

Standard Course Outline

MGMT 425 – Business Strategy and Policy

I. General Information

- Course Number: *MGMT 425*
- Title: *Business Strategy and Policy*
- Units: 3
- Prerequisites: *ACCT 202 or 320, MGMT 300, MKTG 300, FIN 300, IS 301*, plus completion of GE Foundation courses and at least one GE Explorations course COB majors only. Recommend Senior standing.
- Course Coordinator: *Dr. Kenji Klein*
- SCO Revised by: *Dr. Kenji Klein*
- Date Revised: *October 25, 2019*

II. Catalog Description

Prerequisites: *ACCT 202 or 320, MGMT 300, MKTG 300, FIN 300, IS 301*, plus completion of GE Foundation courses and at least one GE Explorations course

Integration and application of knowledge, theories and techniques derived from the study of business disciplines. Use of the case method and business simulations to formulate business strategies and plans. Written reports required.

Letter grade only (A-F).

III. Curriculum Justification(s)

A. COB Undergraduate Program Learning Goals:

Business Strategy and Policy (MGMT 425) is a COB capstone core course that introduces the principles of strategy formulation, implementation and competitive analysis. The course helps students develop skills in assessing and judging firm efforts to formulate and implement business strategies, to match firm strategies and boundaries to environmental demands, and to secure and defend sustainable market position so as to maximize long-term value in the face of uncertainty.

This course also fulfills the requirements of a *GE Social Sciences & Citizenship (D3) Subject Area* and *Integrative Learning (F) Capstone* course in several important ways. From a broader theoretical standpoint, the discipline of Business Strategy brings together all of the key elements of the Category D3 *Social Sciences & Citizenship* Criteria. At its core, the subject of strategy requires students to analyze the manner in which human social, political, and economic institutions interact with human behavior and psychology to create value for consumers. The primary consideration of the discipline of strategy is the way

that firms create sustainable competitive advantage. Important elements of the social and behavioral sciences are at the heart of this consideration. Firms, one of the fundamental organizational forms in contemporary society, obtain sustainable competitive advantage by driving the largest wedge they can between the value they create for consumers and the costs they incur to create that value. Both the value firms create for consumers and the costs they incur in creating that value emerge from the interaction of human wants and behaviors with the social, political, and economic institutions in which these wants and behaviors are embedded. Thus, the study of business strategy provides students with a unique opportunity to explore and unpack the interaction of these critical constructs at the heart of the social and behavioral sciences.

At a less theoretical level, this specific course works as a *GE Social Sciences & Citizenship (D3) Subject Area and Integrative Learning (F) Capstone* course in three important respects. *First*, the course takes a general management perspective towards governing the key social and economic institution of the firm that requires students to integrate knowledge from the business social science disciplines for the sake of strategy formulation. This enables students to view the firm as a whole and examine how important business processes and functions need to be mutually reinforcing in order to support firm efforts to generate sustainable competitive advantages.

Second, students learn strategy formulation as an integration of internal and external environmental analysis. The course analyzes a wide range of political, social, and economic factors of a dynamic environment that include customers, suppliers, competitors, technologies, market conditions, along with government and global forces. Students then combine this knowledge of external factors with assessment of the firm's internal resources and capabilities in order to shape organizational purposes to match evolving opportunities and threats with the goal of creating and defending a sustainable market position.

Third, the course is multidisciplinary in nature. It helps students develop higher order managerial thinking and skills that draw together knowledge from functional/ discipline-based social science courses such as Accounting, Economics, Finance, Marketing, and Organizational Behavior to address problems of strategic management. The application and synthesis of the general theoretical frameworks and analytical tools from this set of disciplines is essential for deriving advanced insights on the strategic management process. Because general managers are responsible for the entire organization, they must be familiar with all of its elements, which include the functional areas. Such familiarity is important because the functional areas impact organizational performance, which is one of the ultimate concerns of strategic management. Organizational performance is a key determinant of the health and survival of the organization. Though adopting this multidisciplinary lens, students learn to develop a comprehensive understanding of how to manage organizations strategically for

achieving long-term success.

Through case-based discussions, simulation exercises, written assignments, team reports, and exams, students learn to address business problems in a strategic way by integrating and applying knowledge, theories and techniques derived from the study of all business functions, practices and related theories.

B. General:

In addition to fulfilling CSULB General Education Learning Goals, course content and instruction methods should also be designed to fulfill the following AACSB (Association to Advance Collegiate Schools of Business) and COB undergraduate program learning goals:

- **Critical Thinking:** Students will be able to demonstrate conceptual learning, critical thinking, and problem-solving skills.
- **Ethics:** Students will be able to demonstrate awareness of ethical, social responsibility, and citizenship issues and the ability to apply them in decision making in the local, regional, and global communities.
- **Team & Interpersonal Skills:** Students will be able to demonstrate interpersonal skills for working in a dynamic and diverse world, including in a team environment.

C. Management Specific:

- **Business Functions:** Students will be able to demonstrate understanding of all business functions, practices and related theories and be able to integrate this functional knowledge in order to address business problems.
- **Domestic & Global Environment:** Students will be able to demonstrate knowledge of today's domestic and global business environment (e.g., legal, regulatory, political, cultural, and economic).

IV. Course Objectives, Student Learning Outcomes, Evaluation Instruments, and Instructional Strategies for Skill Development

A. Objective: Students will integrate and apply knowledge, theories, and techniques from the business disciplines as a means to assess and formulate the strategies that firms use to create economic value and sustain competitive advantage.

1. **Measurable Student Learning Outcomes–** Upon successful completion of the course, students should be able to:

- a. Identify the components of the strategic management process
 - b. Conduct internal and external analyses of organizations
 - c. Apply the tools of industry analysis in understanding both domestic and international market environments
 - d. Identify business-level, corporate-level, and international strategies
 - e. Evaluate factors contributing to sustainable competitive advantage
 - f. Explain the impact of globalization on strategic management
 - g. Explain the purposes and mechanisms of inter-organizational relationships
 - h. Evaluate the design of organizations for the international environment
 - i. Incorporate knowledge of world business and social and political events into strategic decision making
 - j. Develop ethical and social responsibility mind-sets towards local, regional, and global communities.
2. Evaluation Instruments – Specific assignments will vary by instructor, but typical assignments include written assignments, case-based discussions, simulation exercises, team reports and exams that incorporate both theoretical and applied questions.
 3. Instructional Strategies – Instructional strategies vary by instructor, but typically include reading assignments, class lectures, in-class discussions, simulation exercises, team learning assignments, and a variety of writing assignments.

B. Shared GE Skills-Based Outcomes

1. *Objective--Critical Thinking (SLO – GE Essential Skill): Students will be able to sort through and analyze ambiguous data on firm operating context, performance, and decision-making in order to develop a position and draw conclusions grounded in the available evidence.*
 - a. Measurable Outcome – Upon successful completion of the course, students should be able to demonstrate critical thinking as evidenced by their ability to acquire, analyze, synthesize, and evaluate information relevant to strategic management. In particular, students will demonstrate their ability to:
 - i. Conduct strategic analysis in a variety of industries, countries, competitive, and political situations.
 - ii. Apply knowledge gained in earlier business courses to analyze strategic problems.

- iii. Evaluate alternate solutions to strategic problems and provide well-reasoned recommendations for strategic business problems.
- b. Evaluation Instruments – Specific assignments will vary by instructor, but typical assignments include case-based written analyses, business simulations, research papers, and scenario-based exam questions that require students to demonstrate conceptual learning and problem-solving skills.

To develop students' *problem solving* skill, course assignments may focus on the following dimensions:

- What are the critical challenges a company faces?
- What are the underlying issues a company must resolve in order to deal with the set of critical challenges?
- What strategic options should a company consider for resolving the underlying issues?
- Which of these options do you recommend?
- What are the anticipated outcomes upon implementation?

To develop students' *conceptual learning* skill, course assignments may focus on the following dimensions:

- What is the current state of a company?
- What are the key strategic concepts and contextual factors that can explain the existing organizational and industry dynamics?
- What are the predictable outcomes of a company's actions?
- What strategies should an organization formulate based on both internal and external analysis?
- What organization structure should be utilized for implementing a particular strategy?

- c. Instructional Strategies – Specific instructional strategies will vary by instructor, but typical strategies may include:
 - i. Design in-class exercise activities that help students to organize information, develop lines of reasoning, put forth persuasive argumentation, and use what-if analyses to evaluate action alternatives.
 - ii. Conduct case analysis and/or simulation-based exercise.
 - iii. Form team-based discussions and oral presentations.
 - iv. Use standardized rubrics for evaluating critical thinking skills.

2. *Objective--Written Communication (SLO – GE Essential Skill): Students will demonstrate the ability to develop and express ideas regarding firm competitive*

position and performance in writing. They will develop these ideas using appropriate sources and evidence, and they will express them with appropriate syntax and writing mechanics.

- a. Measurable Outcome - Upon successful completion of the course, students should be able to demonstrate effective writing process and outcome that conform to social science conventions. Such written communication skills include developing core ideas, formulating thesis statements, crafting arguments, synthesizing theoretical perspectives and empirical evidence, citing appropriate sources using the American Psychological Association standard, and adopting appropriate syntax and mechanics.
- b. Evaluation Instruments - Specific assignments will vary by instructor, but typical assignments include a series of written case analyses, research papers, and simulation reports that require students to develop written communication skills in the course.

A specific case analysis assignment might appear as follows:

Case Analysis Assignment Guidelines: *Case analysis helps students develop their ability to identify and solve problems. To analyze a case, you must sort through complex, ambiguous, incomplete, and irrelevant information presented in the case to identify key strategic issues. This mirrors the reality of strategic decision making, where managers confront situations where the “right” answers are unknown, where good option may not exist, or where many options could lead to success. Doing case analysis allows students to apply the analytical tools of strategy to open-ended problems, enabling him or her to better understand the appropriate application of the tools available when faced with a strategic decision.*

Your case analysis paper should be at least 500 words and must accomplish the following: Identify the primary critical issue facing the company; justify your choice and explain why it is the critical issue; provide specific, detailed, and realistic recommendations; support those recommendations with details from the case; identify potential objections to your recommendations and how you would address those objections.

Case analysis requires preparation before writing. You should take the following steps to prepare for writing your case analysis: (1) Carefully consider the discussion questions provided for clues on what to focus on as you read the case; (2) Read the case once through to get a basic understanding of the content; (3) Think about how you might answer the discussion questions and also what the best candidates are for the critical

issue; (4) Reread the case more carefully this time, taking notes as you go; (5) Sort through the facts, your observations and notes and decide what the critical issue is; (6) Look for both qualitative data and quantitative data to support your decision; if you can't find support, return to step 5. (7) Perform sufficient analysis to develop a recommendation that is grounded in logic, the strategic tools we have learned in class, and the details and facts of the case; (8) Consider potential objections to your position and develop both arguments and actions that would address or mitigate those objections. (9) Write up your case analysis in concise, precise, and clear language, providing sufficient analysis and specific qualitative and quantitative data to support your position.

Citing GE Education Policy 7.10.3 and 7.10.4, there should be at least a total of 2,500 words in the various written assignments, and these assignments must be a factor in evaluating students' performance. Instructors may choose to offer various writing assignments throughout the course or a cumulative report/project. To help improve students' writing skills, instructors are expected to provide early feedback on writing assignments in the first one-third of the term; that is, the first one-third of the fall and spring semester or the first one-third the summer term. Ongoing evaluation and feedback throughout the term should also be offered, including the opportunity for revision where needed. See Outline of Subject Matter section showing timing of written assignments for early feedback.

Evaluation criteria for written assignments may include the following items:

- Does the analysis/report illustrate a thorough understanding of the context and purpose?
 - Does the analysis/report clearly communicate the central ideas?
 - Does the analysis/report use appropriate content to demonstrate the mastery of subject matter?
 - Does the analysis/report following the APA format?
 - Does the analysis/report use credible and relevant sources for developing ideas?
 - Is the analysis/report free of grammatical errors?
- c. Instructional Strategies – Specific instructional strategies will vary by instructor, but typical strategies may include:
- i. Using standardized rubrics to assess organization, content, reasoning, grammar, and writing conventions.
 - ii. Explaining rubrics for writing expectations before and

- after the assignments.
- iii. Discussing components of well-written analysis in class.
 - iv. Providing feedback on early drafts and allow for revision.
 - v. Engaging in peer review/editing processes.
3. *Objective: Inquiry and Analysis (SLO – GE Essential Skill): Students will demonstrate the ability to explore and gather information on complex and ambiguous business situations, then break this information down into manageable parts using strategic management frameworks in order to better understand the strategic dynamics at play.*
- a. Measurable Outcome – Upon successful completion of the course, students should be able to explore core strategic issues facing organizations, decipher complex elements of internal business environments as well as the social, political, and economic elements of external business environments, collect and analyze empirical evidence, and craft recommendations for developing and sustaining organizations’ competitive advantages in both domestic and global environments. For instance,
 - i. Students will apply knowledge gained in other functional-based courses, such as Accounting, Economics, Finance, Marketing, Organizational Behavior, and Statistics to analyze strategic problems.
 - ii. Students will develop their capacity to think strategically about a company, its business position, and how it can gain sustainable competitive advantage.
 - vi. Students will learn to formulate strategy based on an integration of internal and external analyses of the organization.
 - vii. Students can incorporate knowledge of world business, social and political events into strategic decision-making.
 - b. Evaluation Instruments – Instructors should use appropriate evaluation instruments, such as in-class discussions/exercises, case analyses, and research papers to help students identify the key problems an organization faces, search for possible root causes, collect supportive evidence to illustrate insightful patterns, and develop logical conclusion through synthesizing multiple theoretical approaches.

In particular, these assignments may focus on the following dimensions:

- *Relevance:* does the analysis bear on the subject on hand?

- *Causal linkage*: are the logical antecedents or consequences of a particular argument traced out?
 - *Analysis*: is reasoning consistent and logical?
 - *Evidence*: are data from the case, from personal experience or from general knowledge used for support?
 - *Clarity*: is the analysis succinct and understandable?
- c. Instructional Strategies – Specific instructional strategies will vary by instructor, but the typical strategies should focus on building a comprehensive understanding of issues related to strategic management. These may include:
- i. Incorporate current social, economic and political events into lecture and in-class discussions.
 - ii. Explore multiple perspectives in addressing a particular issue.
 - iii. Conduct in-class exercises that focus on problem identification, selection, and solution.
 - iv. Instruct students on how to navigate library resources for conducting research.
 - v. Discuss the process of case analysis.
 - vi. Utilize multiple means for generating feedback (e.g., standardized rubric, instructor written comments, and peer editing).

To help students develop *inquiry and analysis* skills, instructors may ask student to follow the steps below for the case preparation process:

- Carefully read the case, take notes, and sort case facts under a number of relevant headings.
- Use the discussion questions to guide thinking about the issues.
- Formulate theories or hypotheses about what is going on within a company (e.g., "the company loses money on small orders"), modifying or rejecting them as new information surfaces (e.g., "Table 2 shows that shipping costs per unit are higher for small orders, but only for long-distance shipments").
- Perform relevant analyses and use adequate tools for evaluating business data.
- Prepare definite conclusions concerning the issues raised in the discussion questions.
- Anticipate the sequence of likely events upon implementing recommendations.

- Bring detailed notes to class to help guide participation in class discussions.

V. Outline of Subject Matter

The following outline of subject matter is an example course schedule that demonstrates the goals for course structure and assessments. Exact topic names and sequence may vary by instructor.

Week 1:

- Introduction to course & syllabus review
- History of strategic management including the advent of Taylorism in the 19th century, the development of the M-form business throughout the twentieth century, and the emergence of the global firm in the age of globalization.

Week 2:

- Introduction to case analysis (GE-Critical Thinking; GE-Inquiry & Analysis)
- Components of the strategic planning process including the psychological, social, and economic factors that impact planning.

Week 3:

- Case Analysis Due (GE-Written Communication)
- Environmental factors and industry analysis, including frameworks developed for assessing the economic, social, psychological, and institutional factors that shape industry dynamics (GE-Critical Thinking; GE-Inquiry & Analysis).

Week 4:

- Case Analysis Returned with Feedback (GE-Written Communication)
- Environmental factors and industry analysis continued (GE-Critical Thinking; GE-Inquiry & Analysis).

Week 5:

- Case Analysis Due (GE-Written Communication)
- Internal factors and organizational analysis, including frameworks developed for assessing the firm resources, competencies and capabilities and their match to the economic, social, psychological, and institutional factors that shape industry competitive dynamics (GE-Critical Thinking; GE-Inquiry & Analysis).

Week 6:

- Case Discussion (GE-Critical Thinking).
- Business-level strategy and competitive advantage, including the economic, political, and institutional factors that shape value creation, cost positions, and competitive dynamics (GE-Critical Thinking; GE-Inquiry & Analysis).

Week 7:

- Case Analysis Due (GE-Written Communication)
- Functional strategies and value chain analysis (GE-Critical Thinking; GE-Inquiry & Analysis)

Week 8:

- Exam
- Introduction to Corporate Strategy: Corporate diversification and the analysis of diversified firms (GE-Critical Thinking; GE-Inquiry & Analysis)

Week 9:

- Corporate Strategy & the Boundaries of the Firm: Vertical Integration, Mergers, Acquisitions, and Alliances (GE-Critical Thinking; GE-Inquiry & Analysis)

Week 10:

- Case Analysis Due (GE-Written Communication)
- Functional strategies and value chain analysis (GE-Critical Thinking; GE-Inquiry & Analysis)

Week 11:

- Global and multinational corporate strategies, including examination of the way that economic, political, and cultural factors in both Western and non-Western contexts shape global business (GE-Critical Thinking; GE-Inquiry & Analysis).

Week 12:

- Case Analysis Due (GE-Written Communication)
- Global and multinational corporate strategies continued (GE-Critical Thinking; GE-Inquiry & Analysis).

Week 13:

- Case Discussion (GE-Critical Thinking).
- Managing technology and innovation, including challenges of innovating, and innovation types and categories (GE-Inquiry & Analysis).

Week 14:

- Implementation of corporate, business, and functional strategies in both domestic and international market environments in both the industrialized world and in emerging markets and in both Western and non-Western contexts (GE-Inquiry & Analysis).

Week 15:

- Case Discussion (GE-Critical Thinking).
- Implementation of corporate, business, and functional strategies continued.

VI. Methods of Instruction

Instructors should use appropriate instruction methods that are consistent with the course description stated in Section II and serve the GE student learning outcomes listed in Section IV of this SCO.

Traditional Hybrid Local Online Distance Education

Examples of instruction methods for the course include:

- Class lecture/discussion
- Case analyses
- Individual and team written assignments
- Team project and discussions
- Simulations and exercises
- Team/individual presentations

- Media presentations

VII. Extent and Nature of Technology Use

The use of technology will depend on individual instructors but may include Beach Board and its embedded online functionalities, a variety of web resources specific to the course, and the use of digital social-science databases offered by the CSULB Library. Film and video may be used in the classroom.

VIII. Information about Textbooks/Readings

Instructors should use appropriate textbooks that are consistent with the course description stated in Section II and serve the GE students learning outcome listed in Section IV of this SCO. No further bibliography is needed.

The following is a list of textbooks that are considered appropriate for this course. This list is not complete and new textbooks can be added.

- Thompson Jr., Arthur A, A.J. Strickland III and John E. Gamble. *Crafting & Executing Strategy: Concepts and Cases*, McGraw-Hill/Irwin.
- Wheelan, Thomas L. and J. David Hunger. *Strategic Management and Business Policy*, Prentice-Hall.

IX. Instructional Policies Requirements

Instructional policies should be consistent with the course description stated in Section II, and should serve the student learning outcomes listed in section IV of this SCO.

Due to the integrated nature of the course content and intended shared GE skills-based outcomes, the class size is capped at 25 students but may be increased to 28, at the discretion of the instructor.

Instructors may specify their own policies with regard to plagiarism, withdrawal, absences, etc., as long as these policies are consistent with the University policies published in the CSULB Catalog. It is expected that every course will follow University policies on Final Course Grades, Grading Procedures, and Final Assessments (PS 05-07), Attendance (PS 01-01), Course Syllabi (PS 11-07), Final Course Grades, Grading Procedures, and Final Assessments (PS 05-07), and Withdrawals (PS 02-02 rev). If some or all sections of the course are to be taught, in part or entirely, by distance learning in the future, the course must follow the provisions of PS 03-11, Academic Technology and the Mode of Instruction.

All sections of the course will have a syllabus that includes the information required by the syllabus policy adopted by the Academic Senate. Instructors will include information on how students may make up work for excused

absences. When class participation is a required, part of the course syllabus will include information on how participation is assessed.

X. Course Assessment

The exact set of course assignments will vary depending on the instructor. University policy requires that no single evaluation of student achievement may count for more than one-third of final grade. Appropriate assignments may include: Quizzes (20% of grade), Five Written Cases (20% of grade), Research Project (20% of grade), In-Class Work & Discussion (20% of grade), Final Exam (20% of grade).

XI. Bob Murphy Access Center (BMAC)

The Bob Murphy Access Center (BMAC) provides certification for students with disabilities and helps arrange relevant accommodations: Any student requesting academic accommodations based on a disability is strongly encouraged to register with Disabled Student Services (BMAC) each semester. A letter of verification for approved accommodations can be obtained from BMAC. Please be sure to provide your instructor with BMAC verification of accommodations as early in the semester as possible.

XII. Assistive Technology

In compliance with university policy on “Accessibility and Faculty Responsibility for the Selection of Instructional Materials,” instructors are responsible for ensuring that their syllabi and instructional materials are accessible to all students.

XIII. Consistency of SCO Standards across Sections

All future syllabi will conform to this SCO.