete your credit early; if you wait until the end of the semester, there may not be enough studies available. You are not guaranteed an available study spot. Please note: If you reserve a time and then fail to appear without notifying the researcher 24 hours in advance, you will receive a 1 credit penalty, and will have to complete a total of 4 credits' worth of studies for the semester. To receive full participation points, you must earn at least 1 credit by March 12, 2010. Your other credits can be earned any time before April 30, 2010.

#### Option 2:

Your second way to complete the research requirement is to write a 3-page research paper for each of the credits (so, 3 papers) on a topic(s) prearranged with your discussion section instructor or professor. Students

must be aged 18 or older by February 15, 2010 in order to choose option 1; otherwise, you will need to use option 2. Papers must be turned in no later than April 30, 2010.

**Quizzes.** I will give short unannounced quizzes (3-5 total) during the course, which may cover a case, readings from the textbook, or assigned articles. No make-up opportunities are available if you are absent or late. You will be able to drop 1 quiz.

**Final Exam.** A final exam is scheduled for this course. It will be given during following time periods (as specified by the university):

Section 15107R: 2:00-4:00pm May 6, 2010

Section 15109R: 4:30-6:30pm May 6, 2010

The exam will consist of multiple choice, true/false questions, and short answer questions on a case (which will be distributed a week before the exam). The final exam will be cumulative, based on all material covered in the course throughout the semester.

**Group Case Presentation.** You will participate in one case analysis presentation to the class as part of a group. Each team will consist of 5-7 members. You will make your group presentations with the aid of visuals, and use your business communication skills to explain and defend your conclusions. You may divide the task among team members but I expect all of you make equal contributions to the presentation. For example, some of you who are not presenting the visual materials should take on more work in answering questions. All team members need to show up for the case presentation.

Content of your presentation will consist of your key recommendations to the managers in a case, along with the supporting logic for those recommendations. Your recommendations will be based on the strategic problems facing the managers, your analysis of relevant non-financial and financial data (using graphical presentation, as appropriate), alternative courses of action, and your assessment of the preferred course. You should not rehash facts from the case. Instead, key facts should be used to support your position. Try to go beyond the facts provided by the case writer by doing some new analysis using the data in the exhibits. Case questions posted on BlackBoard will provide additional guidance.

Your group presentations will be evaluated based on your visual materials, your oral presentation, and your answers to questions. A hard copy of your visual materials should be turned in to me before the class. You should also email the visual materials to me before or right after the class and I will post them on the BlackBoard.

**Group Case Challenge.** When a team is presenting its case analysis, I expect everyone in the class will be able to ask questions. In order to maintain a high level of interaction and discussion, a non-presenting group will be designated as a "Challenge Team." This group will prepare questions for the Presenting Team. However, make sure that the questions that you ask the Presenting Team are those that you have an answer to yourself, as I may turn the question around and make you answer it. The role of "Challenge Team" rotates from one case to another so that all teams have opportunities to both present and challenge.

Your challenge team will be evaluated on the depth and relevance of your questions (and possible answers) during the presentation. The challenge team will generate a list of the questions that they intend to ask the Presenting Team and circle those that they actually asked during the class. You may also add by hand any

additional questions that are asked that were not anticipated. This list must be turned into me by the end of the class period.

Team Formation for Group Case Presentations/Group Challenge Teams/Group Project. I will make time available in the third class period for you to form yourselves into teams for these assignments. Each team will be randomly assigned a case to present and a case to challenge.

**Group Project.** The group strategy analysis project is a team exercise for which each team will consist of 5-7 members. Students are to prepare a complete strategic analysis of the current and future prospects for a real company and industry. Guidelines for the selection of companies for strategic analysis will be discussed in class; in general, firms in industries that are in transition or firms that are undergoing major strategic changes are potentially the most interesting. *Your project proposal must be turned into me not later than the end of eleventh session. However, you would be wise to turn it in sooner, as sign-ups will be on a first-come first-serve basis, I will approve, in writing, all companies selected by student groups.*

**The project proposal** should include:

1. The team name and names of all team members
2. A brief description (roughly 200 words) of your topic.

Part A of the write-up, which consists of an industry analysis, is due before the spring break. Part B of the write-up, which consists of a competitive analysis of a focal firm and your recommendations, is due during the 27<sup>th</sup> session together with Part A. The whole write-up should not exceed fifteen (15) double-spaced typewritten pages, with 1" margins and 12 point font. I will only read the first 15 pages of text, so please stay within the page limit. The limit does not include appendices, which you can use to provide charts, figures, or other background material, but should be no longer than five (5) pages. Appendices which are not directly referenced in the text will not be read. The appendix is not a catch-all for anything that might be relevant, but is to be used carefully to support your points. Always include page numbers. Staple papers only, (no binding, folders, clips, or anything other than plain paper).

Oral presentations will be given during the final 3 class sessions. Each presentation will be about 17 minutes in length, and additional time will be set aside for questions from other teams after the presentation. Both the oral presentation and written document should cover all of the key elements of your analysis. For grading purposes, it will not be sufficient to orally present an aspect of your analysis that does not appear in the written document.

The in-class presentation of your paper is worth 10% of the course grade. Half of these 10% will come from your peers, who will attend your presentation and afterwards score it, while the other half will come from my evaluation. It is therefore imperative that you both do well on these presentations and also attend the presentations of your peers. Also, I do not expect but welcome non-traditional forms of presentation. I expect that at this time of your USC career, you know how to give a professional presentation, so this may be a good opportunity to play around with the format. However, please remember that presentations that neglect content in favor of form are not likely to score well.

**Peer Evaluations.** Each of you will complete a peer evaluation of the members of your group case analysis/ case brief challenge teams and another peer evaluation for your strategy analysis team (if different). The peer evaluation form is in Appendix B and another copy is in Blackboard intranet system. Your peer evaluation, in

hard copy form, is due not later than the last day of class before the final exam period. (Electronic copies will not be accepted.) Your care in completing it forms part of your participation/commitment grade.

NOTE: THE MOST FUNDAMENTAL PRINCIPLE OF MY TEACHING PHILOSOPHY IS "FAIRENESS." PLEASE DON'T ASK ME FOR SOMETHING THAT MAY BE UNFAIR TO YOUR CLASSMATES.

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### OTHER COURSE POLICIES

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**Attendance.** Class attendance is absolutely essential! All missed classes, tardiness, and early departures result in a loss in class contribution and participation points, and will be noted as evidence of low course commitment. The policy on missed classes is to allow each student three (3) absences, no questions asked, no penalty, with the exception of missing a quiz. *ALL* further absences over the limit will reduce the student's participation grade (each absence will reduce up to 10% of your participation grade). *Please do not contact me with regard to your absence.* Students with an excessive number of absences are at risk of failing the course.

**Late Reports.** Late reports will be penalized 10 percent for missing the deadline, and 10 percent per day late. Group presentations **MUST** be given on the date assigned in order for credit to be received.

**Missed Examinations or Quizzes.** No make-up examinations and make-up quizzes will be given. A student must take the final exam to receive a passing grade for the course.

**Formatting of Assignments.** All assignments must be typed on plain white 8 ½ x 11" paper in 12-point font with one-inch margins around the page. All assignments must include a cover page with assignment title, course title and number, section number, and each team member's name with e-mail address. All text material (not tables or references) must be double-spaced. Pages should be numbered in the upper right corner (no page number on first page). Papers should be fastened with a staple in the upper left corner—no folders please. Creative formatting may result in penalty.

**"Screen down" policy.** Please note that all communication devices such as computers, cell phones, Blackberries, etc. capable of sending and or receiving electronic communication and all entertainment devices such as iPods or other MP3 players are to be turned off and kept off throughout the class session. Receiving or sending communication or entertainment during class disrupts the learning environment of those around you and will result in lower participation grade.

**Classroom Etiquette.** Please be courteous to your fellow class members by taking care of your bio-breaks before or after class. It is very distracting to have people continuously leaving and entering the class during the case discussion, and shows disrespect to those who are speaking. If it becomes apparent that you are leaving during the discussion, your participation grade will be negatively affected. Since this is an evening class, however, feel free to bring in food for dinner. Please be courteous to the janitorial staff, however, and clean up your trash before leaving the classroom.

**Returned Assignments** The Marshall School of Business policy for returning papers is as follows: Returned paperwork, unclaimed by a student, will be discarded after four weeks and hence, will not be available should a grade appeal be pursued by a student following receipt of his/her course grade.

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## COURSE COMMUNICATION: BLACKBOARD SYSTEM

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I have posted the course syllabus and assignment information to the BUAD 497 folder for your section in Blackboard. I will also post additional course lecture notes/materials, further details on assignments, and general course announcements to this folder throughout the semester. You should develop the habit of checking the course folder on a daily basis. You can access Blackboard through the "My Marshall" portal <http://mymarshall.usc.edu>, or directly: <https://blackboard.usc.edu>. You will need your UNIX password.

### **Important:**

All e-mails sent to the class originate from the Blackboard system. It is your responsibility to insure that your e-mail address and account settings in Blackboard are correct for you to receive messages.

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## ACADEMIC INTEGRITY

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The following information on academic integrity, dishonesty, and the grading standard are placed here at the recommendation of the School of Business Administration Faculty and are taken from the Faculty Handbook. Additional statements about academic integrity may be found in SCampus handbook available at the Topping Student Center and online at <http://www.usc.edu/go/scampus>. Further information may be obtained from the Office of Student Judicial Affairs and Community Standards at <http://www.usc.edu/student-affairs/SJACS/index>.

"The University, as an instrument of learning, is predicated on the existence of an environment of integrity. As members of the academic community, faculty, students, and administrative officials share the responsibility for maintaining this environment. Faculty has the primary responsibility for establishing and maintaining an atmosphere and attitude of academic integrity such that the enterprise may flourish in an open and honest way. Students share this responsibility for maintaining standards of academic performance and classroom behavior conducive to the learning process. Administrative officials are responsible for the establishment and maintenance of procedures to support and enforce those academic standards. Thus, the entire University community bears the responsibility for maintaining an environment of integrity and for taking appropriate action to sanction individuals involved in any violation. When there is a clear indication that such individuals are unwilling or unable to support these standards, they should not be allowed to remain in the University." (Faculty Handbook, 1994: 20)

Academic dishonesty includes: (Faculty Handbook, 1994: 21-22)

1. Examination behavior - any use of external assistance during an examination shall be considered academically dishonest unless expressly permitted by the teacher.
2. Fabrication - any intentional falsification or invention of data or citation in an academic exercise will be considered a violation of academic integrity.
3. Plagiarism - the appropriation and subsequent passing off another's ideas or words as one's own. If the words or ideas of another are used, acknowledgment of the original source must be made through recognized referencing practices.
4. Other Types of Academic Dishonesty - submitting a paper written by or obtained from another, using a paper or essay in more than one class without the teacher's express permission, obtaining a copy of an examination in advance without the knowledge and consent of the teacher, changing academic records

outside of normal procedures and/or petitions, using another person to complete homework assignments or take-home exams without the knowledge or consent of the teacher.

The use of unauthorized material, communication with fellow students during an examination, attempting to benefit from the work of another student, and similar behavior that defeats the intent of an examination or other class work is unacceptable to the University. It is often difficult to distinguish between a culpable act and inadvertent behavior resulting from the nervous tensions accompanying examinations. Where a clear violation has occurred, however, the instructor may disqualify the student's work as unacceptable and assign a failing mark on the paper.

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### **STUDENTS WITH DISABILITIES**

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Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me as early in the semester as possible. DSP is located in STU 301 and is open 8:30 a.m. – 5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776.

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## PEER EVALUATION

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Please allocate 100 points (total) across all the members of your team **except yourself** to reflect your assessment of their individual contributions to the team effort. I will treat your assessments as confidential.

Your name: \_\_\_\_\_

If your case presentation and challenge team is different from final project team, you need to fill out two evaluation forms. Please indicate whether this evaluation is for the case presentation and challenge team, or for the final project team: \_\_\_\_\_

Team-member name (exclude yourself):	Contribution:
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
Total:	100

In the space below, provide some summary comments for your team members:

### Greatest Strength

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_

### Areas for Improvement:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_

## COURSE SCHEDULE

SESSION	DATE	TOPIC	READING	NOTE
<b>Introduction</b>				
1	12-Jan	Course Introduction and Overview	Syllabus	
2	14-Jan	Introduction to Strategy	BH: Chapter 1 and Michael Porter, "What is Strategy?" (HBS 96608)	
<b>Creating and Sustaining Competitive Advantage</b>				
3	19-Jan	Preview case	Wal*Mart Stores, Inc. (HBS 9-794-024)	Team formation in class
4	21-Jan	Lecture: External Environment and Internal Environment	BH: Chapter 2 and 3	
5	26-Jan	Competitive Advantage I	Apple Inc., 2008 (HBS 9-708-480)	
6	28-Jan	Competitive Advantage II	Cola Wars Continue: Coke and Pepsi in 2006 (HBS 9-706-447)	
7	02-Feb	Value Creation and Value Capturing	Cirque du Soleil (HBS 9-403-006)	
<b>Competitive Dynamics</b>				
8	04-Feb	Lecture: Product Differentiation and Cost Leadership	BH: Chapter 4 and 5	
9	09-Feb	Position I	IKEA Invades America (HBS 9-504-094)	
10	11-Feb	Position II	Sony AIBO: The World's First Entertainment Robot (HBS 9-502-010)	
11	16-Feb	Lecture: Game Theory	Game Theory and Business Strategy (HBS 9-705-471)	
12	18-Feb	Competitive Interactions I	The Ready to Eat Breakfast Cereal Industry (HBS 9-795-191)	Group Project Proposal Due
13	23-Feb	Competitive Interactions II	Bitter Competition: The Holland Sweetener Co. vs. NutraSweet (A) (HBS 9-794-079)	
14	25-Feb	Competitive Interactions III	Dog Fight Over Europe: Ryanair (A) (HBS 9-700-115)	
15	02-Mar	---	<i>Time Reserved for Group Project</i>	
16	04-Mar	Complements	Competitive Dynamics in Home Video Games (A): The Age of Atari (HBS 9-701-091) (B): Nintendo Power (HBS 9-701-092)	
17	09-Mar	Disruptive Innovation I	Netflix (HBS 9-607-138)	
18	11-Mar	Disruptive Innovation II	Hewlett-Packard: The Flight of the Kittyhawk (A) (HBS 9-606-088)	Group Project Write-up Part A Due
	16-Mar	---	<i>Spring Break</i>	
	18-Mar	---	<i>Spring Break</i>	

19	23-Mar	Lecture: Strategies in Networked Industries	Networks and Positive Feedback: How to Exploit Network Effects (HBS 2578BC)	
20	25-Mar	Network Effects	Facebook (HBS E220)	
21	30-Mar	Standard Competition	The Browser Wars—1994-98 (HBS 9-798-094)	
<b>Corporate Strategy</b>				
22	01-Apr	Lecture: Corporate Strategy	BH: Chapter 7, 9 and 10	
23	06-Apr	Culture and Diversification I	The Walt Disney Company: The Entertainment King (HBS 9-701-035)	
24	08-Apr	Culture and Diversification II	Google, Inc. (HBS 9-806-105)	
25	13-Apr	Alliance or Acquisition	eBay's Strategy in China: Alliance or Acquisition (HBS HKU701)	
26	15-Apr	Global Economy and Value Chain	Video Case: Cappuccino Trail: the Global Economy in a Cup	
<b>Review Sessions</b>				
27	20-Apr	Group Presentations		Group Project Write-up Part A and Part B Due
28	22-Apr	Group Presentations		
29	27-Apr	Group Presentations		
30	29-Apr	Course Wrap		Peer Evaluations Due

BH: Barney & Hesterly