

MAN 4722

Learning Objectives

- Understand the key steps in a strategic audit, including:
 - Evaluation of the company's goal, vision and mission
 - Evaluation of the company's current strategy
 - Analysis of the firm's internal environment or resources
 - Analysis of the firm's external environment, especially the competitive environment
 - Company Performance Evaluation
 - Strategy option determination
 - Evaluation of strategic options
 - Strategy recommendation

- Be able to perform such a strategic audit.

- Understand how companies generally set strategic direction, and how they use data and analysis to create key strategic and operational performance measures to monitor the effectiveness of the strategy implemented.

- Understand the issues and challenges that companies face when developing strategic business plans to improve performance, such as resistance to change and the importance of employee involvement in the process, and the need to manage the strategic planning process.

- Understand and be able to draw from the key information and data sources that company draw from, and know how to extract larger meaning from the data, to support decision making to improve the company's strategy and its performance.

- Understand the difference between business unit strategy and corporate strategy and that the tool needed to manage at the corporate level are often different than at the business unit level

- Understand the importance of ethical, environmental and global issues for strategic decision making.

MAN 4722
Strategic Management
Spain-Summer A 2008

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- [Required Text](#)
- [Course Purpose and Description](#)
- [Course Schedule](#)
- [Grades](#)
- [Individual Cases](#)
- [Appendix A](#)

Required Text

- Wheelen and Hunger, *Essentials of Strategic Management, 4th edition*.

Course Purpose and Description

The purpose of Strategic Management is to provide the student with the opportunity to **apply** the various concepts and theories which have been learned throughout the undergraduate business curriculum. Integrating these business disciplines in a meaningful manner will provide the student with a holistic understanding of the fit of an organization in our highly diversified international business environment. As the capstone course in the College of Business Administration, students are **expected** to exhibit professional behavior in concert with their chosen major(s). Students must show an ability to **explain** why they choose to pursue their particular discipline, as well as promote their beliefs, through rational arguments and research. Clarity in communications is paramount.

This course will focus on the development of analytical and conceptual skills, and both written and oral expression of those skills, using personal philosophies and approaches. The course will build on the student's **entire** knowledge base, both academic and non-academic. Thus, whether in class discussion or case analysis, the student is expected to decide which facts will bear on their arguments and recommendations. The broad scope of the course will require knowledge of not only the text and class material, but also the environment in which the decision is made, including current political, technological, economic and sociocultural factors, as well as skills and knowledge acquired in

accounting, finance, decision sciences, marketing, and management and international business. Toward this end, we will discuss issues facing organizations in general, including political and non-profit entities. Structure and method are fundamental; critical thinking is the goal.

Students, in groups of exactly three persons, must develop a strategic analysis of a corporation listed in the Global 2000, but may not choose any company in the top 1000. This step is taken to ensure that the research and analysis is more likely to eliminate a “jury pool” which provides easy access to expert and readily available media opinions. As strategic audits and planning require thinking beyond the normal, students must learn to develop these skills by confronting unusual situations with relatively unknown companies. This approach also encourages students to broaden their perspectives on industries and the fit of each in a global business environment, and to promote innovative concepts, new practice, and reformation. I promote discussion, argument, and value cultural expression, diversity, and integrity. However, cheating and superfluous manipulation are prohibited. Penalties are imposed at my discretion, and may be severe.

All students are expected to be present at group meetings and to maintain the highest standards of ethical behavior. We follow the University’s Code on Academic Integrity. Separate in-class discussion will be conducted to reinforce and discuss ethics. Issues regarding sexual harassment should be addressed to the professor. Any questions regarding what constitutes ethical behavior can be answered by consulting the FIU student handbook or the professor. Every effort will be made to accommodate disabled students. I will follow University guidelines regarding religious holidays.

Students may substitute eight hours of community service for one short paper. The service must be conducted through The Miami Benefit Club. Make your reservations early at themiamibenefitclub.com. Community Service is a course objective.

The Drop deadline is specified in the University Calendar. No make-up examinations will be allowed. The syllabus may be modified as needed.

Objectives: Attached

Course Schedule

Date	Activity
Apr 12	Introduction. Discuss syllabus. Sign Academic Honesty Policy Document. Form groups; Assignment: Present three choices for project/presentation from Global 2000, ranked 1001-2000. Project will follow outline on pp.12-13 of text, p. 180 ff. Read Chapters 1 and 2.
Apr 26	Discussion of Chapter 1 and Group Project. Review current events. Discuss differences between strategy, tactics and operations. Give historical examples of strategic implementation. Discuss success and failure.
May 5	Lecture/discussion of Chapter 2: Utilitarian ethics, deontology, distributive justice theories. Discuss Vision and Mission Statements. Review BOD

	responsibilities.
May 7	Lecture/discussion of Chapter 3: Environmental Scanning. Societal environment variables: political, economic, technological, and sociocultural. Porter's Industry Analysis model. Strategic groups (US Restaurant Chain Industry.) Some typical strategic types.
May 8	Lecture/discussion of Chapter 4: Definition of corporate culture and the internal environment. Core and distinctive competencies and determining the sustainability of a competitive advantage. Review of typical organizational structures. Detailed discussion of BEV: beliefs, expectations, and values.
May 10	Lecture/discussion of Chapter 5: Strategy formulation: The advantages and disadvantages of a SWOT analysis. What are "strategic windows?" Competitive strategies: low cost vs. differentiation. Market location tactics. How to attack a competitor's position and defend your own. Strategic alliances.
May 12	Lecture/discussion of Chapter 6: Corporate strategies: directional, portfolio, and parenting strategies. Contrast of corporate, business, and functional strategies. Directional strategies: growth, stability, and retrenchment options. Review of the growth/share matrix. Discussion of conglomerates: GE.
May 12	Lecture/discussion of Chapter 7: Functional strategies and business competencies. Define and discuss development of distinctive competencies. Contrast technological leadership with technological followership. Some strategies to avoid. Political strategies.
May 14	Lecture/discussion of Chapter 8: Strategy implementation and attendant issues. How structure follows strategy. The stages of corporate development and the life cycle of organizations in general. Reengineering and radical redesign.
Jun 25	Examination
TBA	Discuss Final examination and grades;
TBA	Group presentations and Q&A
TBA	Group presentations. ALL written work due by. NO exceptions. If you might be late, turn in the work earlier. NO EVALUATIVE COMPONENTS ACCEPTED AFTER THIS DATE AND TIME, INCLUDING COMMUNITY SERVICE.

Grades

The final grade for this course will be determined from the following components:

Examination	40%
Paper 1	10%
Paper 2 or Community Service	10%
Project/presentation	40%

The final exam is given only on the officially designated examination date. All students must make an oral presentation on the specified date in order to pass the course. This syllabus may be modified at the professor's discretion. Community service through either The Miami Benefit Club or Habitat for Humanity only may be substituted for one paper.

Individual Cases

Six typed pages. The key is to **effectively communicate** the issues, alternatives, and recommendations. See Appendix A.

APPENDIX A INSTRUCTIONS FOR CASE ANALYSES

Part A: Situation Analysis

1. The firm's main *strengths*
2. The firm's main *weaknesses*
3. The firm's main *opportunities*
4. The firm's main *threats*
5. The firm's current *strategies*
6. The main issue of the case (one or two sentences)

HINT: Strengths and weaknesses are *internal* to the firm and largely within the firm's control.

Opportunities and threats are *external* to the firm and largely beyond the firm's control.

Part B: Recommendations

Suggest at least three solutions to what you have identified as the main problem. Explain how they should be implemented. Keep your solutions in the context of the problem as previously identified, and *justify your suggestions*. This section should be at least two pages.

General Comments

1A No bullets

1. Your analysis should be neatly typed and exhibit professionalism. Simply staple the analysis on the upper left hand corner. I do not want report covers or binders.
2. Parts A and B together should be at least 6 pages, double spaced.
3. Remember, this is an analysis. I do not want a mere regurgitation of the research material. Cite all outside sources, including the web, in the text itself. You do not need a bibliography.
4. ***Do your own work.*** You may discuss the cases outside of class, but I expect the analysis and paper to be your own -- this is not a collaborative project.
5. Define the main problems narrowly and try to relate the rest of the analysis to these.
6. You should justify everything and be specific. For example, "expand overseas" is not an acceptable strategy statement. Strategies should include what they are doing now, and what objectives they need to do to accomplish their goals.
7. Highlight your points. Mere "bullet statements" are not acceptable. For example, the answer "narrow market" doesn't tell why this is a strength or weakness. Neither does it explain your viewpoint: narrow compared to what? why do you consider it narrow? is

this good or bad?

EXAMPLE:

Opportunities

Government regulations regarding Indoor Air Quality (IAQ) may give the larger players an advantage in the long run since they have the resources to comply and advertise their distinguishing features. Second, new technologies such as electronic/communicating controls are more attainable by larger companies with their sizable R&D budgets. This may serve as an effective barrier to entry in future years.

OR:

Weaknesses

There are **6,000 standard configurations** of Carrier HVAC systems. In addition, units can be *special ordered*. This greatly increases Carrier's cost structure by requiring huge parts and product inventories, and significant training time. Second, Carrier's **CEO is "comfortable"** with Carrier's number one position. This is a recipe for disaster. He of all people must be vitally concerned that Carrier be more responsive in the marketplace, protect core competencies and lower costs.