

MIS 64185-001 TENTATIVE SYLLABUS
15158 - Acar
BUSINES STRATEGY
Spring 2014

INSTRUCTOR Dr W. Acar, A413 BSA, 672-1156 – Home: 673-6514
 E-mail: wacar@kent.edu
 Office hours: M 6:00-6:30 pm, 9:20-9:50 pm; T-R 10:30-11:00 am, 12:15-12:45 pm, & by appointment
 Class: M in A325 BSA, 6:35-9:20 pm

TEXT “Essentials of Strategic Management” by Charles W.L. Hill & Gareth R. Jones
 South-Western / CENGAGE Learning-, **2012** (3rd edition)
ISBN-10: 1-111-52519-6 **ISBN-13:** 978-1-111-52519-4

COURSE OBJECTIVES

This course provides MBA students with an opportunity to further develop their critical thinking and integrate the diversity of knowledge acquired in their earlier courses. In addition to reviewing strategic theory, it aims at providing a forum for discussing how to better manage resources and seize opportunities in light of potential environmental changes. Crowning the undergraduate courses that introduce the management of uncertainty, this graduate course will introduce the practice of corporate governance by sensitizing future managers to the most common managerial biases and ways to deal with them analytically.

COURSE PREREQUISITES

This course assumes that you are close to completing most of your MBA requirements. In order not to risk deregistration, in case of doubt **please check with the GSM office.**

COURSE REGISTRATION

It is the students' responsibility to ensure they are properly enrolled in classes. Using Student Tools on **FlashLine**, you are advised to review your official class schedule during the first two weeks of the semester to ensure you are properly enrolled in this class *and section*. Should you find an error in your class schedule, you need to correct it with the advising office no later than **Sunday 26 January**. If registration errors are not corrected by these dates and you continue to attend or participate in classes in which you are not officially enrolled, you are now advised that you *will not* receive a grade at the conclusion of the semester for any class in which you are not properly registered.

COURSE PRINCIPLES

The field of Strategy has progressed well beyond the self-serving listing, by a top management team (**TMT**), of its presumed strengths and weaknesses. In my undergraduate Strategy course, you have learned how to analytically derive probable and realistic change scenarios from a firm's principal dimensions of uncertainty. This emerging **scenario approach** takes a TMT away from merely gauging its strengths and weaknesses, yet acting upon them ineffectively. Instead, it takes it forward to sensing the looming threats and opportunities available, to the point of becoming able to turn the threats into opportunities!

Why do companies go wrong? Major communication problems may persist between the members of a TMT. Because of differential cognitive biases among its members (and sometimes its consultants), *wildly optimistic and pessimistic scenarios are also often conjured up for reasons of gamesmanship and internal politics*. As maturing managers or consultants, your present concern should be to learn to recognize these pitfalls, as well as learn how to **present sound and realistic** strategy-related thinking convincingly to your organization's TMT.

COURSE PROCEDURE

This type of course cannot be ingested passively, but requires your active participation in and before class. It has to become **an interactive course**. This will render it *more* rather than less interesting, since what you get out of a course is in direct relation to the effort that goes into it. Students will organize themselves into teams of 4 people (our version of "*quality circles*") for class and project preparation, as well as class discussion. More importantly, the class discussion is an integral part of this course. Students will be expected to reflect on their readings from the following four sources:

- i) The theories and rationales found in the course material or presented in class.
- ii) The theoretical knowledge derived from your earlier courses.
- iii) Information gleaned from reading the business press (e.g., **Business Week**).
- iv) General knowledge gleaned from your prior organizational experience.

Due to the fact that a number of best-selling books and even movies on business, business takeovers and restructurings, entrepreneurship, *intrapreneurship* and even corporate responsibility issues have been broadly publicized, this session will not rely on video presentations. They tend to constrict the time available; since many of you have already been exposed to this information, class time could be better used for **reflecting upon and digesting the overload of information to which you are exposed**.

CLASS ATTENDANCE & PARTICIPATION

An interactive class presupposes regular attendance buttressed by ***beforehand*** preparation. A 90% attendance rate will allow you to make allowance for emergencies. In such eventuality, do not call your instructor; simply ask your group or quality-circle teammates to take notes for you.

STUDENTS WITH DISABILITIES

University policy 3342-3-01.3 requires that students with disabilities be provided reasonable accommodations to ensure their equal access to course content. If you have a documented disability and require accommodations, please contact the instructor at the beginning of the semester to make arrangements for necessary classroom adjustments. Please note, you must first verify your eligibility for these through the Student Accessibility Services (contact 330-672-3391 or visit www.kent.edu/sas for more information on registration procedures). [Also visit <http://www.registrars.kent.edu/disability/> for more policy information.]

ACADEMIC HONESTY

Plagiarism is the misrepresentation of the source, nature or conditions of one's academic work. The use of the intellectual property of others without giving them due credit is considered a serious academic offense. *Cheating* also occurs when two or more people cooperate in such misrepresentations. It is the University's policy that cheating or plagiarism results in receiving a failing grade for the work or course. Repeat offenses result in dismissal from the University.

GRADING

Individual Grades

- Class participation = 20 pts
- Quiz 1 = 10 pts
- Quiz 2 = 10 pts
- Quiz 3 = 10 pts
- Quiz 4 = 10 pts

Group Grades

- Short Case 1 = 3 pts
- Short Case 2 = 7 pts
- Long Case 1 = 10 pts
- Long Case 2 = 20 pts

* Team members should *complement* each other. It would be wasteful or even infeasible for them to duplicate each other's work. To provide for greater choice and flexibility, teammates do not all have to end up with the same grade. Each team member will be evaluated by his or her peers by means of the division of a pie of 10 points (or 1.00 in decimal notation) in among the team members [see attached example]. This will allow the instructor to derive a multiplier to scale the group grade up or down for each individual according to his/her peer review.

* Alternatively, groups who *unanimously* make this choice may simply submit together a sheet **signed by all members** listing EACH person's percentage contribution to the group work.

The final grading will conform to (or possibly be more lenient than) the following numeric scale conversion:

- A : 92 ≤ X ≤ 100
- A- : 90 ≤ X ≤ 91
- B+ : 88 ≤ X ≤ 89
- B : 82 ≤ X ≤ 87
- B- : 80 ≤ X ≤ 81
- C+ : 78 ≤ X ≤ 79
- C : 72 ≤ X ≤ 77
- C- : 70 ≤ X ≤ 71
- D+ : 68 ≤ X ≤ 69
- D : 60 ≤ X ≤ 67
- F : 0 ≤ X ≤ 59

LAST DATE TO WITHDRAW **Sunday 23 March 2013**

WRITING THE CASE REPORTS

The group work, that carries 40% of the grade, *will be expected to respond to directives to be communicated to you in this syllabus as well as later in the course.* It should be written in unambiguous grammatical English not lending itself to several interpretations. Please use 11-pt Times New Roman font with 1.5 spacing between lines, and clearly identify your sections and subsections through a visually clear hierarchy of headings and sufficient white spaces separating them.

TIMING OF THE CASE REPORTS

Case reports should be turned in at the **beginning** of the class in which they are due. Class absences due to working on late reports will not be excused.

ELECTRONIC EQUIPMENT

In this class, the use of electronic equipment is limited to posting grades on Blackboard Learn. In class, I want you to work on developing your critical thinking by following the class proceedings closely – and participating in the ensuing discussions. **Hence ALL electronic equipment should be put away and turned off during all class sessions.**

INSTRUCTIONS FOR FIRST SHORT CASE REPORT

FORMATTING & PRESENTATION

Formatting

This is meant to be a short case study, about **2 pages** in length. It should consist of two parts, preceded by the *first-level headings* “MAIN CORPORATE AND LOCAL MANAGERIAL BIASES” and “IMPACT ON PERCEIVED DIMENSIONS OF FUTURE UNCERTAINTY”. For conceptual clarity and ease of reading, each of these two parts should be structured into subsections preceded by *second-level headings* similar to the one atop this paragraph. Please note that, in the AoM (Academy of Management) style, 1st-level headings are centered, capped and bolded, while 2nd-level headings are flush with the left margin, bolded and underlined.

Presentation

Your presentation should not be cramped, but spacious and inviting. In order to make room for some text in spite of the spaces inserted, please avoid printing in 12-pt font and double spacing; instead, use **11-pt font and 1.5 spacing**. Since it is so short, no need for a separate title page as yet, but ensure that your group number and the names of all its members are shown on its first page. Also, use a one-inch margin on the left, but **1.5” on the right** so as to leave some room for comments. **ALSO, FOLLOW THE LAYOUT OF THIS PAGE as an example of structuring a paper into two major headings, each comprising two or more second-level headings.**

TIPS FOR WRITING CLEARLY

Spelling

English has become an international language with two dominant spelling systems, the U.S. mode and that of the British Commonwealth. With globalization being with us to stay, no need in your groups’ editing to correct “analyse” to “analyze”. You should also be aware that, in terms that have a longer and a shorter variant, the *longer* one is generally preferred in academic writing: so “dialogue” is preferred to “dialog” and “axe” to “ax” (an employee). However, less optional are some terms in which a spelling difference indicates a difference of meaning (Mini-exercise: what’s the difference among *its*, *it’s* and *its’* ?)

Punctuation

Contrary to popular misconception, the punctuation is very important because *it signals to the reader when his or her voice should pause* when reading a text, and hence what the intended meaning is. Hence a bear “eats shoots and leaves”, while a criminal intruder “eats, shoots and leaves”. Also, for attentive readers, there is a difference in meaning between “Tom, Dick and Harry went to lunch” and “Tom, Dick, and Harry, went to lunch”. Do you sense it?

Avoid the Unreferenced “They”

This is a common problem that muddies business students’ writing and that you extirpate, starting now. When taken globally, corporations are single legal entities. Hence the sentence “Starbucks should look after **its** customers” is clear while “Starbucks should look after *their* customers” is murky. Also ambiguous would be “Starbucks should outdo its competitors by a splendid array of new products; *they* should become winners in the heated competition of tomorrow.” **Who in this sentence is confusingly referred to as “they”?** Possibly the competitors, yet more likely the products because this word is closest to “they” in the sentence. But it should not be Starbucks as the awkward sentence writer might have wished to convey, because a company is a *single* entity....

INSTRUCTIONS FOR SECOND SHORT CASE REPORT

This **3.5-page** report should be typed and properly edited (paying attention to **avoid the problem of the unreferenced “they”** that obscures and devalues your writing). Please use **11-pt Times New Roman** font (because it seems to offer the best combination of clarity and compactness) and 1.5 spacing. Pages should be numbered at their **top right** corner and headings should be clearly detached from the text, especially the text that precedes them. Your report should comprise the following four sections:

I. The “Title & Problem Statement” page: Write down the group number and names of all its authors, yet still leave a little room at the top for your teacher’s appraisal of the report. Clearly state the *problematic situation or dilemma* in which the firm finds itself at the year of your case analysis.

II. The “Main Corporate and Local Cognitive Biases” half-page: Discuss the salient misperceptions, inflated or deflated views and dearly held opinions, and other cognitive biases of the dominant managerial clique(s) and their dynamics.

III. The “Effect of the CBs on the Perception of SWOT Elements” page: Do not simply list the strengths, weaknesses, opportunities and threats to the organization as perceived by its managers; rather, discuss how the existence of strong biases distorts what the managers’ assessment of their SWOT elements should have realistically been conducted. Having thus gained an understanding of the mindsets of the top cliques of the firm, now describe their sense of the environmental opportunities and threats that appear crucial to them.

IV. The “Effect of CBs and SWOT Elements on Devising Wild Scenarios” page: In light of the previous analysis, describe to your reader how different managerial interpretations of *factors outside the control of the firm (or even its reach)* may believably generate in the minds of its top visionary leaders a *wildly optimistic* future scenario as well as a *wildly pessimistic* one – and that these environmental misperceptions could prove extremely costly in triggering the wrong strategic responses.

INSTRUCTIONS FOR FIRST FULL-LENGTH CASE STUDY REPORT

This report should be typed and properly edited (paying attention to **avoid the problem of the unreferenced “they”** that obscures and devalues your writing). Please use **11-pt Times New Roman** font (because it seems to offer the best combination of clarity and compactness) and 1.5 spacing. Pages should be numbered at their **top right** corner and headings should be clearly detached from the text, especially the text that precedes them. Your report should comprise the following six sections:

I. The “Title & Problem Statement” page: Write down the group number and names of all its authors, yet still leave a little room at the top for your teacher’s appraisal of the report. Clearly state the *problematic situation or dilemma* in which the firm finds itself at the year of your case analysis.

II. The “Main Corporate and Local Cognitive Biases” half-page: Discuss the salient misperceptions, inflated or deflated views and dearly held opinions, and other cognitive biases of the dominant managerial clique(s) and their dynamics.

III. The “Effect of the CBs on the Perception of SWOT Elements” page: Do not simply list the strengths, weaknesses, opportunities and threats to the organization as perceived by its managers; rather, discuss how the existence of strong biases distorts what the managers’ assessment of their SWOT elements should have realistically been conducted. Having thus gained an understanding of the mindsets of the top cliques of the firm, now describe their sense of the environmental opportunities and threats that appear crucial to them.

IV. The “Effect of CBs and SWOT Elements on Devising Wild Scenarios” page: In light of the previous analysis, describe to your reader how different managerial interpretations of *factors outside the control of the firm (or even its reach)* may believably generate in the minds of its top visionary leaders a **wildly optimistic** future scenario as well as a **wildly pessimistic** one – and that these environmental misperceptions could prove extremely costly in triggering the wrong strategic responses.

V. The “Development of Two Realistic Scenarios” page: Now turning to your own common sense and savvy as consultants, describe 2 **realistic scenarios** that the business environment may have in store for your focal organization’s future. Make an assessment of the (likely unequal) probabilities of these two scenarios.

VI. Discussing each Realistic Scenario, Response Strategy and Resources & Capabilities entailed (2 pages): These are to be discussed **on a separate page in turn for each probable scenario**. If the resources and capabilities needed aren’t on hand for that scenario, the execs and their consultants have *to start planning* how to marshal or develop them.

SPECIAL INSTRUCTIONS FOR THE FINAL CASE STUDY

VII. Flexible Average Deployment of Resources

My theory is that the firm should start deploying its resources so as to need as little readjustment as possible when, later on, it becomes clearer which scenario is about to take place. This can be done by deploying the resources *in some average way to the specific two dispositions*. So, *instead of each being ideal to only ONE of the two scenarios contemplated earlier, this flexible deployment would be fairly good for EITHER ONE of them*. This last page of the report should thus describe **how** to realize that flexible deployment -- **as well as the changes to be brought** to that flexible average to make it become the ideal deployment when it becomes clear which scenario will actually occur.

Dr W. Acar

1 January 2014

TENTATIVE COURSE CALENDAR

PART I: BASIC CONCEPTS OF S.T. & BUSINESS-LEVEL STRATEGIES

- 1-13 Introduction to the course and structuring the class into study groups (or “quality circles”).
- 1-20 **Martin Luther King Day – NO CLASS**
- 1-27 Class discussion of **Ch. 1** of Hill-Jones’ *Essentials* text in S.T. (strategic theory) and initial presentation of the concept of *scenario analysis*.
- 2-3 Review of the concept of *scenario analysis* and in-class discussion of the *Green Grow* case.
Class discussion of **Ch. 2:** a firm’s mission and governance, its stakeholders and ethics.
- 2-10 **Quiz 1** on Chs 1 and 2, and further discussion of their fundamental concepts within the course.
Class discussion of **Ch. 3:** External analysis: the identification of opportunities and threats.
- 2-17 Class discussion of **Ch. 4:** Building competitive advantage.
Presentation of writing up the cases for this course.
- 2-24 **Quiz 2** on Chs 1 to 4, and further discussion of their fundamental concepts within the course.
Class discussion of **Ch. 5:** Business-level strategy and competitive positioning.

PART II: CORPORATE-LEVEL & GLOBAL STRATEGIES, AND STRATEGY IMPLEMENTATION

- 3-3 Class discussion of **Ch. 6:** Strategy in the Global environment.
Class discussion of **Ch. 7:** Corporate-level strategy and long-run profitability.
- 3-10 **Quiz 3** on Chs 1 to 7, and further discussion of their fundamental concepts within the course.
The first short case, the *Starbucks case* (p. 113) to be turned in and discussed.
- 3-17 The second short case, the *Nike case* (p. 142) to be turned in and discussed.
Presentation of how to write up the two longer cases.
- 3-24 **Spring Recess – NO CLASS**
- 3-31 Review of this course and its pre-requisites:
Discussion of “*Profiting from Uncertainty*” by W. Acar

- 4-7 Class discussion of **Ch. 8**: Implementing strategies to build and develop a company.
Intragroup work session on Case 3.
- 4-14 The first long case, the **McDonald's case** (p. C53) to be turned in and discussed.
Further instructions for writing up the second and final long case.
Class discussion of **Ch. 9**: Implementing strategy through organizational design.
- 4-21 *Intragroup* work session on Case 4.
- 4-28 The combined *Global Automobile Industry case* (p. C66) and **General Motors case** (p. C78) to be turned in and discussed.
- 5-5 The final **Quiz 4** on Chs 1 to 9, and further discussion of their important concepts.

PLEASE NOTE that the timing of the final exam (**5:45 pm on Monday 5th May**) is *not* under the control of your instructor, but has been posted long ahead of time on the University Registrar's website. Its timing, as well as that of your other exams, can be verified by accessing the official Registrar's website at:

http://www.kent.edu/registrar/calendars/spring_finalsch.cfm

Do check again closer to the actual date.

Business Policy
W. Acar

Group #

Full Name

TEAMMATE EVALUATION

You are to evaluate your team members three different ways. You also can provide individual or personal comments. When evaluating your colleagues, you need to be careful, fair and objective. Base your evaluation on: personal effort/hard work, team cooperation (being present at meetings, working together), leadership, quality of ideas, analytic methodology and teaching teammates.

Evaluation Framework

- A. Distribute a pie of **1.00 point** among your team members, including yourself, down to the second decimal of a point. Points are to be given on the basis of performance on the *joint project work*. (Recommended max per person = .50 for N = 3; max = .40 for N = 4; max = .30 for N = 5)
- B. Rank-order each team member on the basis of the project work (1 the best, 4 the worst). **Note:** no two members can receive the same ranking.
- C. Rank each member's *class participation* on a scale of **0-10** (with 10 being high). This time, performance evaluation is relative to all teams and individuals in this class; here it is possible to score everyone high or low or mixed.

Team Members:

	<u>A</u>	<u>B</u>	<u>C</u>
1. Harriet SMITH	.30	1	9
2. Jody BROWN	.21	4	5
3. Dow JONES	.23	3	6
4.			
5. (self) John DOE	.26	2	7
	Score of relative performance in group project work.	<i>Tie-breaking ranking on project work.</i>	Contribution to class.

EXAMPLE

(This is an example of a "peer review" or "teammate evaluation" sheet, which will serve to determine each student's personal multiplier. This multiplier will transform the student's group grade into his or her personal grade for the group projects.)

ABOUT YOUR INSTRUCTOR

William ACAR (Dipl. Ing.; M.A.Sc.; Ph.D., the Wharton School, University of Pennsylvania) is currently a Professor of Management & Information Systems at the Graduate School of Management of Kent State University. In addition to the periods of research included in his graduate studies, he brings a prior experience consisting of six years of engineering consulting, five years of evaluative analysis of nonprofit programs and three years of university teaching in another language (in French, at the Ecole Polytechnique of Université de Montréal). His experience with nonprofit program analysis has further developed his interest in methodological issues.

Dr. Acar has consulted to a number of business firms and nonprofit agencies, and is active in several learned societies. For example, he served as an internal consultant to nonprofit agencies for several years in Toronto, and taught managerial seminars on Management by Objectives. He supported himself during his doctoral years at the Wharton School by consulting and setting up seminars to large businesses as an associate of the Busch Center of U-Penn, and later of the Applied Research Center of LaSalle University in Philadelphia. Also, he was active for several years with Kent State University's Small-Business Institute as he supervised consulting projects carried out by his student teams.

Dr. Acar was admitted to the graduate faculty of Kent State University soon after joining in late 1983 and became a full member of it in 1986. Since that time, he has chaired a dozen doctoral dissertations. He has taught doctoral, masters-level and undergraduate classes in several areas, and has pioneered an approach to teaching large classes in an interactive manner reminiscent of the desirable small-class setting. He has also served on a large number of university-level, college and departmental bodies, task forces and committees, from the Faculty Senate to the Departmental FAC (Faculty Advisory Committee) and the current Departmental Self-Study & Review Committee.

His principal teaching focus is on strategic management, knowledge management, organization theory and supply-chain management. His research focus is on strategic management and its interface with information science, financial theory, entrepreneurship, corporate responsibility, and operations and supply-chain management. He has developed a number of conceptual and methodological approaches for management theory and practice. For instance, he has developed a causal mapping method for the analysis of complex business situations called **CSM** (Comprehensive Situation Mapping), and coauthored a book on organizational learning entitled **Scenario-Driven Planning** published by *Quorum Books*. His approach has been used to co-develop a computerized GDSS (group decision-support system) for solving strategic and "collaboration engineering" problems. Another methodological interest of his resulted in the development of measures of diversity better calibrated than the Herfindahl and Entropy measures still widely used in a variety of applications.

Dr. Acar has published in many journals, including the *Strategic Management Journal*, the *Journal of the Association for Information Systems*, the *Journal of Management Studies*, *Decision Sciences*, the *Journal of Knowledge Management*, the *European Journal of Operational Research*, *Knowledge Management Research & Practice*, the *Journal of Management, Decision Sciences*, *OMEGA*, the *Canadian Journal of Operational Research & Information Processing*, the *Journal of Information Systems*, *Systems Research*, *Behavioral Science*, the *International Journal of Production & Operations Management*, the *Journal of Applied Systems Analysis*, the *International Journal of Organizational Analysis*, the *International Journal of Operational Research*, the *Journal of Psychology & Financial Markets*, *FUTURES*, the *Journal of Enterprise Management*, *Strategic Change*, *INTERFACES*, the *International Journal of Strategic Decision Sciences*, the *International Journal of Entrepreneurial Venturing* and the *International Journal of Commerce & Management*.