

**Management 567**  
**Strategic Management**  
**Fall, 2007**

**Dr. Joseph Kavanaugh**  
SHB 236F  
Office: 936/294-1236  
Home: 281/655-9946  
MGT\_JKK@SHSU.EDU  
[JoeKavanaugh1@att.net](mailto:JoeKavanaugh1@att.net)

**Office Hours:**                    **By Appointment at the University Center**  
Mondays & Tuesdays, 5:30 – 6:00 pm, 3<sup>rd</sup> floor Faculty Lounge

**Required Text:** Strategic Management, 3<sup>rd</sup> edition, Dess, Lumpkin & Eisner

**Course Objectives:**        This is the capstone course of the MBA program. The goals of the course are twofold: 1) Provide the student with insights into the strategic planning process; and 2) provide the student with an opportunity to apply what has been learned in earlier graduate and undergraduate coursework to actual and simulated business situations. Ideally, in addition to the material covered in this course, the student will be confronted with problems requiring the application of financial, accounting, marketing, management, economic, and statistical tools and information.

**Course Requirements:**

**CASE PREPARATION:** In teams, you will prepare four cases for class discussion. Guiding questions will be provided to structure your analysis.

**CLASS DISCUSSION:** Students are expected to be fully prepared to present, discuss and defend your analysis of each case. The professor will call upon students at random to answer questions or to respond to statements and arguments made by other teams in their analysis of each case.

**COMPANY ANALYSIS (CASE STUDY):** In teams of two, you will seek out, identify, secure permission, and write a comprehensive analysis of a real firm. The written description and presentation of strategic issues within this firm is to be publication quality.

**COMPANY ANALYSIS (TEACHING NOTE):** Once the case statement is completed, you are to prepare a comprehensive teaching note of the case that addresses the strategic issues in the case, analyzes these issues from a theoretical/conceptual perspective, provides possible solutions, and links these solutions to applicable management theory. This, also, should be of publication quality.

**ATTENDANCE:** Every student is expected to be in class for every session. SHSU policy permits three hours of absence without penalty. After these three hours have been expended, **you will lose 3 points off of your final grade for each additional class session of absence.** The only excused absences will be for medical reasons or death of an immediate family member

**COURSE EXPECTATIONS:** You are expected to conduct yourselves as professionals. This is a capstone business experience and as such can be regarded as a behavioral lab in which you are to model your best professional conduct. This pertains to attendance, participation, contributions, and preparation. If you do not understand what this means, perhaps you ought not be enrolled in this course.

<b>Grading Scheme:</b>	<b>A</b>	<b>=</b>	<b>90-100</b>
	<b>B</b>	<b>=</b>	<b>80-89</b>
	<b>C</b>	<b>=</b>	<b>70-79</b>
	<b>F</b>	<b>=</b>	<b>less than 70</b>

<b>Assignment Weights:</b>	<b>Case Analysis (4)</b>	<b>40% total, 10% each</b>
	<b>Case Statement</b>	<b>25%</b>
	<b>Strategic Audit</b>	<b>35%</b>

**Religious Holy Days Policy:** Students who are absent from class for observation of a religious holy day will be allowed to take an examination or complete an assignment scheduled for that day within one week of returning to class. The student, not later than the 15<sup>th</sup> calendar day after the first day of the semester, must notify the instructor of each scheduled class day that he or she will be absent for a religious holy day.

**Disabled Student Policy:** It is the policy of SHSU that no otherwise qualified disabled individual shall, solely by reason of his or her handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any academic, Student Life program, or activity. Handicapped students may request academic assistance when needed from a Committee for Continuing Academic Assistance for Disabled Students by visiting the Director of the Counseling Center in the Lee Drain building.

**Assignments:**

CALENDAR	Week of:	Aug.	21	Syllabus review; Formation of Case Teams Introduction to Strategic Perspective
			28	Dess, Chaps. 1-2 <b>Team Charter due</b>
		Sept.	4	Dess, Chap. 3, Guest Speaker
			11	Dess, Chaps. 4 - 5
			18	<b>Case 1</b> <b>Case Synopsis &amp; authorizations due</b>
			25	Dess, Chap. 6-7
		Oct.	2	<b>Case 2</b> Team case & audit preparation
			9	Dess, Chaps. 8-9
			16	<b>Case 3</b> Team case & audit preparation
			23	Dess, Chap. 10-11 <b>Case Roundtable—</b> <b>1<sup>st</sup> draft of Case Statement due</b>
			30	Dess, Chap. 12-13 <b>Case 4</b> Draft of Case Statement returned
		Nov.	6	<b>Case Roundtable –</b> <b>2<sup>nd</sup> Draft of Case Statement due</b>
			13	Team Presentations of Audits
			20	Team Presentations of Audits
			27	Team Presentations of Audits
		Dec.	4	Team Presentation of Audit <b>Course evaluations</b>

MANAGEMENT 567  
Original Cases and Audit/Plan

Purpose - The purpose of this requirement is to permit you to utilize your in-class experience in the real world. The writing of an organization's "history" for purposes of conducting a strategic audit and formulation of a strategic plan will benefit you and the organization concerned.

Organization - You may select any type organization. Experience suggests small locally owned firms as the best candidates. Time, distance, availability problems are normally the case with franchises and larger businesses. Think liquor store, florist, jeweler, nursery school, nursing home, credit union, local manufacturer, distributor, etc.

Case - Your case should cover a three year time period. Shorter periods are satisfactory only if the firm is new. Some cases have been written from a perspective of whether a business should be started.

Length - The case narrative should be 15-20 pages, double spaced including requisite tables, graphs, matrices, references, etc. Spelling, grammar, and sentence construction are important and are part of your grade. Write in the past tense wherever possible.

Clarity - You are not expected to spell out every facet of your case and, like the real world, some areas will be vague or unknown.

Financial Data - Is a must in every case! *P&L and Balance Sheet are a minimum.* Other performance data is beneficial where it is appropriate and germane to the strategic issues of the case.

Time Frame - From 2003 to the present (three years of financial data)

Permission - You must get the owners, managers and/or CEO's written permission prior to writing the case and a release after writing the case. (I will give you examples of permission/release letters)

Decision - The case must center on the need for a decision to be made about the future of the firm. Should it expand, shrink, stay the same, etc.? You must clearly identify the strategic issues in the case and frame your narrative around these issues.

Strategic Analysis - You will conduct a strategic audit of the company based upon the case and your data gathering in the firm. The audit will follow the outline presented on the following page.

Assistance - I will help you early on in your efforts to identify potential organizations for analysis. Beginning mid-October I will meet weekly with your case team and you will receive feedback from other participants in your case roundtable.

Case Roundtables: Your team will be assigned to a case roundtable that will help critique your case and provide you feedback on both the issues identified and your analysis of them.

Synopsis - Your first requirement will be to give me a one page synopsis of your original case February 17. Include a brief history of the firm, strategic issues identified and possible solutions. If your effort lacks substance you will be required to either redo it or select another firm.

## Strategic Audit

_____	Table of Contents
_____	Executive Summary
_____	Vision Statement (5)
_____	Mission Statement (5)
_____	Competitive Analysis, to include the Strategic Group Matrix* (5) and the CPM Matrix*(5) (10 total). The Competitive Profile Matrix [provide a written profile of your company and its three major competitors based on the factors identified in the CPM]. (Follow the outline provided for this assignment!!)
_____	Industry Analysis, to include all sections of the analysis prepared for class (10).
_____	Value Chain Analysis (10)*
_____	Statement of Financial Condition (based on 10 ratios) (10) [Analysis must include comparative data for three years, and incorporate the ratios you have evaluated for your firm]
_____	SWOT Matrix* (10) [describe and discuss alternatives identified in each cell]
_____	Strategies Recommendations and Implementation Plan (20 pts total) Recommend three strategies for possible implementation. In each strategy package, include the following: <ol style="list-style-type: none"><li>Recommended strategy w/rationale</li><li>Outline of implementation plan for the strategy</li><li>Provide revenue projections and implementation cost estimates (3 years). Figures are derived in you pro forma statements.</li><li>Recommended procedures for strategy evaluation and control.</li></ol>
_____	Pro Forma Financials [Income Statement & Balance Sheet ] (15 pts total) <ol style="list-style-type: none"><li>Show implementation of each strategy over three years (12) [Provide income statement and balance sheet for each strategy, and a consolidated income statement and balance sheet for all strategies combined]</li><li>Calculate impact on performance ratios (3) and discuss the "bottom line" impact of your strategies. Did they improve performance? [calculate these 5 ratios based upon the consolidated statements only]</li></ol>
_____	Mechanics (quality of presentation, writing, professionalism, etc. (5)