MBA -5500
Competitive & Collaborative Strategies
Albers School of Business & Economics, Seattle University
Fall, 2018
October 1 - December 10

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Time and Day: Thursdays, 6:00pm – 8:40pm
Venue: Pigott TENTATIVE

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Bulletin
Henry Mintzberg in his bestselling book, “Strategy Safari” suggests that strategy can be awfully boring by making it complex. Consultants can be straighter than academics, not to mention the planners. Everybody is so serious. If that gets us better strategies, fine. But it often gets us worse ones – standard, generic, uninspiring. Strategy doesn’t only have to position it also has to inspire those responsible for implementation. Successful strategies are compelling and persuasive in the eye of the beholder. The real power of any strategy is the opportunity it affords to entice people into sharing an image of the future. An uninspiring strategy is really no strategy at all. No wonder the 2010 theme for the Academy of Management Conference was titled, Dare to Care: Passion and Compassion in management practice and research.

The most interesting companies we know, often the most successful, are not boring (General Electric Boeing, Intel, Apple, Google, Amazon, Costco, Starbucks, etc.). They have novel, creative, inspiring, sometimes even playful strategies. By taking the whole strategy business less seriously they end up with more serious results – and have some fun in the bargain.

What’s in the word of “strategy”? According to what follows, a lot more, and a lot less, than you might have imagined. If you think all of this meant to confuse you, then you are right; it is called unfreezing, softening you for what follows. Welcome to the course in Advanced Strategy!

Purpose
Encounter - learning
The word that best summarizes my beliefs about education is encounter. Encounter not only captures the importance of coming into contact with ideas, objects, persons, but it also implies engagement that produces lasting impact. When we encounter ideas, we struggle with them, grasp them, and learn from them. Encounter, then, is the essence of education, which offers students and faculty alike the opportunity to be exposed to new thoughts, concepts, theories, to struggle with them, and to enhance our learning. Research shows that “nobody is as smart as everybody,” so using a more open, network-centric model would enhance your knowledge faster than otherwise.

Business environments are dynamic, exciting, challenging, and increasingly global – qualities that make them interesting invites encounter. The pace of change in the business world guarantees that customer needs/wants of products, services will continue. This need will propel creation of whole new companies and industries thus continuously entering into the competitive landscape. Furthermore, business enterprises are powerful. We are all affected by businesses as consumers of their products and services, as employees of corporation, and as employers and owners of corporations. No profession, no aspect of our culture, our lives, are free from the influence of business and commercial activity. It is a powerful force, if managed effectively, wisely, and honestly can improve the quality of our personal and societal life around the globe.

An exciting encounter will occur when you apply concepts, theories, tools, and techniques that unfold during each class to actual business practices that has challenged you in the past or are currently challenging you and your fellow managers. This seminar will help you examine your beliefs and mental models about the general environment, industry specific environment, the importance of business definition, positioning, the appropriate size, and diversification issues, the relevance of organizational design and structure to firm’s strategy, and its competitive landscape. It will also help you to sometimes, breakaway from competitive thinking by creating blue oceans (new ways of creating/doing businesses) and thus making the competition altogether irrelevant. This seminar will help you develop ways of thinking and learning to become effective business leaders in your careers. I eagerly await your thought provoking contribution to the seminar making each encounter electrifying, challenging, and enriching.
Readings

1. Robert M Grant, Contemporary Strategy Analysis (Text Only), John Wiley & Sons Ltd. 2016. Available at SU bookstore. It is also available on Amazon.com.

2. Purchase SEVEN Harvard Business Cases from Harvard Business Publishing online services through the following link: [https://hbsp.harvard.edu/import/557518](https://hbsp.harvard.edu/import/557518)

3. Articles in the syllabus for each session need to be read in advance. Articles are available free of charge on SU Online library. Some articles may not allow printing as Harvard Business Publishing has changed their policy towards SU but you can easily read it. Contact reference desk for any issues.

4. Bloomberg news, Wall Street Journal, Economist, Fortune, Forbes, and other business news that is exciting to you and relevant to the topic covered during each session are highly recommended to share.

5. Reflect on your company’s strategy, its formulation, implementation, and evaluation while applying the concepts and tools learned during each session. Think about how do theories, tools, and techniques discussed in class inform business practices.

Activities

Lectures: Presents theories, concepts with examples and fill gaps in your readings.

In class Activities: Include discussion, case analysis with experiential exercises.

Guest Speakers: Will share their business practices on topics covered during that day.

Team Presentations: Class will be divided into teams. Each team will comprise of four students. Members in each team will select an industry that they are interested in. Members in each team will devise a strategy of analyze their selected industry for its attractiveness in terms of growth, profitability, social and cultural angles, global or local demand, and sustained competitive advantage using general environmental factors and industry specific framework, Porter’s Five Forces Model. At the end, each team will present its findings as industry experts to inform investors whether to invest in this particular industry. Each one of the team member will present for 5 minutes.

Individual Research Paper: You will need to write a research paper on your selected company from the industry you choose for presentation. Throughout in your paper you will compare your selected firm (focal) to its nearest competitor (benchmark) from the same industry. At times, you may also need to use industry average performance standards. Selecting focal and benchmark firms from the same industry will help you collect background information on the industry value chain and its history. This information will feed in to your individual research paper investigating the determinants of your focal firm performance.

While comparing your focal firm with its benchmark, match the two on size determined either by net sales, total assets, or number of employees. You will analyze your focal firm performance using quantitative and qualitative data gathered from scholarly articles, databases, trade and business publications. Starting with financial ratios such as profitability, liquidity, leverage, and activity ratios you will draw excel graphs showing comparison in terms of financial performance to its benchmark and industry averages.

After identifying the differential quantitative performance between focal and benchmark, look for reasons as to: Why do some firms performance better than competition given similar opportunities and
constraints in the environment? Explore firm’s internal resources and capabilities comparing it with the benchmark. Substantiate your opinion with data and facts to reach to conclusions and recommendations.

While analyzing your firm against its benchmark, you can take a position as a manager of the firm given the charge of analysis, a management consultant, or a critical business analyst. Resources and capabilities analysis include leadership, quality of human resource management, organizational structure, alignment of structure with strategy, marketing/advertising, organizational culture, issues related to organizational behavior i.e. motivation, conflict resolution, change management etc.

This exercise helps diagnose issues at the firm/organizational level, devise alternative strategies, and reach to formidable conclusions and recommendations. Your research paper should be between 12-15 pages, double spaced, Times New Roman font type, 12 font size, with one inch margins. These 12-15 pages exclude large graphs, appendices, large tables, pictures, and citations. Please use APA style for references and citations. Additional clarification if needed will be provided during the seminar.

**Quizzes:** There will be 2 un-announced quizzes to examine your knowledge of the subject matter and ensure your commitment for the assigned readings.

**Seminar Structure**

**Consultation:** I am available for consultation if you need advice, have questions, or simply want to discuss your ideas. Come in to my office, call, or E-mail.

**Participation:** You are expected to attend every session, read assigned material beforehand, and participate in class activities and discussion. Absenteeism will result in a lowered grade.

**Grades:** You are not pitted against one another in competition for a fixed number of "A" grades. In theory, everyone can get an “A.” Your course grade is a function of the quality level of your performance weighted by the quantity points assigned to a particular activity.

**Quality Level:**

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**Quantity Points:**

- Discussion/Attendance: 2000 points
- 2 Quizzes (unannounced): 1000 points
- Team Presentations: 3000 points
- Individual Research Paper: 3000 points
- 2 Case write-ups: 1000 points

**Grade Determinants:** Your overall grade is determined by the equation:

\[
\text{GRADE} = \frac{\Sigma(\text{Quality Level} \times \text{Quantity Points})}{\Sigma(\text{Quantity Points})}
\]
Passing Grade: You need to pass each assignment in its individual standing. For example, if you desire to achieve “A” in the course you need to score “A” on each of the above activity that is attendance and active participation, quizzes, individual research paper, group presentation, and case write ups.

Code of Conduct: I trust your honesty and consider each one of you a person of integrity. You are familiar with policies pertaining to plagiarism. Any incident of such kind on an individual research paper will result in a failing grade.

Attendance: **Missing a class is not an option.** Arrange all activities prior or later to the seminar dates. We have only eight sessions with additional two devoted to team presentations. Each session present a new topic in the field of strategy. So be sensitive to your own learning and time and of others.

Tentative Outline

**Oct 1** – What is management? What is strategy? Why Bother? What does competitive advantage means and how to measure it?

**Readings:** (A) Read Syllabus (B) Grant Ch. 1: The concept of strategy; Ch. 2: Goals, values, and Performance

**Note:** We will have: (1) Introduction & expectations – 20 minutes (2) syllabus Discussion – 20 minutes (3) Presentations on the above topics - 60 minutes + 40 minutes (4) breaks – 20 minutes

**Oct 8** – External Environment and Competitive Dynamics

**Readings:** Grant Ch. 3: Industry Analysis; Grant Ch. 8: Industry evolution & strategic change; (Article) Rafii & Kampas, “Why environmental scanning works except when you need it? (Business Horizon, May 15, 2004)

**Case-1:** CEIBS: A Global Business School Made in China (9-510-088)

**Oct 15** – Internal Environmental Scanning

**Readings:** Grant Ch. 5: Analyzing resources and capabilities; (Article) Collis & Montgomery, “Competing on resources” (*HBR, August 2008*); (Article) Christensen & Kaufman, “Assessing your organization’s capabilities: Resources, processes, and priorities (*HBR, August 2008*)

**Case-2:** The Walt Disney Company: The Entertainment King (9-701-035) *(3 pages double spaced analysis due)*

**Oct 22** – Positioning Strategies

**Readings (Topic A):** Grant Ch. 7: Sources and dimensions of competitive advantage (B) Hammer, “Deep Change: How Operational Innovation Can Transform Your Company” (*HBR* April 2004); Stewart & O’Brien, “Execution without Excuses” (*HBR March 2005*)

**Case-3:** IMAX (809M19) *(3 pages double spaced analysis due)*

**Oct 29** – Corporate Strategies

**Readings:** Grant Ch. 11: Vertical integration and scope of the firm; Ch. 13: Diversification Strategy (B) Cullinan, Le Roux, & Weddigen, “When to Walk Away from a Deal” (*HBR* April 2004); Goold & Campbell, “Desperately Seeking Synergy” (*HBR September 1998*)

**Case-4:** AOL Time Warner, Inc. – (9-702-421)
Nov 05 – Blue Ocean Strategy

Readings: Kim & Mauborgne, “Creating new market space: A systematic approach to value innovation can help companies break free from the competitive pack” (HBR Jan - Feb 1999); Kim & Mauborgne, “Blue Ocean Strategy” (HBR October 2004)

Cases-5&6: The evolution of Circus Industry (A) (BOS007); Even a Clown can do it: Cirque du Soleil Recreates Live Entertainment (B) (BOS008)

Note: Research paper and team presentation discussion

Nov 19 – Strategy Implementation and Execution (structure and control systems)

Readings: Grant Ch. 6: Organizational structure and management systems; Ch. 14: Implementing corporate strategy; (Article) Beer & Eisenstat, How to have an Honest Conversation about your Business Strategy (HBR February 2004); (Article) Martin Roger, The Execution Trap (HBR July 2010)

Case-7: Merck Conflict and Change (9-805-079)

Guest Speaker: TBA

Note: Research paper and team presentation discussion

Nov 26 – International Business Strategies

Reading: Grant Ch. 15: External growth strategies: Mergers, acquisitions, & alliances; (Article) Yeager & Sorensen, Organization’s development role when going global (OD Practitioner, 2011) - Optional

Guest Speaker: TBA

Dec 03 – Current trends in strategic management and strategic leadership

Readings: Grant Ch. 16: Current trends in strategic management; (Article) Rosabeth Moss Kanter, Innovation: The Classic Trap (HBR November 2006); Montgomery, Putting Leadership back into Strategy (HBR, Jan 2008).

Guest Speaker: TBA

Team Presentations (3 teams)

Dec 10 Team Presentations & Individual research papers due

Electronic devices: For richer discussion better not use your electronic devices in class.

Note: (1) Disabilities issues – Please refer to university guidelines (2) plagiarism issues refer to university rules and guidelines.