



College of
Business+
Economics

ECON*4800
Theory of Strategic Management W15
0.50 Credit weight

General Course Information

Instructor: Douglas Auld
Email dauld@uoguelph.ca
Office Location MacKinnon 703
Office Hours **Wednesday 9:00am to 12:00 Noon**
Department/School Department of Economics and Finance

TA's TBA
Email TBA
Office Location TBA
Office Hours TBA

Class Schedule: Tues and Thurs 10am to 11:20am

Pre-requisites: 14.50 credits including (1 of AGEC*3320, BUS*3320, MGMT*3320), ECON*2310, (ECON*2560 or ECON*3560)

Course Resources

Text book: Crossman, Mary, et al, (2013) *Strategic Analysis and Action*, Pearson, Canada

Recommended Texts:

Supplementary Text book: (on reserve in library) Wheelan, Thomas and J. David Hunger, (2008), *Strategic Management and Business Policy*, Pearson/Prentice Hall.

Auld, D. (2010), "Strategic Planning and the Principal Agent Issue in higher education Leadership" *Academic Leadership*. **(Posted on course link)**

Eccles, R and G. Serafeim, (2013) Innovating for a sustainable Strategy, Harvard Business Review **(posted on course link)**

Auld, D. (2011), *Evaluating success and the Option to Change: The Strategic Planning Audit*. © **(Posted on course link)**

“The science of planning and directing large-scale military operations, of maneuvering forces into the most advantageous position prior to actual engagement with the enemy”

[Webster’s New World Dictionary definition of strategic planning]

“A formalized procedure to produce articulated results in the form of an integrated system of decisions”

[The Definition of strategic planning by Harold Mintzberg in The Rise and Fall of Strategic Planning, The Free Press, NY 1994

Each of you will someday be involved, one way or another, in strategic planning. If you are not part of the planning process, you will certainly be involved in the execution of a strategic plan. **Understanding** the key elements of strategic planning, how it should evolve, how it should be structured and how it is implemented will add immeasurably to your ability to function within an organization of 10,000 employees or in your own 3 person business.

In this course you will learn about strategic planning theory and its application, not only from me, as the professor responsible for the course but from your colleagues enrolled in the course. You will be part of a small team with several of your colleagues. You will read widely, consult with your colleagues in small groups and make a presentation to the class. You will conduct original research in the area of strategic planning.

The course is divided into three parts.

PART 1: The first six weeks will involve lectures and discussion of the topics covered in the lectures. **Attendance is very important because the mid term exam will be based entirely on the lecture material.**

PART 2: In the first week of the semester, you will be assigned to a small team and given a research project involving a real organization and its strategic planning. Details are outlined below. You will plan your own meetings and work during the first 6 weeks of the semester. During weeks 7 to 10, each team will meet with me to discuss the progress of your research. A timetable for these meetings, which will be in class time, is shown below.

PART 3: During the last two weeks of the semester, each team will present the findings from their research in a formal presentation to the class. Those in the class **NOT** presenting at the time, **will provide a short commentary** on the presentation based on a template I will provide.

Expectations Regarding Presentation of Research Project

The report of your major research should employ up to date presentation methods. All members of the group should participate in the presentation. As a group and as individuals you should present yourself in a manner that speaks to your professional status as a strategic planning analyst for a major consulting firm. Need I say more! Your report must be written up in a professional manner. **The presentation must not exceed 25 minutes. All members of the group must participate. Your group’s written report is due one week after your presentation. Penalty is 5 marks per day.**

Expectations Regarding Critique of Presentations

During the presentation by a team of its research findings and evaluation, you will find it usefully to take notes based on a template that I will provide. With those notes, you will draft a very short, (no more than 250 words about one page) , critique, positive and negative, of the presentations that day. This is to be submitted to me as hard copy within three days of the presentation. For example, if there are two presentations on March 26, your critique is due March 29.

Evaluation

Mid Term in Class Exam	30 per cent*
Presentation of Research Report	20 per cent
Research Report	30 per cent**
Critique of Presentation	20 per cent

THERE IS NO FINAL EXAMINATION IN THIS COURSE.

Schedule of Class Activity, Economics 4800 Winter 2015

**ECONOMICS 4800 WINTER 2015
TIMETABLE FOR THE SEMESTER**

WEEK OF	LECTURE TOPIC	Team Seminars With professor		Team Presents	
WEEK 1 Jan 6,8	The Importance of Planning ...Who Does the Planning....Optimal Planning....Planning vs Strategic Planning				
WEEK 2 Jan13,15 (Crossan, Chapter 4 and pp 7,10,13; Eccles, Harvard Business Review;	Mission, vision and Values.... Profit and Not for Profit (2)(3)				
WEEK 3 Jan 20,22 (Crossan, Ch. 3 and 4; also pp121-123; 144-48; 91-93)	Foundation for Strategic Goals: SWOT.....The Diamond E model... Porter Five Forces				
WEEK 4 Jan 27,29 (Crossan, Chaps 8, 10)	Writing the Strategic directions or goals... the SMART test...assignment of duty (1)....				
WEEK 5 FEB 3,5 (Crossan, Ch 10 and pp 98-100; 67-69; Auld (2010);	Executing the plan..principal agent challenges				
WEEK 6 FEB10 (Crossan, pp 3-6, 55-56; 85-86; 242-243. Auld, (2011) Wheelen, Chap 11.	The Strategic Audit				
FEB 12	MID TERM				
FEB 24,26			Tues: Groups 1- 4. Thurs: Groups 5-8		

March 3,5		Tues 1-4 Thurs 5-8	
Mar 10,12		Tues: 1-4 Thur: 6-8	
Mar 17,19		Tues: 1-4 Thur: 5-8	
Week of Mar 24	REPORT DUE: MAR 31		Teams 1,2,
Week of Mar 26	REPORT DUE: APR 2		Teams 3,4
Week of Mar 31	REPORT DUE: APR 6		Teams 5,6
Week of Apr 2	REPORT DUE APR 9		Teams 7.8
	Please note these due dates must be met. There is a 5 (out of 30) mark penalty PER DAY for late submission		

RESEARCH TOPICS (Preliminary List)

1. Target, the US retail giant, made its entry into the Canadian market in 2013. The results have been disastrous. Target planned for this invasion several years before 2013. What errors in strategic planning and execution did Target make that led to the failure of the company's entry into Canada?
2. U.S. Steel, Canada (formerly Stelco of Hamilton, Ontario) filed for bankruptcy in the Fall of 2014. U.S. Steel purchased Stelco several years ago and anticipated long term success. What was their basic strategy when they took over Stelco? What factors in their strategic plan most likely led to their failure? Are there issues they did not address which, had they done so, the plan could have been successful?
3. Southwest Airlines has 'plodded along' for years as a successful regional airline in the US. It is planning to expand to Canada. What attributes of its past strategy has made it such a success in the midst of a long line of failure in US airlines? Does it have a unique strategic plan for expansion into

Canada? If not, what strategy would you advise Southwest Airline to implement to be successful in Canada?

4. Nortel was one of the greatest corporate failures in Canadian business history. Did they have the wrong strategic plan? If so, what components of the plan were poorly developed? What factors in their strategic plan were not executed? Faced with mounting challenges in the early 2000s, what business plan did they follow? Was it based on good, sound strategic planning?
5. Eaton's Canada was once the dominant retail outlet in Canada. The company began in 1869 and filed for bankruptcy in 1999. At one time, it was equivalent to the Walmart of today. What mission and corporate strategy from its inception to the 1970s contributed to Eaton's sustaining success? Identify the flaws in the company's strategy in the 1970s and 1980s that may have or did contribute to the decline and eventual collapse of the chain. Can you identify and strategic directions that might have been undertaken in the 1970s and 1980s that may have prevented the demise of the company
6. Two years ago, RIM (now Blackberry) was 'written off' as a major player in the digital age. The stock price collapsed, the replacement CEO fumbled and customers ran away. Today the consensus is that Blackberry is recovering...nicely. An investment firm is considering an investment of \$250 Million in Blackberry but as the key decision maker in your investment firm, you are curious if the turn-around is real or just luck. Your team has been assigned the job of providing an in-depth examination of the strategic plan developed and executed by the current CEO, John S. Chen. What are the key questions you need to formulate and what answers to those questions did you find?

Course Policies

Grading Policies

<https://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-grds-proc.shtml>

University Policies

Academic Consideration

When you find yourself unable to meet an in-course requirement because of illness or compassionate reasons, please advise the course instructor in writing, with your name, id#, and e-mail contact. See the academic calendar for information on regulations and procedures for

Academic Consideration: <http://www.uoguelph.ca/registrar/calendars/undergraduate/current/c08/c08-ac.shtml>

Academic Misconduct

The University of Guelph is committed to upholding the highest standards of academic integrity and it is the responsibility of all members of the University community, faculty, staff, and students to be aware of what constitutes academic misconduct and to do as much as possible to prevent academic offences from occurring.

University of Guelph students have the responsibility of abiding by the University's policy on academic misconduct regardless of their location of study; faculty, staff and students have the responsibility of supporting an environment that discourages misconduct. Students need to remain aware that instructors have access to and the right to use electronic and other means of detection. Please note: Whether or not a student intended to commit academic misconduct is not relevant for a finding of guilt. Hurried or careless submission of assignments does not excuse students from responsibility for verifying the academic integrity of their work before submitting it. Students who are in any doubt as to whether an action on their part could be construed as an academic offence should consult with a faculty member or faculty advisor.

The Academic Misconduct Policy is detailed in the Undergraduate Calendar:

<https://www.uoguelph.ca/registrar/calendars/undergraduate/2014-2015/>

Accessibility

The University of Guelph is committed to creating a barrier-free environment. Providing services for students is a shared responsibility among students, faculty and administrators. This relationship is based on respect of individual rights, the dignity of the individual and the University community's shared commitment to an open and supportive learning environment. Students requiring service or accommodation, whether due to an identified, ongoing disability or a short-term disability should contact Student Accessibility Services as soon as possible.

For more information, contact SAS at 519-824-4120 ext. 56208 or email csd@uoguelph.ca or see the website: <http://www.csd.uoguelph.ca/csd/>

Course Evaluation Information

Please refer to <https://www.uoguelph.ca/economics/course-evaluation>

Drop date

The last date to drop one-semester courses, without academic penalty, is March 6th, 2015. For regulations and procedures for Dropping Courses, see the Academic Calendar:

<https://www.uoguelph.ca/registrar/calendars/undergraduate/2014-2015/>