

MGT 112: Strategy

Spring 2021

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LECTURE HALL: tbd

DESCRIPTION

This course provides the students with an understanding of how firms gain and sustain competitive advantage in a global setting. It examines the strategic, organizational, and managerial challenges faced by companies operating in today's international markets. Students will learn the intricacies of an international strategic agenda in light of a firm's competencies and sources of competitive advantage based on contemporary business policy and organizational frameworks, the international environment, the process of internationalization and the specific strategic and organizational challenges of international companies as well as ethical issues in global business are analyzed and discussed. Beside theoretical concepts, teaching will be based on real life case studies to provide students with a practical context for course discussions. Throughout the course, initiative, creativity, and critical thinking on part of the students will be appreciated and encouraged. Students have to learn how to analyze critically different alternatives attractive for different reasons. The course will be conducted seminar-style with lecture-discussions, student group presentations, case studies, and research assignments.

OBJECTIVES

At the close of this course you will be able to:

- Identify different approaches to develop and sustain competitive advantage of a firm
- Analyze different strategic growth and innovation trajectories and (re)act to changes in the industry structure

- Understand competing and complementary business models
- Understand merger and acquisitions practices and strategic crisis scenarios
- Use frameworks to apply and communicate strategic restructuring and turnarounds
- Apply practices and frameworks for innovation strategies

ZOOM LINK

The class is going to be presented in an online format. This includes synchronous (e.g., Zoom) and asynchronous components (e.g., Videos, Cases, Recordings, Exercises, Discussions). Please note, that the majority of the synchronous sessions will be recorded to make the material available to students asynchronously.

Zoom Link: **on Canvas (link 'Zoom LTI Pro' on Canvas)**

READINGS AND MATERIALS

Markstrat Material:

“1. Go to <https://shop.stratxsimulations.com/> (If nothing happens, copy and paste the link in a new browser)

2. Enter the file number: **P6061D7D**

3. Tick that box indicating you are not a robot and click ENTER

4. Verify the order and register on the ecommerce site

5. Complete the order process”

- If you have issues signing up, please contact our TA directly. Also, once you have access, **please form a team and send your team members contact details to our TA.**
- Finally, use the practice material in the simulation to become familiarized with the simulation. The Markstrat participant handbook is available at www.stratxsimulations.com

1. Harvard Business Publishing: Cases

Link: <https://hbsp.harvard.edu/import/810718>

- Cola Wars Continue: Coke and Pepsi in 2010 – # 711462
- AirAsia X: Can the Low Cost Model Go Long Haul? - #W12704
- AirBnB, Etsy, Uber: Growing From One Thousand To One Million Customers - #516108
- The Walt Disney Company: - Mickey Mouse Visits Shanghai -#UV7197
- Mazda Motor Corporation: Surviving By Partnering With Giants -#W17498
- General Motors and The Chevy Cobalt Ignition Switch Crisis -#NA0499
- The Acquisition And Restructuring of Kia Motors by Hyundai Motors -#909M15
- Alphabet Eyes New Frontiers – #717418
- Team Wikispeed: Developing Hardware The Software Way - #ES1391
- Game Theory and Business Strategy- #705471
- Samsung Galaxy Note 7 Debacle- #W17665

2. UCSD Library Digital Reserves

Instructions: Sign in to [Digital Reserves](#) using your AD login. For students to access digital reserves from off-campus, connecting to the campus network is required. Find instructions for connecting to the campus network on the [Connecting From Off-Campus](#) page.

- Stringham, E., Miller, J., & Clark, J. (2015). Overcoming Barriers to Entry in an Established Industry: Tesla Motors. *California Management Review*.
- Westerman, G., Bonnet, D., & McAfee, A. (2014). The Nine Elements of Digital Transformation. *MIT Sloan Management Review*.
- Christensen, K. (2016). Thought Leader Interview: Vijay Govindarajan. *Rotman Management Magazine*.

3. Articles via EBSCO Database

The articles below can be freely accessed* via the EBSCO Business Source Complete database provided by the UCSD Library: <http://uclibs.org/PID/126938> (Links to an external site). The articles below will also be listed on digital reserves. To access the database or digital reserves, you must be connected to the campus network (see instructions above).

If you wish to purchase the articles, use the following link-

<https://hbsp.harvard.edu/import/810720>

- Porter, M. (2008). The Five Competitive Forces that Shape Strategy. *HBR*.
- Zook, C., & Allen, C. (2016). Reigniting Growth. *HBR*.
- Kim, W.C., & Mauborgne, R., (2015). Red Ocean Traps. *HBR*.
- Hagiu, A., & Altman, E. (2017). Finding The Platform In Your Product. *HBR Web Article*.
- Ghemawat, P. (2007). Managing Differences: The Central Challenge of Global Strategy. *HBR*.
- Robertson, D., & Hjuler, P., (2009). Innovating a Turnaround at Lego. *HBR*.
- Schweitzer, M. E., Brooks, A. W., & Galinsky, A. D. (2015). The organizational apology. *HBR*, 94(9), 44-52.
- Rigby, D. (2017). The Amazon-Whole Foods Deal Means Every Other Retailer's Three Year Plan Is Obsolete. *HBR Web Article*.
- Kullman, E. (2012). DuPont's CEO on Executing a Complex Cross-Border Acquisition. *HBR*.
- Girotra, K., & Netessine, S. (2014). Four paths to business model innovation. *HBR*, 92(7-8), 97-103.
- Osterwalder, A., & Pigneur, Y, Gupta, K. (2016). Don't Let Your Company Culture Just Happen. *HBR*.

- D. K., Sutherland, J., & Takeuchi, H. (2016). Embracing Agile. *HBR*, 94(5), 40-50.
- Winter, A., Govindarajan, V., (2015). Engineering Reverse Innovations. *HBR*.

* Due to publisher restrictions, some articles in this list may not be printed or downloaded if accessed via database.

Supplementary (Non-Required) Textbooks:

- Besanko, D., Dranove, D., Shanley, M., & Schaefer, S. (2012). *Economics of Strategy*. 6th Edition. John Wiley & Sons, 2012. ISBN-13: 978-1118273630.
- Thompson, A., Peteraf, M., Gamble, J., & Strickland, A.J. (2017). *Crafting and Executing Strategy*. 21st Edition. McGraw-Hill Irwin. ISBN-13: 978-1259732782.

OUTLINE AND SCHEDULE¹

Date	Class Topic & Activities	Case
Session 1	-Developing and Sustaining Competitive Advantage -Profit Sources and Industry Analysis	Cola Wars Continue: Coke and Pepsi in 2010
Readings and Articles:		
<ul style="list-style-type: none"> • Porter, M. (2008). The Five Competitive Forces that Shape Strategy. <i>Harvard Business Review</i>. • Christensen, K. (2016). Thought Leader Interview: Vijay Govindarajan. <i>Rotman Management Magazine</i>. 		

¹ Please note that the outline and schedule of the class is tentative. I have invited a guest speaker to the class and depending on the schedule, the outline may slightly change.

Date	Class Topic & Activities	Case
Session 2	Strategic Growth: Horizontal and Vertical Scope, Blue Ocean Strategies	AirAsia X: Can the Low Cost Model Go Long Haul?
<p>Readings and Articles:</p> <ul style="list-style-type: none"> • https://www.youtube.com/watch?v=pKuGqKYk3pQ&feature=youtu.be • Kim, W.C., & Mauborgne, R. (2015). Red Ocean Traps. <i>Harvard Business Review</i>. <p>INDIVIDUAL ASSIGNMENT: Please read the case of AirAsia X, the article on Red Ocean traps, and watch the video. Please answer questions 1, 2, and 3 that are posted on Canvas. Please submit your answers to Canvas prior to class.</p>		

Date	Class Topic & Activities	Case
Session 3	Networks, Digital Transformation, and Changing Markets	AirBnB, Etsy, Uber: Growing From One Thousand To One Million Customers
<p>Readings and Articles:</p> <ul style="list-style-type: none"> • Hagiu, A., & Altman, E. (2017). Finding The Platform In Your Product. <i>Harvard Business Review Web Article</i>. • Westerman, G., Bonnet, D., & McAfee, A. (2014). The nine elements of digital transformation. <i>MIT Sloan Management Review</i>. This article is not in the coursepack. Our undergraduate office has uploaded this article to the library's E-reserves which students may freely access, as the library has a subscription to MIT Sloan Management Review. <p>INDIVIDUAL ASSIGNMENT: Please sign up for Markstrat and practice:</p> <ul style="list-style-type: none"> - Please sign up with your Participant activation key at: http://shop.stratxsimulations.com <p>File Number: P6061D7D</p>		

Please use the practice material in the simulation to become familiarized with the simulation. The Markstrat participant handbook is available at www.stratxsimulations.com. In case you have any issues with signing up for Markstrat, please contact our TA directly.

Introduction to Markstrat Competitive Rounds (see decision schedule)
Please read the case study and articles in preparation for class discussion

Date	Class Topic & Activities	Case
Session 4	Market Entry and Barriers To Entry	The Walt Disney Company: - Mickey Mouse Visits Shanghai

Readings and Articles:

- Stringham, E., Miller, J., & Clark, J. (2015). Overcoming Barriers To Entry In an Established Industry: Tesla Motors. *California Management Review*.
- Ghemawat, P. (2007). Managing Differences: The Central Challenge of Global Strategy. *Harvard Business Review*.

INDIVIDUAL ASSIGNMENT: Please read the case of The Walt Disney Company as well as the two articles. Answer questions 1, 2, and 3. Please submit your answers to Canvas prior to Zoom.

Introduction to Markstrat Competitive Rounds (see decision schedule)
Please read the case study and articles in preparation for class discussion

Session 5	Mid-Term
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The mid-term exam covers the areas from session 1-4.

Date	Class Topic & Activities	Case
Session 6	Introduction to Game Theory, Strategic Restructuring, Turnarounds, and Reconfigurations	Mazda Motor Corporation: Surviving By Partnering With Giants
<p>Readings and Articles:</p> <ul style="list-style-type: none"> • Oberholzer-Gee, F., and Yao, D. (2007). Game theory and Business Strategy. <i>Harvard Business School Case Study</i>. • Robertson, D., & Hjuler, P. (2009). Innovating a Turnaround at Lego. <i>Harvard Business Review</i>. <p>1. Markstrat Competitive Rounds (see decision schedule) 2. Please read the case study and articles in preparation for class discussion</p>		

Date	Class Topic & Activities	Case
Session 7	Crisis Strategies	General Motors and The Chevy Cobalt Ignition Switch Crisis
<p>Readings and Articles:</p> <ul style="list-style-type: none"> • Lee, J., Zheng, C., and Lim, D. Samsung Galaxy Note 7 Debacle. <i>Publishing – W17665</i> • Schweitzer, M. E., Brooks, A. W., & Galinsky, A. D. (2015). The organizational apology. <i>Harvard Business Review</i>, 94(9), 44-52. <p>1. Markstrat Competitive Rounds (see decision schedule) 2. Please read the case study and articles in preparation for class discussion</p>		

Date	Class Topic & Activities	Case
Session 8	Strategies for International Mergers and Acquisitions	The Acquisition And Restructuring of Kia Motors by Hyundai Motors

<p>Readings and Articles:</p> <ul style="list-style-type: none"> - Rigby, D. (2017). The Amazon-Whole Foods Deal Means Every Other Retailer's Three Year Plan Is Obsolete. <i>Harvard Business Review</i> Web Article. - Zook, C., & Allen, C. (2016). Reigniting Growth. <i>Harvard Business Review</i>. <p>1. Markstrat Competitive Rounds (see decision schedule) 2. Please read the case study and articles in preparation for class discussion</p>
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Date	Class Topic & Activities	Case
Session 9	Strategies for Design and Business Model Innovation	Alphabet Eyes New Frontiers

<p>Readings and Articles:</p> <ul style="list-style-type: none"> • Girotra, K., & Netessine, S. (2014). Four paths to business model innovation. <i>Harvard Business Review</i>, 92(7-8), 97-103. • Osterwalder, A., & Pigneur, Y, Gupta, K. (2016). Don't Let Your Company Culture Just Happen. <i>Harvard Business Review</i>. <p>1. Markstrat Competitive Rounds (see decision schedule) 2. Please read the case study and articles in preparation for class discussion</p>

Date	Class Topic & Activities	Case
Session 10	Agile Strategies for Radical and International Innovation	Team Wikispeed: Developing Hardware The Software Way

<p>Readings and Articles:</p> <ul style="list-style-type: none"> • Rigby, D. K., Sutherland, J., & Takeuchi, H. (2016). Embracing agile. <i>Harvard Business Review</i>, 94(5), 40-50. • Winter, A., Govindarajan, V., (2015). Engineering Reverse Innovations. <i>Harvard Business Review</i>.

INDIVIDUAL ASSIGNMENT: Please read the case on Team Wikispead as well as the two articles and answer questions 1, 2, and 3 that are posted on Canvas. Please submit your answers to Canvas prior to class.

Session 11	Final Exam/Assignment
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The final exam/assignment contains a critical analysis of several strategy aspects covered in class. The focus will be on the second part of the course, especially material covered in sessions 4, 5, 6, 7, 8, 9, and 10.

GRADING

The final grade will be based on several areas:

1.) **MarkStrat Simulation (15%)**

Decision Schedule (MarkStrat)

		Decision Schedule Markstrat			
Sign-up	14-Apr	All Teams signed up and registered on Markstrat			
Introduction	21-Apr				
Competitive Round 1	5-May	Wed	5pm		
Competitive Round 2	7-May	Fri	5pm		
Competitive Round 3	12-May	Wed	5pm		
Competitive Round 4	14-May	Fri	5pm		
Competitive Round 5	19-May	Wed	5pm		
Competitive Round 6	21-May	Fri	5pm		
Competitive Round 7	26-May	Wed	5pm		
Competitive Round 8	28-May	Fri	5pm		

The final results of the MarkStrat simulation will be converted into grades. This will be based on a curve.

2.) Writing Assignments (30%)

There will be three writing assignments that discuss the case studies and readings of the class. Please submit these assignments to Canvas prior to the Zoom session.

3.) Mid-Term Exam/Assignments (25%)

The mid term exam/assignment contains an analysis of several leadership aspects covered in class. The exam will be on the first part of the course, especially material covered in sessions 1, 2, 3, and 4.

4.) Final Exam/Assignment (25%)

The final exam/assignment contains a critical analysis of several leadership aspects covered in class. The focus will be on the second part of the course, especially material covered in sessions 4, 5, 6, 7, 8, 9, and 10.

5.) Rady School Research Participant Pool – see below (5%)

Assignments	Points [or percentage]
Rady School Research Pool Participation (see below)	05
Writing Assignments	30
MarkStrat	15
Mid Term	25
Final Exam	25
Total	100

Grades	Points
A	93 and above
A-	90 - below 93
B+	87 - below 90
B	83 - below 87
B-	80 - below 83
C+	77 - below 80
C	73 - below 77
C-	70 - below 73
D	60 - below 70

F	Below 60
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Attendance and Professionalism

Class attendance is essential for succeeding in this class. Except for designated in-class exercises, the use of laptops, iPads, phones, etc. is not permitted for use during class time.

Participation in Rady School Research Participant Pool

5% of your grade is based on participation in two experiments offered by the Rady School Research Participant Pool. Each experiment will take up to one hour. If new to lab participation, to register for an account and to receive additional information about upcoming lab studies, visit: <http://radyclasscredit.sona-systems.com/Default.aspx?ReturnUrl=%2f> and click "New Participant? Request an account here." When you register, you will be assigned a unique ID – you will need to provide this ID each time you participate in a study. Make sure to keep track of it!

If you have served as a participant before, you will need to update which classes you are registered for in order to receive credit. Log in to your account here: <http://radyclasscredit.sona-systems.com/Default.aspx?ReturnUrl=%2f> and go to the "My Profile" page. There is an option near the bottom of the page to "Change Courses."

Questions about lab studies can be directed to RadyClassCredit@ucsd.edu. Studies will begin during week 2 or 3 of the quarter.

ACADEMIC INTEGRITY

Integrity of scholarship is essential for an academic community. As members of the Rady School, we pledge ourselves to uphold the highest ethical standards. The University expects that both faculty and students will honor this principle and in so doing protect the validity of University intellectual work. For students, this means that all academic work will be done by the individual to whom it is assigned, without unauthorized aid of any kind.

The complete UCSD Policy on Integrity of Scholarship can be viewed at: <http://senate.ucsd.edu/Operating-Procedures/Senate-Manual/Appendices/2>

STUDENTS WITH DISABILITIES

A student who has a disability or special need and requires an accommodation in order to have equal access to the classroom must register with the Office for Students with Disabilities (OSD). The OSD will determine what accommodations may be made and provide the necessary documentation to present to the faculty member.

The student must present the OSD letter of certification and OSD accommodation recommendation to the appropriate faculty member in order to initiate the request for accommodation in classes, examinations, or other academic program activities. **No accommodations can be implemented retroactively.**

Please visit the [OSD website](#) for further information or contact the Office for Students with Disabilities at (858) 534-4382 or osd@ucsd.edu.