

BA in Management Program
MGMT401 – Business Strategy
Spring 2022

Instructor: Kerem Kılıç

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Type	Time	Days	Classroom	Zoom
Hybrid	8:40 - 9:30	Tue	FASS 1008-1010	Zoom link
Hybrid	8:40 - 10:30	Wed	FENS G032	Zoom link

Course Objective:

Why do some firms perform better than others? What factors affect the profitability, growth, and survival of firms? Strategy is about ‘where to go’ and ‘how to get there’.

The primary objective of the course is to enable you to understand and analyze the factors that affect firms’ long-run economic performance and to provide you with the tools to make recommendations to firms on how they can improve their long-term performance. Building on the knowledge about functional business areas such as production, marketing, accounting, finance, and information systems, this course introduces core concepts of strategic management. These concepts will equip you with the tools necessary to analyze a firm’s competitive environment and resources. The emphasis is on the formulation and successful implementation of strategy in different types of firms across industries.

Learning Outcomes:

Upon successful completion of the course, the student should be able to:

1. Develop an understanding of core strategic management concepts
2. Use various analytical frameworks to formulate business-level strategies
3. Evaluate firm competitive positioning and sources of competitive advantage: firm-level resources and capabilities, and environmental factors
4. Assess the business enterprise as a total system in a global environment
5. Describe competitive and cooperative strategic moves

6. Develop effective teamwork behaviors and improve oral and written communication skills

Course Material:

The required readings and case studies are from the Harvard Business Publishing Course Pack created for this course. *If there is a case assigned for the session, you are expected to fully read the case before the session, so that you can join the discussion. You can prepare for the case discussion as a group.* I can use contents and examples from other sources in the course slides as well, which also count as course material.

Students can download the course pack using this link.

Course Web:

Lecture slides will be uploaded to SUCourse after each class.

Detailed information on your assignments will also be announced on SUCourse. The students should upload their homework using SUCourse as word files or ppt files depending on the content.

Sabanci University uses a powerful web-based tool called Turnitin. Turnitin is the worldwide standard in online plagiarism prevention. It allows instructors to compare student papers against a database composed of millions of articles. *Every assignment you submit will be scanned by Turnitin, and results will be reflected in your grades.*

Instructional Design:

The course will be taught *in a hybrid format* with an interactive and experiential approach using a variety of tools and methods. We will have:

- Guest speakers
- Case discussions
- Hands-on team project
- Group presentations

See the content for each session in the course schedule at the end of this document.

List of Guest Speakers:

We will have different guest speakers who will talk about the subjects we covered in class. The list of guest speakers will be announced on SUCourse.

List of Cases and Exercises

Please carefully go over the list of classroom materials below. *Every student is expected to read the cases in full to prepare for the debate in class.*

Week 1 Introduction

Material: -
Instructions:

Week 2 Foundations of Strategy

Material: -
Instructions:

Week 3 External Sources of Competitive Advantage

Material: **Case: Dogfight over Europe: Ryanair (A)**
Instructions: 1. What is your assessment of Ryanair's launch strategy?
2. How do you expect Aer Lingus and British Airways to respond? Why?

Week 4 Strategic Implications of Value Chain Decisions

Material: **Simulation: Value Champion**
Instructions: -

Week 5 Internal Sources of Competitive Advantage

Material: **Case: Louis Vuitton**
Instructions: 1. Why has LV been so successful?
2. What are the challenges facing LV?
3. What are the options available to LV?

Week 6 Value and Competitive Advantage

Material: **Case: A Maestro without Borders: Andre Rieu**
Instructions: 1. How attractive is the traditional classical music industry?
2. What are the key factors underlying André Rieu's business success?

Week 7 Competition vs Cooperation

Material: **Simulation: Competitive Dynamics and Wintel**
Instructions: -

Week 8	Competing Over Time
Material:	Case: Tesla
Instructions:	<ol style="list-style-type: none"> 1. How is Tesla's business model different from traditional car manufacturers? 2. Evaluate Elon Musk's "Master Plan, Part Deux" and assess if Tesla can gain and sustain competitive advantage
Week 9	Competition in Platform Markets
Material:	Case: Microsoft's Search
Instructions:	<ol style="list-style-type: none"> 1. How considerable was Microsoft's competitive disadvantage in Internet search and search-related advertising in 2008? If the industry remains on its current trajectory, how will Microsoft's weakness evolve over time? 2. Why is Microsoft pursuing the market for search and search-related advertising? 3. What integrated strategic option should Microsoft's executives pursue?
Week 10	Corporate Strategy
Material:	Case: Yildiz Holding's Corporate Strategy
Instructions:	TBD
Week 11	Competing Globally
Material:	Case: Cameron Auto Parts (A)
Instructions:	<ol style="list-style-type: none"> 1. Should Cameron have licensed McTaggart or continued to export? 2. Was McTaggart a good choice for a licensee? 3. What about alternatives to licensing?
Week 12	Non-market Strategy
Material:	Case: Making Target the Target
Instructions:	<ol style="list-style-type: none"> 1. How would you assess Target's lobbying on federal sales tax legislation from legal, ethical, and economic perspectives? 2. As CEO of Target, what steps should you take given the boycott and declining sales?
Week 13	Group Project Presentations
Material:	-
Instructions:	
Week 14	Executing Strategy
Material:	Simulation: Customer Value Challenge
Instructions:	-

Grading:

A. Individual Effort (40% + 5%)

1. **Attendance (5%):** The instructor will measure attendance using online tools, and the attendance score constitutes %5 of your overall grade. You are not counted as present if you join the session 10 minutes late or leave early.
2. **Participation (10%):** Participation refers to actual contribution to the learning in the session. Inputs to discussions, asking smart questions, comments, and responses to questions by the instructor and reactions to your classmates' arguments are examples of participation. Reading the required material for the week and thinking on the topic before coming to class is essential for high-quality participation. **Sitting silent all term long will lead to zero points as your participation grade, even if you attend all classes.**
3. **Final exam (25%):** The final exam will cover all term's content. The lecture slides are considered part of the course content, including the content in the slides that may be coming from resources other than your required readings. There will be both multiple choice and essay type questions in the exams, some of which will evaluate your critical thinking on the topics as well as your capability to apply them on real cases. A make-up for the final exam will only be possible if you have a valid health report.
4. **Bonus Assignment (10%): Any student whose Attendance score is above 70%** can ask for a voluntary bonus assignment. This assignment includes an additional case report that you will work on individually. Bonus assignment will be sent after the final exam.

B. Group Effort (60%)

1. **Group Project (40%):** This assignment is for student teams to analyze strategic choices of an actual firm through an interview with an executive who is in charge of strategy formation and/ or execution. The students are expected to pick to a large firm on whom they can find data and conduct detailed strategic analyses. They are to interview one to three managers at the firm to understand strategy "in practice". The exercise is intended to be a learning opportunity for students to explore the main lessons of this course: to develop questions for the managers based on what they have learned, to interview managers, and then to document how they could apply, are applied and could be improved upon in a particular company. This is an opportunity to examine how strategy formation and execution works "in practice", building on the experience of managers.

General Instructions:

- Identify a firm of your choice with one or more managers willing to be interviewed for 45-60 minutes. Where possible try to interview at least two people in different positions.
- While you can choose the firm, there are a number of constraints:
 - Most important, the firm must be large enough to have a strategic motive and actions (i.e. not your neighborhood cafe)
 - It would be in your benefit if you can find data on the company such as revenues, pricing, profits over the years
 - Similarly, there are few constraints on whom you interview, only that the person must have responsibility for strategy formation or execution i.e. CEO, Head of Strategy, Head of Business Development, Manager of relevant departments within the organization such as Strategy or Business Development

- Develop a list of questions to ask the manager(s), designed to that capture the lessons and key practices from the course. These questions should be structured so that you can address whether the various strategic practices covered in the module are used, how they are organized, what are their strengths, what are their limitations in the “real world”. **Students are expected to make references to at least 3 concepts that we covered in class (i.e. pricing, market entry and exit, platform strategies, non-market strategies, etc.)
- Prepare a formal academic presentation based on your findings which covers:
 - Background information about the firm (age, size, industry, competitiveness, strategic motives)
 - Your assessment of the firm’s strengths and weaknesses in implementing strategy
 - Include recommendations on how they might improve and your insights into the challenges associated with implementing the processes, structures and strategies covered in class in real world situations
 - Finally, document any related practices – processes, structures or strategies that the manager emphasized but we overlooked in class.
- The project will be finalized with an in-class presentation of your findings.

2. **Case Reports (20%):** You will work as a group on two case studies. You will receive detailed instructions on what is expected for that week. You will likely receive 2-3 questions on that week’s case, asking you to apply one or more of the concepts that are covered in class that week. Case assignment will be due at 10:00 on each Tuesday. Late assignments will not be accepted. The assignment will require you to express your analysis and opinion on the assigned case by answering the questions that will be posted. Submissions could be in a report or presentation format, as you see fit. There are no minimum or maximum length requirements. If you use any data, graphs or quotes, you must give references to your sources. Failing to do so will cause you to lose points.

Peer Evaluation in Case Reports, Group Project and Group Presentation

Students will be asked to provide an evaluation of the members of their team for their team project. Each student will divide 100 points between the members of her team, including herself. This division should reflect that person's judgment of the contribution of the members of her team. The scores should not be merely functions of time spent by each member, but they should be measures of the "contribution;" their relative contribution to the idea generation, research, analysis, writing, oral presentation, report writing, etc. If the team was highly functional and each member did what they committed themselves to, the student can assign the same mark to each team member. If, on the other hand, some team members did not fulfill their commitments and did not contribute as much as the others, then those members might receive lower grades.

The instructor will aggregate the points submitted by all members of the team. Every student will be given his/her aggregate peer evaluation, without disclosing the individual peer evaluations to the students. In case there is no consensus among the team, for example, if three students divide the marks evenly and the fourth one divides them unevenly, the instructor will use his/her judgment to assign peer evaluation marks--possibly after meeting with the members of the team. In cases where there are conflicting marks, it is most likely that the instructor will meet with the team members and provide a mark based on an interview. For example, in a group of four, if Students A and B believe they did most of the work, and Students C and D believe otherwise, the team may be called in for an interview in order to be fair to everyone. The peer evaluation will have a direct impact on your team project grade. To give a simple example, if the group mark is 25 out of 30, and if your peer evaluation indicates that your contribution was less than what was expected, then your team project mark will be less than 25 out of 30.

Academic Honesty:

Learning is enhanced through cooperation and as such you are encouraged to work in groups, ask for and give help freely in all appropriate settings. At the same time, you should only represent your work as yours as a matter of personal integrity. Any work submitted to be evaluated in this class should be an original piece of writing, presenting your ideas in your own words. The student must properly cite everything they borrow from books, articles, or web sites (including those in the syllabus). Although you are encouraged to discuss your ideas with others (including your friends in the class), you mustn't share your writing (slides, MS Excel files, reports, etc.) with anyone. Using ideas, text and other intellectual property developed by someone else while claiming it is your original work is *plagiarism*. Copying from others or providing answers or information, written or oral, to others is *cheating*. Unauthorized help from another person or having someone else write one's paper or assignment is *collusion*. Cheating, plagiarism and collusion are serious offenses that can result in an F grade and disciplinary action.

Classroom policies and conduct

Sabancı BA in Management Program values participatory learning. Establishing the necessary social order for a participatory learning environment requires that we all:

- Come prepared to make helpful comments and ask questions that facilitate your own understanding and your classmates.
- Listen to the person who has the floor.
- Join the session on time.
- DO NOT use laptops or mobile phones in the class unless permitted by the instructor during some in-class exercises.

Students Needing Learning Accommodations

If you have special needs and have an accommodations letter from the Student with the Special Needs Support Unit, I encourage you to discuss your accommodations and needs with me as early as possible. I will work with you to ensure that accommodations are provided as appropriate. If you suspect that you may have a disability and would benefit from accommodations but are not yet registered with the Special Needs Support Unit, I encourage you to contact them at:

specialneeds@sabanciuniv.edu

Mental Health

Take care of yourself: We are undergoing unprecedented times as the entire globe is weathering COVID-19. Do your best to maintain a healthy lifestyle. This will help you achieve your goals and cope with stress. All of us benefit from support during times of struggle. You are not alone. There are many helpful resources available on campus and an important part of the college experience is learning how to ask for help. Asking for support sooner rather than later is often helpful.

If you or anyone you know experiences any academic stress, difficult life events, or feelings like anxiety or depression, we strongly encourage you to seek support. Center for Individual and Academic Development (CIAD/BAGEM) is here to help: call 0216-483-94-81 and visit their website at:

<https://ciad.sabanciuniv.edu/>

Consider reaching out to a friend, faculty or family member you trust for help getting connected to the support that can help.

Course Schedule:

Module I: Introduction to Strategy

Week 1 **Introduction**

Requirements: • Reading: The syllabus

Week 2 **Foundations of Strategy**

Requirements: • Reading: Introduction to Strategy
 • Reading: Setting Aspirations-Mission, Vision and Values

Module II: Competitive Advantage

Week 3 **External Sources of Competitive Advantage**

Requirements: • Reading: Industry Analyses
 • Case: Dogfight over Europe: Ryanair (A)

Week 4 **Strategic Implications of Value Chain Decisions**

Requirements: • Reading: Competitive Advantage
 • Simulation: Value Champion

Week 5 **Internal Sources of Competitive Advantage**

Requirements: • Case: Louis Vuitton
 • Group project deliverable #1: Pick your firm. Your choice must be approved by the instructor.

Week 6 **Value and Competitive Advantage**

Requirements: • Case: Andre Rieu

Module III: Market and Competition

Week 7 **Competition vs Cooperation**

Requirements: • Reading: Competitive and Cooperative Dynamics
 • Simulation: Competitive Dynamics and Wintel

Week 8	Competing Over Time
Requirements:	<ul style="list-style-type: none"> • Reading: Sustaining Competitive Advantage • Case: Tesla

Week 9	Competition in Platform Markets
Requirements:	<ul style="list-style-type: none"> • Reading: Technology Strategy • Case: Microsoft's Search

Module IV: Executing Strategy

Week 10	Corporate Strategy
Requirements:	<ul style="list-style-type: none"> • Reading: Corporate Strategy • Case: Yildiz Holding

Week 11	Competing Globally
Requirements:	<ul style="list-style-type: none"> • Reading: Competing Globally • Case: Cameron Auto Parts

Week 12	Non-market Strategy
Requirements:	<ul style="list-style-type: none"> • Case: Making Target the Target

Week 13	Group Project Presentations
Requirements:	-

Week 14	Executing Strategy
Requirements:	<ul style="list-style-type: none"> • Reading: Executing Strategy • Simulation: Customer Value Challenge