Instructor     Professor Ram Ranganathan
Office        CBA 4.258
Office Hours  Tuesdays and Thursdays 1:30-2:30 pm or by appointment (Office hours may vary periodically, check announcements in class)
Phone         471-2844
E-Mail        Ram.Ranganathan@mccombs.utexas.edu
Webpage       via Blackboard
TA            Zunie Nguyen (zunie.nguyen@utexas.edu)

Required Materials
1. Grant, RM. Contemporary Strategy Analysis. 2012. 7th Edition. Wiley Publishing. (Note: limited number of copies will be made available for sale at the University Co-Op)
2. Course packet at the Co-Op. (Note: Please do not duplicate course packets.)

Course Overview & Objectives
Why do some companies outperform others? In this course we will explore possible answers to this fundamental question of "strategy" using a combination of readings, in-class case discussions and individual as well as group assignments. The course will expose you to a variety of theories and analytical frameworks that help in identifying the drivers of company performance. You will learn to apply these across a variety of companies and industries, in the process developing your ability to examine strategic issues from the perspective of the general manager of a corporation. As the general manager’s task cuts across functional areas, this course builds on your previous work in the program and provides a comprehensive and integrated management perspective.

Course Evaluation
1. Quizzes                          10%
2. Class Oral & Written Contribution 20%
3. Midterm Exam (Take home)         30%
4. Group Company Paper              40%
Course Details

1. Quizzes (10%)

You will receive 2 to 3 unannounced quizzes in class during the semester. The quizzes will be closed-book (no notes, text or discussion allowed) and either multiple choice or short-answer format. If you happen to miss a day that there is a quiz, and if you emailed me ahead of time (i.e., before class starts) to inform me of your absence, I will extrapolate the score(s) you receive on your other quiz(ues). Please note that there are no make-up quizzes.

2. Class Oral and Written Contribution (20%)

A. Oral Contribution: During class, I may call upon any student to lead off the discussion, answer questions or comment/elaborate on the ongoing discussion. Thus, you should not only be well-prepared with the content of the case and assigned materials, but also listen carefully to what others are saying in the class. I am aware that many students may not be used to active class participation in their other coursework, or may not be comfortable with speaking in front of others. However, in modern day organizations, several critical interactions are verbal and your success in defining and executing a particular strategy rests on your ability to provide a compelling argument in front of your colleagues. Therefore, please consider the classroom a laboratory in which you can test your ability to convince your peers of the correctness of your approach. (See Appendix A for more details on the case method and classroom discussions).

   For learning to be effective, you should carefully prepare the cases and readings before class and actively participate in the discussions during class. The session plan at the end of this syllabus indicates the materials you should read in preparation for each class. Preparation involves a thorough analysis of the case and/or reading materials and developing a position on the issues relating to case using the course materials.

B. Written contribution: During the course, you will work in groups of three and submit written case analyses for any two cases between Session 4 and Session 21. You can choose with which two classmates to write this assignment and which two cases to analyze. The questions for each case will be posted on Blackboard approximately one week prior to the case discussion/ due-date. Although you are free to structure your analysis as you see fit, it should address all the questions that have been posted for the case. You are not allowed to use data or information beyond what is provided in the case. A hardcopy of your analysis is due at the start of the class in which we discuss the case. Note that although you have the flexibility to choose which case to analyze, it is your responsibility to ensure that you complete the assignment (i.e. you will not receive individual reminders from me). Write-ups handed in after the start of a case session will not be accepted. Your write-up should not exceed four pages (double spaced, Times New Roman 12 point font, Normal margins of 1 inch all around).

   I will make notes on class contributions after every class and your grade for the class contribution component will be based on a combination of your Oral Contribution over the entire semester and your Written contribution (case analysis). Please note that the quality of your discussion comments also matters and it’s just not how many times you speak in class (although it is impossible to assess quality without sufficient quantity)!
3. **Midterm Exam (30%)**

The midterm examination is in the format of a take-home case analysis. All instructions will be provided with the exam. Students will receive the exam at the end of class on **Thursday, October 24th**. Students must leave their answers to the exam in the drop-off box in the Management Department by **2:00 p.m. on Tuesday, October 29th**. No extensions will be granted. Late submissions will not receive any credit.

The exam is due five days after its distribution in class to provide students with flexibility. This does not mean that the students need to spend all five days working on the exam. Students can decide specifically when between exam distribution and the submission deadline they will work on the exam. It is your responsibility to plan and manage your time effectively, taking into account other activities and unforeseen circumstances that might arise in that period.

Please keep in mind that the midterm exam is an individual assignment and students are **not** allowed to discuss any part of the exam with others. The minimum penalty for academic dishonesty will be a zero for the exam.

4. **Group Company Paper (40%)**

This assignment is intended to apply your understanding of the concepts discussed in class and to simultaneously allow for the development of the teamwork and oral and written communication skills that have become a centerpiece of contemporary organizations. You will form a group of 5-6 people with other members of your class. Your group will develop a detailed write-up and an oral presentation about one company and how the company's situation can be better understood by applying some key principles from the course. The goal is not to produce a “biography” of your firm, but to develop a specific thesis, hypothesis, or central question that you wish to answer, use class frameworks to analyze the information you collect on your subject, and use that analysis to craft real recommendations and/or conclusions.

Since I would like you to focus on current challenges faced by a company, you may choose any company that is featured in a major business periodical during the months of June, July or August 2013, provided that this organization is **not** featured in one of the cases in the course-pack or discussed at length in your textbook. The article will serve as your primary reference, and you should locate at least five other references that provide supplementary information for your project. In selecting a company for the group project, please remember that it is often difficult to obtain information on privately held companies (i.e. you may want to pick a publicly-traded company).

Additional information (including details on structure of the paper and evaluation) will be available as the course progresses. Note that groups must be finalized by **Thursday, September 5th**. The oral presentations will be held during sessions 25, 26 & 28 and the final written paper is due at the beginning of class on **Thursday, December 5th**. Additional interim deadlines are noted on the session plan.

While the goal is for everyone in the group to receive the same grade, I will institute a mechanism to deal with group process issues that will penalize free riders, and groups with concerns to this effect should immediately contact me as soon as they become aware of the issues. Any student who misses his/her group presentation due to an unexcused absence will forfeit (for him or herself) 50% of the oral presentation points earned by the group.
Additional Important Information

Attendance:
The course emphasizes case analysis and, accordingly, an integral part of learning takes place interactively in the classroom. Therefore, attending all classes is critical. Note that the textbook is only a starting point for our discussions and I will be integrating content from other sources as well during the lecture. Thus, quizzes and exams may be based on content that is discussed in class but outside the text. If for some unavoidable reason you miss a class, it is your responsibility to find out from your classmates what material we covered and what additional assignments or handouts you missed. You are of course always welcome to see me during office hours to discuss this content.

Class Policies and other administrative details

- As the course progresses, I will post information on the blackboard system. So please check the website regularly.
- I urge you to take notes during class. Additional materials that I present in class may not always be circulated.
- To help me learn your names and assign your class contribution grades, I will circulate a seating chart by the end of our second week. Please take the same seat each class.
- There is a ‘No Laptop’ policy in this course. Laptops / tablets may not be used during regular class sessions, unless specifically allowed by me.
- While in class, please be sure to minimize disruptions by turning off all cell phones, pagers and other devices.

Office Hours

I will be happy to discuss the course, your progress, or any other issue of interest to you on an individual basis. Please see me in class or during office hours. I am also available, within reason, to meet with you outside these times. To set up an appointment, please send me an e-mail. Do not wait until the end of the semester to see me regarding your concerns with the course material or your performance.

Writing Flag

This course carries the Writing Flag. Writing Flag courses are designed to give students experience with writing in an academic discipline. In this class, you can expect to write regularly during the semester, complete substantial writing projects, and receive feedback from your instructor to help you improve your writing. You should therefore expect a substantial portion of your grade to come from your written work.

I encourage you to use the Undergraduate Writing Center, FAC 211, 471-6222: http://www.uwc.utexas.edu/). The UWC offers free, individualized, expert help with writing for any UT undergraduate, by appointment or on a drop-in basis. These services are not just for writing that has "problems": Getting feedback from an informed audience is a normal part of a successful writing project. The UWC’s trained consultants work with students from every department on both academic and non-academic writing. Using methods that preserve the integrity of your work, they help you develop strategies to improve your writing and become a more independent writer.
Prerequisites
Upper-division standing; seventy-five semester hours of coursework, including: Management 336 or 336H; credit or registration for Finance 357 or 357H, and Marketing 337 or 337H; and credit or registration for one of the following: Accounting 353J, 366P, Business Administration 353H, Finance 353, 366P, Management 353, 366P, Management Information Systems 353, 366P, Marketing 353, 366P, Operations Management 353, or 366P.

Religious Holidays
By UT Austin policy, you must notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment, or a project in order to observe a religious holy day, you will be given an opportunity to complete the missed work within a reasonable time after the absence.

Students with Disabilities
Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 512-471-6259, http://www.utexas.edu/diversity/ddce/ssd/.

Scholastic Dishonesty
The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the BBA Program’s Statement on Scholastic Dishonesty at http://www.mccombs.utexas.edu/BBA/Code-of-Ethics.aspx. By teaching this course, I have agreed to observe all faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all student responsibilities described in that document. If the application of the Statement on Scholastic Dishonesty to this class or its assignments is unclear in any way, it is your responsibility to ask me for clarification. Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, the integrity of the University, and the value of our academic brand, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at http://deanofstudents.utexas.edu/sjs/ to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.
Campus Safety

Please note the following recommendations regarding emergency evacuation from the Office of Campus Safety and Security, 512-471-5767, http://www.utexas.edu/safety/:

.. Occupants of buildings on The University of Texas at Austin campus are required to evacuate buildings when a fire alarm is activated. Alarm activation or announcement requires exiting and assembling outside.

.. Familiarize yourself with all exit doors of each classroom and building you may occupy. Remember that the nearest exit door may not be the one you used when entering the building.

.. Students requiring assistance in evacuation should inform their instructor in writing during the first week of class.

.. In the event of an evacuation, follow the instruction of faculty or class instructors.

.. Do not re-enter a building unless given instructions by the following: Austin Fire Department, The University of Texas at Austin Police Department, or Fire Prevention Services office.

.. Behavior Concerns Advice Line (BCAL): 512-232-5050

.. Further information regarding emergency evacuation routes and emergency procedures can be found at: www.utexas.edu/emergency
SESSION PLAN
(****Note: This plan is subject to revision****)

1. **INTRODUCTION**

   **Session 1: Course Overview**
   Thu, August 29

   Readings:
   - Course pack: Syllabus

   **Session 2: The Concept of Strategy**
   Tue, September 3

   Readings:
   - Grant, Chapter 1: The Concept of Strategy
   - Course pack: Syllabus, Appendix A - Why we use the case method.

   Case:
   - Whole Foods Market
   - Sample discussion questions:
     a) What opportunity has Whole Foods tapped into? What changes in the environment have enabled its success?
     b) What are Whole Foods’ key strengths?
     c) Who will be Whole Foods key competitors going forward? Will Whole Foods be able to compete with these players successfully? Why / why not?

2. **STRATEGY ANALYSIS**

   **Session 3: Industry Analysis I**
   Thu, September 5

   Due:
   - Group Company Paper: Group composition due at start of session (E-mail OK)

   Readings:
   - Grant, Chapter 3: Industry Analysis: The Fundamentals
   - Course pack: The Five Forces: Competing for Profits-Understanding Michael Porter’s Best-Known Framework

   **Session 4: Industry Analysis II**
   Tue, September 10

   Readings:
   - Revisit readings from Session #3 as background materials for case

   Case:
   - Cola Wars Continue: Coke and Pepsi in 2006
Session 5: Industry Analysis III  Thu, September 12
Readings:
- Grant, Chapter 4: Further Topics in Industry and Competitive Analysis
- Course pack: The books business: Great digital expectations
Case:
- Leadership Online: Barnes and Noble versus Amazon.com

Session 6: Firm Analysis I  Tue, September 17
Due:
- Group Company Paper : Company selection and reference article due at start of session
Readings:
- Grant, Chapter 5: Analyzing Resources and Capabilities
- Grant, Chapter 8: The Nature and Sources of Competitive Advantage (pg 209 to pg 219)
- Course pack: Competing on Resources

Session 7: Firm Analysis II  Thu, September 19
Readings:
- Revisit readings from Session #6 as background materials for case
Case:
- Walmart Stores Inc.

3. BUSINESS STRATEGY CHOICES

Session 8: Competing on Cost  Tue, September 24
Readings:
- Grant, Chapter 9: Cost Advantage
Case:
- Matching Dell

Session 9: Competing on Differentiation  Thu, September 26
Readings:
- Grant, Chapter 10: Differentiation Advantage
Case:
- Gucci Group N.V. (A)
Session 10: Project Work Day I  Tue, October 1

Due:
- Group Company Paper: Electronic copy of outline is by 5pm.

There will be no in-class activity or discussion during this session. You will use this time to work within your project groups to complete the outline of the Company paper. You are free to utilize the classroom premises for your discussion/group work.

Session 11: Competing on Innovation - I?  Thu, October 3

Readings:
- Grant, Chapter 12: Technology-based Industries and the Management of Innovation

Session 12: Competing on Innovation – II?  Tue, October 8

Readings:
- Revisit readings from Session #10 as background materials for case

Case:
- Apple Inc. 2010

4. CORPORATE STRATEGY CHOICES

Session 13: Vertical Integration and Firm Scope I  Thu, October 10

Readings:
- Grant, Chapter 14: Vertical Integration and the Scope of the Firm
- Grant, Chapter 16: Diversification Strategy

Session 14: Vertical Integration and Firm Scope II  Tue, October 15

Readings:
- Revisit readings from Session #13 as background materials for case

Case:
- Walt Disney Company: The Entertainment King

Session 15: Corporate Strategy - Acquisitions  Thu, October 17

Readings:
- Course pack: Corporate Acquisition Strategies and Economic Performance (pg 377 - 380, 384-385)
- Course pack: Not All M&As Are Alike - and That Matters
Session 16: Corporate Strategy - Alliances  Tue, October 22

Readings:
- Course pack: *Collaborate with Your Competitors - and Win*
- Course pack: *When to Ally and when to Acquire*

Case:
- *Millennium Pharmaceuticals*

MID TERM EXAM SPECIAL SESSIONS

Session 17: Midterm Review  Thu, October 24

*****MID-TERM EXAM WILL BE DISTRIBUTED AT THE END OF SESSION *****

Notes:
- Although there are no readings or assigned cases for this session, I strongly urge you go through *all* the class readings and other notes/cases that have been discussed to this point, and be prepared to ask clarification questions during the review.
- I will not grade oral class contributions during this session.

Session 18: Midterm Exam  Tue, October 29

Due:

*****THE MID-TERM EXAM IS DUE BY 2:00 PM ON THIS DAY. ONLY HARD-COPY WILL BE ACCEPTED. SUBMIT YOUR EXAM ANSWERS IN THE DROP-OFF BOX OUTSIDE THE MANAGEMENT DEPARTMENT RECEPTION AREA (CBA NORTH, 4th FLOOR). LATE SUBMISSIONS WILL NOT BE ACCEPTED. NO EXCEPTIONS *****

There will be no in-class activity or discussion during this session to enable you to complete your mid-term exam.
4. GLOBAL STRATEGIES

Session 19: Global Strategy I

Thu, October 31

Readings:
- Grant, Chapter 15: Global Strategies and the Multinational Corporation

Session 20: Global Strategy II

Tue, November 5

Due:
- Group Company Paper: Electronic & hardcopy of draft report is due at start of session.

Readings:
- Revisit readings from Session #19 as background materials for case

Case:
- L’Oreal and the Globalization of American Beauty

5. INTEGRATION AND IMPLEMENTATION

Session 21: Structure, Systems and Implementing Change

Thu, November 7

***Note: LAST CHANCE FOR SUBMITTING INDIVIDUAL CASE WRITE UP. ***

Readings:
- Grant, Chapter 7: Organization Structure and Management Systems

Case:
- Cisco Business Councils: Unifying a Functional Enterprise with an Internal Governance System

Session 22: Meeting with Instructor /Project Work Day II

Tue, November 12

- Groups 1, 2, 3 and 4 meet with the Instructor.
- Other groups to continue working on Company paper. There will be no in-class activity.

Session 23: Meeting with Instructor /Project Work Day II

Thu, November 14

- Groups 5, 6, 7 and 8 meet with the Instructor.
- Other groups to continue working on Company paper. There will be no in-class activity.

Session 24: Project Work Day III

Tue, November 19

There will be no in-class activity or discussion during this session. You will use this time to work within your project groups on the Company paper.
Session 25: Company Paper Presentations Thu, November 21

Due:
• Group Company Paper: E-Mail presentation slides by **5 pm of previous day**

In-Class:
• **Groups 1, 2 and 3 to present**, Other groups to attend and participate
• Note: I will be grading class oral participation even though you may not be presenting

Session 26: Company Paper Presentations Tue, November 26

Due:
• Group Company Paper: E-Mail presentation slides by **5 pm of previous day**

In-Class:
• **Groups 4, 5 and 6 to present**, Other groups to attend and participate
• Note: I will be grading class oral participation even though you may not be presenting

Session 27: Thanksgiving Holiday Thu, November 28

There will be no class due to the THANKSGIVING break.

Session 28: Company Paper Presentations Tue, December 3

Due:
• Group Company Paper: E-Mail presentation slides by **5 pm of previous day**

In-Class:
• **Groups 7 and 8 to present**, Other groups to attend and participate
• Note: I will be grading class oral participation even though you may not be presenting

Session 29: Reflections and Lessons Thu, December 5

Due:
• Group Company Paper: Final report due at start of class. No extensions please!

Readings:
• Course pack: *What is Strategy?*
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<tr>
<th>Session</th>
<th>Date</th>
<th>Topic</th>
<th>Readings</th>
<th>Case</th>
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<td>The Concept of Strategy</td>
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<td>Barnes &amp; Noble vs. Amazon.com</td>
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<td>Corporate Strategy - Acquisitions</td>
<td>Corp. Acquisition Strategies, Not all M&amp;A's Are Alike &amp; that matters</td>
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<td>16</td>
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<td>Corporate Strategy - Alliances</td>
<td>Collaborate w. Comp &amp; win, When to Ally and when to Acquire</td>
<td>Millennium Pharmaceuticals</td>
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<td>17</td>
<td>Thu, Oct 24</td>
<td>Mid Term Review</td>
<td>Revise all materials</td>
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<td>Mid Term Begins</td>
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<td>18</td>
<td>Tue, Oct 29</td>
<td>No Class - Mid Term Exam is Due on this day</td>
<td>Revise all materials</td>
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<td>Mid Term Due 2 pm</td>
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<td>19</td>
<td>Thu, Oct 31</td>
<td>Global Strategy I</td>
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<td>Tue, Nov 05</td>
<td>Global Strategy II</td>
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<td>27</td>
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<td>Company paper presentations (Gp 4,5,6)</td>
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<td>Slides by 5p prev. day</td>
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<td>28</td>
<td>Thu, Dec 03</td>
<td>Company paper presentations (Gp 7,8)</td>
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<td>Slides by 5p prev. day</td>
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<td>29</td>
<td>Thu, Dec 05</td>
<td>Reflections and Lessons</td>
<td>What is Strategy?</td>
<td>Paper - Final submission</td>
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APPENDIX A

Why We Use the Case Method

The case method is one of the most effective means of management education. It is widely used in schools of business throughout the world, and this use is predicated upon the belief that tackling real business problems is the best way to develop practitioners. Real problems are messy, complex, and very interesting.

Unlike other pedagogical techniques, many of which make you the recipient of large amounts of information but do not require its use, the case method requires you to be an active participant in the closest thing to the real situation. It is a way of gaining a great deal of experience without spending a lot of time. It is also a way to learn about how certain businesses operate and how managers manage, and it will expose you to a variety of companies and industries you may consider working for. There are few programmable, textbook solutions to the kinds of problems faced by real general managers. When a problem becomes programmable, the general manager gives it to someone else to solve on a repeated basis using the guidelines he or she has set down. Thus the case situations that we will face will require the use of analytical tools and the application of your personal judgment.

Preparing for Class

When you prepare for class, it is recommended that you plan on reading the case a few times. The first reading should be a quick run-through of the text in the case. It should give you a feeling for what the case is about and the types of data that are contained in the case. For example, you will want to differentiate between facts and opinions that may be expressed. In every industry, there is a certain amount of "conventional wisdom" that may or may not reflect the truth.

In a subsequent reading you should read in more depth. Your major objective on a subsequent reading should be to understand the business and the situation. You should ask yourself questions like: (1) Why has this company survived? (2) How does this business work? (3) What are the economics of this business? Carefully examine the exhibits in the case. It is generally true that the case writer has put the exhibit there for a purpose. It contains some information that will be useful to you in analyzing the situation. Ask yourself what the information is when you study each exhibit. You will often find that you will need to do some analysis in order to benefit from the information in the raw data.

You should have a good idea of the fundamentals of the case. Now you will be searching to understand the specific situation. You will want to get at the root causes of problems and gather data from the case that will allow you to make specific action recommendations. You may want to review the assignment questions in the course description and go through the case again. You should now be able to prepare your outlined answers to the assignment questions.

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1 This note was prepared by Dan R.E. Thomas and was modified by the instructor for this course. It is intended solely as an aid to class preparation.
Class Discussions

In each class, I may ask one or several people to lead off the discussion. If you have prepared the case, and are capable of answering the assignment question, you should have no difficulty with this lead-off assignment. An effective lead-off can do a great deal to enhance a class discussion. It sets a tone for the class that allows that class to probe more deeply into the issues of the case.

The instructor's role in the class discussion is to help, through intensive questioning, to develop your ideas. This use of the Socratic Method has proven to be an effective way to develop thinking capability in individuals. The instructor manages the class process to insure that the class achieves an understanding of the case situation. There is no single correct solution to any of these problems. There are, however, many wrong solutions. Therefore, we will try to come up with a solution that will enable us to deal effectively with the problems presented in the case.

After the individual lead-off presentation, the discussion will be opened to the remainder of the group. It is during this time that you will have an opportunity to present and develop your ideas about the way the situation should be handled. It will be important for you to relate your ideas to the case situation and to the ideas of others as they are presented in the class. The instructor's role is to help you do this.

The Use of Extra or Post-Case Data

You are encouraged to deal with the case as it is presented. You should put yourself in the position of the general manager involved in the situation and look at the situation through his or her eyes. Part of the unique job of being a general manager is that many of your problems are dilemmas. There is no way to come out a winner on all counts. Although additional data might be interesting or useful, the "Monday morning quarterback" syndrome is not an effective way to learn about strategy. Therefore, you are strongly discouraged from acquiring or using extra- or post-case data. It is, however, interesting and occasionally useful to know what actually occurred. Therefore, whenever possible, we will tell you what happened to a company since the time of the case, but you can and should draw your own conclusions from that.