



**CARLETON UNIVERSITY
SPROTT SCHOOL OF BUSINESS
STGY 5903 (SECTION D)
FALL 2018
STRATEGIC CONCEPTS**

Instructor: Dr. Guoliang Frank Jiang
Office: 1717 Dunton Tower
Office Hours: By appointment
Email: frank.jiang@carleton.ca
Phone Number: 613.520.2600, ext. 1502
Course meets: Mon, 14:35 - 17:25. (CB 2104; CB 2400)
Pre-requisites & precluded Courses: None

Course Calendar description from the 2018/2019 University Calendar

Providing an overview of business models and key strategic concepts facing firms in a global environment. Introducing core functional area concepts in accounting, marketing, operations and humane resource through business simulation and case studies. Developing skills in managing teams and meetings, business planning and presenting business plans.

Course Description and Objectives

This course provides students with the conceptual tools necessary to assess firms' business models and strategies. Specifically, the course focuses on the application of the following key strategic concepts and frameworks: business model, value chain, core competence, competitive advantage, SWOT analysis, organizational structure, market segmentation, etc.

Business managers need to make critical decisions that transcend functional areas. Through a series of case studies and an online business simulation, this course provides students with experiential learning opportunities to develop a holistic organizational perspective that integrates subsequent specialized functional area courses such as accounting, marketing, operations and managing people.

Learning objectives include:

- An understanding of fundamental aspects of business models and strategies
- Application of conceptual frameworks to the analysis of practical business problems
- An understanding of the role of diverse functions such as finance, marketing, operations and human resource management in determining firm performance
- Familiarity with the elements of business plan preparation

- Experience in managing teams
- Development of critical thinking skills
- Development of presentation skills

Instructional Approach

Lecture

Lectures stress important theoretical concepts concerning the topic under study. It is assumed that you have read assigned materials prior to the class and are ready to discuss them.

Case Study

This course relies heavily on case studies. The case study method places students in simulated managerial roles where they can apply theoretical concepts to real business issues. Student preparation, presence, and participation are essential for this teaching method to work. Case preparation must go beyond descriptive facts of a case. During case discussion, however, students must back up their arguments with facts from the case. Your oral participation during class discussion will account for a significant part of your grade.

Online Business Simulation

This course employs a business simulation (the *Venture Strategy* from Marketplace) as a learning environment. You will learn what it is like to compete in a fast-paced, competitive marketplace. In the simulation, you start up and run your own company, struggling with business fundamentals and the interplay between marketing, human resources, operations, finance, and accounting. You are given control of a simulated business and must manage its operations through several decision cycles. You face great uncertainty from the outside environment and from your own decisions. Incrementally, you learn to adjust your strategy as you discover consumer preferences, the implications of your decisions, linkages among different functional areas, and competitive dynamics. To add to the challenge, you are confronted to an international market in constant flux. Your participation in the simulation and reports on your company's strategy and performance will account for a major part of your grade.

Non-linear learning

This course does not strictly flow sequentially from one point to another. Instead, it involves the application of a set of interrelated concepts. Practical proficiency in applying these concepts and related analytical tools only improves over time and with much work.

Reading(s)/Textbook(s):

There is no prescribed textbook for this course. A list of readings and cases has been compiled for the course. The "Library Reserves" section in CuLearn provides PDFs of or hyperlinks to all readings.

Business Simulation

Marketplace Business Simulation – *Venture Strategy*

(<https://www.marketplace-simulation.com/venture-strategy>). Sign up steps will be explained in class.

Course Requirements & Methods of Evaluation:

The breakdown of the total grade is as follows:

Individual Class Participation	20%
Marketplace Simulation Performance	15%
Business Plan and Presentation (written report 20% + presentation 10%)	30%
Report to the Board Presentation	10%
Letter to Successor (incl. a reflection on leadership)	15%
Individual Contribution to Simulation	5%
Venture Capital Investment Performance	5%
Total	100%

Individual Class Participation

Participating in class discussion, especially case studies, is a central component of this course. Diverse opinions, disagreements, and debates can enhance our perspectives. Critical analysis and constructive criticism are prerequisite to both learning and action. In this course, I view my role as more of a facilitator and/or coach than as a lecture. I strive to create a “riskless” environment in which students can freely test their ideas and improve critical thinking and communication skills. It is important to appreciate that every student is a co-producer of classroom learning experience, and thus it is important not to take comments personally and to always keep an open mind.

To preserve order and fairness, I ask you to speak only when called upon. There are likely times when you will experience frustration at not being called upon. Participation grades will be based on the quality and quantity of one’s in-class comments. The following four-point scale guideline indicates how I evaluate individual contribution. Your final participation mark is determined by the recorded performance throughout the semester.

Level of Contribution		Examples
None	0	<ul style="list-style-type: none"> • Not prepared for or not involved in class discussion
Facts	1	<ul style="list-style-type: none"> • Responds to questions about case facts • Seeks or offers clarification of points raised by others
Analysis	2	<ul style="list-style-type: none"> • Offers clear, concise analysis relevant to class discussion • Applies theoretical concepts to case materials • Well-supported challenge to, or defence of, views expressed by self or others • Provides constructive feedback to class discussion
Synthesis	3	<ul style="list-style-type: none"> • Ties viewpoints together and suggests management implications • Introduces original ideas and supports them with theoretical concepts and case facts • Takes risks in attempting to answer difficult questions • Stimulates productive discussion among class members

Marketplace Simulation Performance

A Balanced Scorecard will be used to measure your firm's performance. The team's total business performance will be based upon its financial performance, market performance, marketing effectiveness, manufacturing productivity, human resource management, investments in the firm's future, asset management, creation of wealth, and financial risk. A final grade will be generated by the Marketplace for each competing firm. The grade will depend on the team's ranking in its respective game and how well it performed in relation to historical games.

Business Plan and Presentation

The business plan requires students to think through and organize a comprehensive plan that integrates high-level strategic thinking and tactical and financial details. The business plan will be presented to venture capitalists during the venture capital fair. This exercise helps firms articulate and formalize their strategy and gives firms an opportunity to receive additional funds to implement their strategy. The team will be expected to make a "professional" presentation using an assortment of visual aids. Detailed guidelines will be distributed in due time.

Report to the Board Presentation

The report to the board provides closure to the simulated exercise. In this presentation teams are asked to discuss their original business plan, performance since plan was presented, assessment of future potential, and lessons learned. The report to the board will be presented in class on the last day of the class. Detailed guidelines will be distributed in due time.

Letter to Successor (incl. a reflection on leadership)

This individual assignment is aimed at facilitating practical and theoretical integration. Students are required to write a memo (<1,500 words) to their successor outlining their company's current situation from the perspective of their functional area and discussing the lessons they have learned about strategic management. Detailed guidelines will be distributed in due time.

One section of the letter (approximately 500 words) needs to be dedicated to a reflection on strategic leadership. You will examine your experience as a leader of the simulated corporation through the theoretical lens from relevant readings (Collins, 2001; Katz, 1974; Schoemaker, Krupp, & Howland, 2013). You need to demonstrate: 1) an understanding of the characteristics of effective leadership; and 2) an understanding of teamwork and collaborative techniques that contribute to effective leadership.

Individual Simulation Contribution

Individual contribution will be assessed based on peer evaluations and performance during executive briefings. Every executive must demonstrate an in-depth understanding of the information and decisions within his/her areas of responsibility and integrate their knowledge with the rest of the organization to maximize the total performance of the firm.

Venture Capital Investment Performance

During the venture capital fair students will have the opportunity to put themselves in the shoes of venture capitalists and evaluate the business plans of other (non-competing) companies. Venture capitalists will complete an evaluation form and make final investment decisions. A grade will be determined by the performance of the investment portfolio of each investor. As

venture capitalists, students must maintain total confidentiality concerning all information provided by the firms seeking investment. Detailed guidelines will be distributed in due time.

Missed Assignments

Students unable to complete assignments on time because of illness or other circumstances beyond their control must contact the instructor in writing to request a deadline extension or accommodation. Extension may be granted when supported by a medical certificate and or appropriate documents to support the reason for the deferral. *Extended deadlines or accommodations are not granted for students who have made travel arrangements that conflict with class schedule.*

Working in Teams

Team Formation

The executive teams will be formed via a sports-type draft on the first day. Each team will typically consist of 4-5 students. Procedural details will be explained in class.

Role on the Executive Team

Successful firms effectively divide up the responsibility and share the workload. You will need to take on one or two of the following roles:

- VP Marketing
- VP Sales Management
- VP Human Resource
- VP Manufacturing
- VP Finance and Accounting

There should also be one person to lead the team, the president of the company. This person should also take on one of the functional roles.

Students unable to attend the team formation class because of illness or other circumstances beyond their control must contact the instructor in writing to request an accommodation. Accommodation may be granted when supported by a medical certificate and or appropriate documents to support the reason for absence. *Accommodations are not granted for students who have made travel arrangements that conflict with class schedule.*

Executive Briefings

The Chairperson of the Board (instructor/teaching assistant) will meet periodically with each team for up to 20 minutes. There will be one executive briefing for each of the six quarters of play. During these executive briefings, the team will review its:

- 1) performance during the prior quarter
- 2) strategic analysis
- 3) strategy for current quarter and going forward
- 4) financial projections for current quarter.

Students must be prepared to defend the analysis and the logic behind the team's decisions. To help organize the executive briefings, it is to be led by the President and a written agenda is

required. The agenda should contain each topic to be addressed, the person responsible for it and the amount of time to be devoted to it. Five minutes should be allotted for questions and answers.

Peer Evaluations

Three peer evaluations are to be completed throughout the semester for each person on the team. A peer evaluation is to be turned in at the end of the third quarter of play, after the completion of the Business Plan and after the sixth quarter in business. Significant deviation in performance above or below the norm will be used to adjust individual student grades for the activity being evaluated.

You Can Be Fired

It is permissible to fire a team member who is not making a substantive contribution to the success of the team. Missed meetings, poor preparation, failure to complete assignments, etc. are all indicative of underperformance. Before a person can be fired, the team must give the student an opportunity to correct his or her deficiencies.

In terms of protocol, the team must provide the student with a written statement of the problems associated with his or her work. A peer evaluation may be used in conjunction with this statement. When an individual receives a poor performance report, the student must respond in writing as to how he or she will correct the problems cited. A copy of all correspondence must be submitted to the instructor for approval. The Chairperson of the Board (instructor/teaching assistant) may organize a meeting to help resolve the problems. If the problems continue, the team may fire the underperforming team member with a letter of dismissal.

A person who is fired will be assigned to compete in another simulation where the student is responsible for all the firm's activities, including weekly decisions and executive briefings and the preparation of a Business Plan and Report to the Board. This new simulation will begin in Quarter 1 and continue through the final quarter.

Being fired will also limit the student's maximum potential grade by one-and-half letter grade. Specifically, 15 points will be deducted from the student's final point score for all completed assignments. Thus, if the student earned a final score of 90 out of 100 points, then the adjusted final score would be 75 points. The final grade would be based upon the adjusted final score.

The same conditions will be applied if a person quits a team.

Odds and Ends

Questions to the Business Coach

The HELP files in the software contain all of the directions you will need to participate in the business simulation. Nonetheless, there is a tendency for students to ask the instructor/coach for help rather than look in the help files. With the number of students currently playing the game, it can become a very large burden. For this reason, the instructor/coach will charge \$10,000 to answer any question already addressed in software.

Workload

The lecture part of the course requires a normal workload for any reading and lecture course. Once the simulation begins, the work will vary according to the activities within the exercise. During the first three quarters of play, students report spending 2 to 3 hours of work per week. However, it will increase to 8 to 10 hours during the preparation of the Business Plan.

Following acceptance of the business plan, the majority of students report spending 1.5 to 2 hours of work per week. This reduction of time is due to familiarity with the software, game procedures, and market, and having a plan of action that requires modification rather than creation.

Time Management

Time management will be vital to your success in participating in the Venture Strategy simulation. There is more work than any one person can do. Also, it is not wise for everyone to participate in all aspects of the business. Too much time would be wasted. Therefore, it is necessary to divide up the work. There are suggestions on how to divide up the responsibility in the help files within the software. Feel free to depart from these guidelines if individual preferences, experiences, or workloads would allow a more equitable allocation of tasks. Also, do not hesitate to reallocate responsibility if conflicts arise or the workload is unevenly distributed.

One of our goals is to develop the leadership skills of all the students. For this reason, it is recommended that the leadership position change systematically during the course of the semester. A new leader could be selected for each of the following time periods and activities:

- 1) start-up phase of the business (up through quarter 3)
- 2) preparation of the business plan and presentation to the venture capitalist
- 3) the growth phase of the business (quarter 5 and 6)
- 4) preparation of the report to the Board of Directors.

The president should preside over each executive meeting, making sure that the discussion does not wander from the business at hand. Each team meeting should begin with an agenda and a timetable. Meetings should not last more than two hours. Long drawn out meetings are not productive and raise frustration levels about not getting things done. The meeting should conclude with a set of action items for each executive. The outcome of these actions should be reviewed at the start of the next meeting.

To facilitate executive meetings, each team member should prepare his/her work in advance. The executive should know the ins and outs, problems, and tradeoffs of his/her area of responsibility. When the executive committee meets as a whole, each executive should have a plan of action to recommend to the team. The executive should be prepared to thoroughly discuss the options open to the company and be flexible on the final decision of the executive team.

Course Schedule:

Date	Topic	Agenda/Readings	Due
WK 1 9/10	Introduction	<u>Readings:</u> <ul style="list-style-type: none"> Casadesus-Masanell, R. 2014. Strategy reading: Introduction to strategy (Harvard product #: 8097-HTM-ENG) 	Job application form
	Team formation	Forming teams for the “Venture Strategy” simulation game	
WK 2 9/17	Business model	<u>Readings:</u> <ul style="list-style-type: none"> Casadesus-Masanell, R. 2014. Strategy reading: Introduction to strategy (Harvard product #: 8097-HTM-ENG) Johnson, M., Christensen, C. M., & Kagermann, H. 2008. Reinventing your business model. <i>Harvard Business Review</i>, 86(12): 50-59. Schoemaker, P., Krupp, S., & Howland, S. 2013. Strategic leadership: The essential skills. <i>Harvard Business Review</i>, 91(1/2): 131-134. 	
	Case study	<u>Case:</u> Tequila Mobile SA (Harvard product #: 712453-PDF-ENG)	
WK 3 9/24	SWOT analysis: External environment	<u>Readings:</u> <ul style="list-style-type: none"> Steenburgh, T. & Avery, J. 2010. Marketing analysis toolkit: Situation analysis. (Harvard product #: 510079-PDF-ENG) Porter, M.E., 2008. The five competitive forces that shape strategy. <i>Harvard Business Review</i>, 86(1): 78-93. 	Q1 decisions (9/22)
	Executive briefings	Key decisions and results of Q1 Plan for Q2	
WK 4 10/1	SWOT analysis: Internal environment	<u>Readings:</u> <ul style="list-style-type: none"> Steenburgh, T. & Avery, J. 2010. Marketing analysis toolkit: Situation analysis. (Harvard product #: 510079-PDF-ENG) Barney, J. 1995. Looking inside for competitive advantage. <i>Academy of Management Executive</i>, 9(4): 49-61. 	
	Case study	<u>Case:</u> Cola wars continue: Coke and Pepsi in 2010 (Harvard product #: 711462-PDF-ENG)	
WK 5 10/12	Competitive advantage	<u>Readings:</u> <ul style="list-style-type: none"> Ghemawat, P. & Rivkin, J. 2006. Creating Competitive Advantage. (Harvard product #: 798062-PDF-ENG) Katz, R. 1974. Skills of an effective administrator. <i>Harvard Business Review</i>, 52(5): 90-102. 	Q2 decisions (10/10)
	Executive briefings	Key decisions and results of Q2 Plan for Q3	
WK 6 10/15	Business plan	<u>Readings:</u> <ul style="list-style-type: none"> Obtaining venture capital by writing and presenting a business plan. <i>The management of strategy in the marketplace, Chapter 9. (in Marketplace)</i> Courtney, H., Horn, J., & Kar, J. 2009. Getting into your competitor's head. <i>McKinsey Quarterly</i> (1): 128-137. 	Q3 decisions (10/13) Peer evaluation #1 (10/15)
	Executive briefings	Key decisions and results of Q3 Business plan	

Fall Break, Oct 22-26			
WK 7 10/29	Case study	<u>Case:</u> Trade Joe's (Harvard product #: 714419-PDF-ENG)	Work on business plan
	Executive briefings	Prepare for business plan A draft of executive summary A pro forma income statement	
WK 8 11/5	Venture capital fair	Presentations to venture capitalists	Peer evaluation #2 (11/5)
WK 9 11/12	Organizational structure	<u>Readings:</u> <ul style="list-style-type: none"> Bernstein, E. & Nohria, N. 2016. Note on organizational structure. (Harvard product #: 491083-PDF-ENG) Collins, J. 2001. Level 5 leadership: The triumph of humility and fierce resolve. <i>Harvard Business Review</i>, 79(1): 66-76. 	Q4 decisions (11/10)
	Executive briefings	Key decisions and results of Q4 Plan for Q5	
WK 10 11/19	Case study	<u>Case:</u> The IOI Group: Creating a Malaysian palm oil multinational (Harvard product #: 910M68-PDF-ENG)	Q5 decisions (11/17)
	Executive briefings	Key decisions and results of Q5 Plan for Q6	
WK 11 11/26	Case study	<u>Case:</u> The National Geographic Society (A) (Harvard product #: 311002-PDF-ENG)	Q6 decisions (11/24)
	Executive briefings	Key decisions and results of Q6 Meeting in preparation for final report to the board	
WK12 12/3		Report to the board presentation	Peer evaluation #3 (12/3)

ADDITIONAL INFORMATION

Course Sharing Websites

Materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

Required calculator in BUSI course examinations

If you are purchasing a calculator, we recommend any one of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

Group work

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, follower-ship and other group skills. Group assignments are also good for learning

integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

A+ = 90-100	B+ = 77-79	C+ = 67-69	D+ = 57-59
A = 85-89	B = 73-76	C = 63-66	D = 53-56
A - = 80-84	B - = 70-72	C - = 60-62	D - = 50-52
F = Below 50			

Grades entered by Registrar:

WDN = Withdrawn from the course

DEF = Deferred

Academic Regulations, Accommodations, Etc.

University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university's website, here:

<http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/>

Requests for Academic Accommodation

You may need special arrangements to meet your academic obligations during the term. For an accommodation request, the processes are as follows:

Pregnancy obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist.

For more details, visit the Equity Services website: carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf

Religious obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist.

For more details, visit the Equity Services website: carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf

Academic Accommodations for Students with Disabilities

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or pmc@carleton.ca for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with your instructor as soon as possible to ensure accommodation arrangements are made.

carleton.ca/pmc

Survivors of Sexual Violence

As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and its survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit: carleton.ca/sexual-violence-support

Accommodation for Student Activities

Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. <https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>

For more information on academic accommodation, please contact the departmental administrator or visit: students.carleton.ca/course-outline