

MANAGEMENT 495: COMPETITIVE STRATEGY

UIC FALL 2012 SYLLABUS

Instructor: Dr. Lynne Nellemann

Office: 2215 University Hall **13360 DH 230 (Tues/Thursdays)**

lynnenel@uic.edu 11:00AM to 12:50PM (4 credit hours)

Office Hours: Tuesdays and Thursdays from 1:00PM to 3:00PM.

Posted and selected through WIKI application on your Blackboard.

Prerequisite(s): ACTG 210 and ACTG 211 and BA 200 and ECON 218 and IDS 200 and IDS 270 and IDS 355 and FIN 300 and MGMT 340 and MGMT 350 and MKTG 360 and senior standing and critical thinking skills and ethical behavior and teamwork skills and a strong desire to succeed.

COURSE DESCRIPTION

You will work closely with graduating seniors from all CBA majors in this, your capstone course. We utilize the collective knowledge from the majors/functional areas of accounting; finance; marketing, managerial studies; information and decisions sciences.

The inquiry is driven by one single question: “how do corporations, nation-states, entrepreneurs or UIC graduating seniors succeed over all others competing for the same goal?” The foci of the course are assessments, decisions and actions (ADA).

You will also manage an athletic footwear company in head-to-head competition against companies run by class members and students on 525 campuses/colleges around the world. This popular McGraw-Hill simulation allows manufacturing of/selling products in four regions: Europe-Africa, Asia-Pacific, North America and Latin America. The data and decisions presented in the BSG (the Business Strategy Game) simulate those of actual companies like Nike or New Balance.

Articles, text, lectures, guests, cases and the Business Strategy Game use perspectives of mid-to senior-level managers working in global context. Student teams integrate tools from classes, consulting firms, experts and prior work experience. A special feature of MGMT 495, *Executives in the Classroom* – now in its 31st successful year, enables students to meet C-suite officers to discuss corporate strategy.

As you know from current media, white collar criminal defense law firms face off against Federal agencies daily regarding activities of C-suite executives involving money laundering, environmental crimes, fraud, breach of responsibilities and/or reckless strategies.

The challenge for a corporate management team is to assess it's/all rivals, decide upon a competitive strategy and implement actions that result in a respected corporate or brand image, keep their company in contention for global leadership, and produce financial performance as expected by their Board of Directors and shareholders.

There is no built-in bias favoring any one strategy, strategies change; no secret to being the industry leader, no “magic bullet” to win over rivals. Strategies that deliver the performance measures needed to be successful in industries hinge on the interplay and competitiveness of rival companies. The course has been designed to allow development of effective teamwork skills, personal goals and successful and ethical strategic thinking and implementation.

CAPSTONE OBJECTIVES

To analyze competitive situations facing individuals, firms and nation-states, isolating potential sources of advantage.

To unleash the power of teams in the creation of strategic direction and business policy. You lose the word “I” and adopt the word “we.”

To understand and use the overarching relevance of vision, mission, objectives/goals and ethical underpinnings in strategy development and policy formulation.

To integrate analytical techniques and “lessons learned” from prior courses, professors and life experience in order to make the transition from academic majors to career applications.

To grade you on results: **“what you do”** not simply “what you say.” MGMT 495 can facilitate career success and help you take the steps necessary to move from an academic environment to the real world.

LEARNING OUTCOMES

You will come face to face with the dysfunctions of a team, and must learn to build trust; overcome fear of conflict; gain consensus rather than succumb to groupthink and be accountable for actions/results.

You will experience the struggle between those who see an enterprise largely through the lens of its numbers – sales figures, costs, budgets – and those who focus primarily on people, their energies, ambitions and limitations. It is in a team you learn from those who think outside –not just of “the box” –but outside your box/your major studies here.

You will strengthen critical thinking, time management and leadership skills, and use the course as a stepping stone toward career success.

MEANS OF ASSESSMENT

Quizzes	20%	50 points
Cases	20%	50 points
Presentations	20%	50 points
BSG Simulation Scores	30%	75 points
Individual Contribution	10%	25 points

No mid-term or final exam. Points post continuously on Blackboard.

GRADING STANDARDS

You won't get a grade; **you earn it** by completing assignments in the Syllabus. No extra credit assignments or incompletes are allowed in this capstone course. Class participation is essential for an **A** grade.

MATERIALS OF INSTRUCTION

Competitive Strategy, a custom text created by instructor, excerpted and abbreviated for cost containment from Dess, Lumpkin, Eisner, *Strategic Management*, 5th edition, McGraw-Hill, 2011. Available as an eBook, online for \$61.90. Hard copy, identical to the eBook, is available in UIC bookstore for \$68.75.

[Bookstore ISBN-1121419935](#) [eBook ISBN- 1121346146](#)

The Business Strategy Game. McGraw-Hill. Copyright 2010 by GLO-BUS Software, Inc. Requires online registration of \$42.95.

Note: each individual student must purchase prior to September 4.

THE VALUE OF SIMULATIONS (sims)

What does a simulation do for learning that other methods don't?

Prof. Luerhman: A simulation stimulates active engagement of students. They are playing a role, not just reading and analyzing. They make decisions and see the results of their decisions in the response of other players and the outcome of the sim. Simulations generate much more energy among students.

Prof. Ernst: With simulations, students can explore the impact of multiple decisions at the same time. Simulations also allow students to validate their common sense and build team consensus relative to a particular situation.

Prof. Shih: A simulation forces students to synthesize and integrate what they read and make actual decisions based on facts or data presented in the case. Simulations give students a temporal dimension, an opportunity to experience outcomes that change based on their inputs over time.

Prof. Casadesus-Masanell: It's fun for students. It breaks the routine of cases. All simulations allow students to be in their own skin and directly experiment with ideas. It's very different from a standard class.

Prof. Edmondson: A sim requires action, and decisions. Students are right in the mix, having an experience as opposed to reading about an experience. Sims have the added value of getting students to deal with team dynamics, as in real life.

How do students react to using simulations?

Prof. Austin: Students don't want to stop playing. They play very differently. Some crash ahead, make mistakes; run through a scenario many times quickly. Others move slowly, deliberately, thinking carefully, studying what happens.

Prof. Ernst: Students enjoy winning. A well-designed simulation includes an element of competition that encourages everyone to strive and to impress their classmates (and the faculty) while learning! Students learn from losing – and that's, perhaps, the biggest benefit to students before they begin their careers.

Prof. Shih: Students have told me that simulations force them to integrate and apply material that they have learned in prior classes. The opportunity to test a hypothesis and receive immediate feedback trumps learning from a case alone.

Prof. Nellemann: Simulations are a bridge from university to the workplace. They are cutting edge learning especially in the corporate world. When students understand that simulations can become bullet points on a resume, that they represent real learning, not simply regurgitation, it's an "aha" moment.

IMPORTANCE OF THE “BLUE OCEAN”

This course is strategic AND structured so that:

- Objectives are clear, well understood, and broadly accepted.
- Rewards are linked to performance and desired behaviors.
- Performance measures (i.e., grades) are clear and highly visible.
- Feedback (results, etc.) is prompt, clear and unambiguous.
- The compensation system (grading) is fair and equitable.
- Structure is flexible; it can adapt to change in circumstances.
- Blackboard rather than class time is for administrative matters.
- Critical thinking skills, NOT regurgitation, influence grades.
- Assignments and team hours are front-loaded (Blue Ocean).

IMPORTANCE OF BLACKBOARD

Items ARE frequently posted and related to cases, guests, BSG, assignment requirements and new class materials. Demonstrated familiarity with online resources is required.

AFTERHOURS CONTACTS

Always call Technical Assistance at 800-331-5094 or email them at www.mhhe.com/support with any questions on textbook.

USE THE bsg-online.com website for registration. **Always call** 205-722-9142 or email techsupport@bsg-online.com with your questions.

EXTREME WEATHER POLICIES

The campus is never closed. The residential, health services and research aspects of UIC operations make this a requirement.

CANCELLATION OF SCHEDULED CLASSES

Classes will be canceled if, in the judgment of the Chancellor or the Provost, the health and safety of students, faculty, or staff would be seriously jeopardized.

Class closing announcements will be posted to the UIC Website and available by calling the UIC information line at: (312) 413-9696. It is also possible a written note will be posted to classroom door.

FALL 2012 COURSE SCHEDULE FOR MGMT 495

August 28 Syllabus and the Blue Ocean

-- www.blueoceanstrategy.com/

***Making the Competition Irrelevant. The official site of the international bestseller written by W. Chan Kim and Renée Mauborgne. Now available in 41 languages.*

August 30 Creation of Competitive Advantage, *text, p. 2*

--Sources of Company and Industry Information, *text, Apx. 2/chpt 13*

September 4 Introduction to the Business Strategy Game

September 6 Analysis of a Case, *text, p. 38*

September 11 External Environment of a Firm, *text, p. 78*

September 13 Internal Environment of a Firm, *text, p. 118*

September 18 Business Level Strategy, *text, p. 158*

September 20 Corporate Level Strategy, *text, p. 196*

September 25 Year 11, Google Case, *text, p. 276*

September 27 *Year 12, Chris Cole, CFO, McDonald's

October 2 Year 13, Apple Case, *text, p. 311*

October 4 Year 14, Google/McDonald's/Apple

October 9 Year 14, roll-back, simulation results to date

October 11 *Year 15, David Neithercut, CEO, U.S. Equity

October 13 Year 16, review of quizzes, class standings

October 16 Year 17, Google/Apple/(Starbucks)

October 18 *Year 18, James Ryan, CEO, Grainger

October 20 Year 19, Michael Porter, industry analysis/SIC

October 23 Year 20, Gap Case, *text, p. 325*

October 25 *Year 21, Peter Roberts, CEO, Jones Lang LaSalle

October 30 Year 22, Leadership Models (Goolsby) (EI)

November 1 Year 23, Best Practices Presentations

November 6 Year 24, Best Practices Presentations

November 8 Year 25, Best Practices Presentations

November 13 Grand Champions, Swim with the Sharks!

November 15 *Tim Smithe, CMO, Walter E. Smithe Furniture

November 20 Sara Lee Case, *text, p. 297*

November 22 – No class; Thanksgiving Day

November 27 *Guest Speaker #6

November 29 Critical Thinking and Decision Making

December 4 Enterprise Transformation

December 6 Strategic Leadership, *text, p. 234*

*Guest speakers will present in LC C1 at 11:00am. Students from 13360 are invited to attend based on class performance, given limited seating capacity. Your instructor will host three of the six dates and all students must attend.

SYLLABUS CHANGES

The course Syllabus provides a general plan for the course; deviations may be necessary. It is your responsibility to stay apprised of changes in assignments, due dates, materials, and BSG out-of-class meetings.

POINTS ALLOCATED TO ASSIGNMENTS

Total points possible are 250. Without participation your final grade will be reduced by 50 points. Repeat: without BSG or frequent class participation, you will only have a potential 200 points!

Individual performance is 70% of UIC's capstone grade while BSG team performance is 30% of the grade. This translates to a potential 175 points based on your own performance and 75 points based on the performance by your BSG management team.

The team score is your score unless you are a not an active participant (via peer review) and the loss of 50 points can be applied to your BSG final grade, instead of a possible 75 points in this grading segment.

There are five unannounced quizzes, each worth 20% of the 50 points, or 10 points per quiz. The number of cases varies, given classroom needs. You will examine a minimum of 5 cases. Total points possible for case study/review/discussion or presentations equals 50 points.

Case material on Google, Sara Lee, Apple, Gap and Starbucks is not necessarily extensive. You must access online sources of information and competitive strategy for case discussion/presentations as well as prepared material for McDonald's, U.S. Equities (Equity Residential), Grainger, JonesLangLaSalle and Walter E. Smithe C-suite executives.

There is one case study presentation, with a practice and final day; the practice presentation is graded by peers for 40% of your grade while the final presentation is graded by the instructor for 60% of the grade. Total points possible for this grading segment are 50 points.

Each student will submit a 10-page paper on “best practices,” i.e., the successful performance by your company in the BSG simulation and present its findings in the classroom. Each paper is by individual and NOT by simulation companies. This assignment is worth 25 points. This assignment has immediate, real world application on a resume.

Grades possible include an **A**, typically 35% of students; **B**, often 55% of students; **C**, typically under 10% of students; **D** for unsatisfactory performance and an **F** if one violates the University Code of Conduct.

RECOMMENDED READING

Kemp, R.S., *How Business Works: Making Profits, Taking Risks, and Creating Value in a Global Economy*, San Diego, Cognella, 2012

Kiechel, W. *The Lords of Strategy: The secret intellectual history of the new corporate world*. Boston: Harvard Business Press, 2010

Covert, J. and Sattersten, T. *The 100 Best Business Books of All Time: What They Say, Why They Matter, and How They Can Help You*. New York, NY, Penguin Books, 2009 (see <http://www.100bestbiz.com>)

POLICIES AND PROCEDURES

- Attendance, tardiness and class participation -- You must participate!
- Late papers and assignments -- Late within one week = 50% grade reduction.
- Make up exams – None! Follow all Syllabus and Blackboard assignments.
- Use of calculators, other electronic devices or recording equipment in class – Not allowed on quiz or guest speaker dates. Held at podium if a distraction.

HONOR CODE

OUR CODE IS FULLY AVAILABLE AT

<http://www.uic.edu/cba/Faculty/academicaffairs/honorcode.html>

The Honor Code covers all undergraduate, CMBA and Liautaud graduate students.

UIC policies on intellectual integrity and academic honesty can be found at <http://www.uic.edu/depts/dos/studentconduct.html>

UIC policies regarding sexual harassment can be found at <http://www.uic.edu/depts/oae/Harassment.html>

UIC policies enabling individuals with disabilities to fully access programs at <http://www.uic.edu/uic/studentlife/studentservices/disability.shtml>

Return signed and final two pages (9 and 10 of 10 pages) in class to instructor

“As an academic community, the College of Business Administration at the University of Illinois at Chicago is committed to providing an environment in which teaching, learning, research and scholarship can flourish and in which all endeavors are guided by academic and professional integrity. All members of the college community - students, faculty, staff and administrators - share the responsibility of insuring that high standards of integrity are upheld so that such an environment exists.

In pursuit of these high ideas and standards of academic life, as a student I hereby commit myself to respect and uphold the University of Illinois at Chicago (UIC) College of Business Administration Honor Code during my entire matriculation at UIC. I agree to maintain the highest moral and ethical standards in all academic and business endeavors and to conduct myself honorably as a responsible member of the college academic community.

This includes the following:

- Not to seek unfair advantage over other students, including, but not limited to giving or receiving ANY unauthorized aid during completion of requirements;*
- To represent fact and self truthfully at all times; and*
- And finally*
- To respect the property and personal rights of all members of the academic community.”*

STUDENT SIGNATURE: _____ **DATE:** _____

EMAIL ADDRESS (1) _____

(2) _____

BSG COMPANY SELECTION CRITERIA

PRINT YOUR name at UIC _____

Academic major/minor

GPA on major _____ Minor _____ Graduation date ____

Career interest

Current employer

Hours coming in from community college

Current hours in your workweek (count UIC classes, paid or unpaid work, home/child/parental responsibilities)

Languages spoken

Prior experience with computer simulation(s) Y N

Honors College Y N

Agreement to Honor Code Y N

Prior or current intensive teamwork leadership Y N

Interested in being a Team Lead (+ 10 points) Y N

(+10 points are added to total points for final grade)

STUDENT SIGNATURE: _____ **DATE:** _____