

Econ 136: Business Strategy  
Summer Session I 2018

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Office hours TTh 11:45 - 12:45  
Engineering 2 Room 427

**I. Course Description**

**A. Lectures**

I will lecture on Chapters 1--12 from *Crafting & Executing Strategy: The Quest for Competitive Advantage: Concepts and Cases*, BSG ValuePak 5th Edition by Arthur Thompson, Margaret Peteraf, John Gamble, and A. J. Strickland III, to provide a theoretical background in the study of business strategy. This is a discounted package containing the Access Code (for Connect/SmartBook), an electronic version of the textbook, and the Business Strategy Game and is available at the Bay Tree Book Store. To supplement this theoretical material, you should regularly read periodicals such as Business Week, The Wall Street Journal and The Economist. You are encouraged to relate such material to the textbook and to bring up examples during lectures.

Optionally, *Competing for the Future* by Gary Hamel and C.K. Prahalad provides material for the lectures on strategy for the long run and *Your Strategy Needs a Strategy: How to choose and Execute the Right Approach* by Martin Reeves, Kurt Haanas, and Janmejaya Sinha discusses different business contexts and a variety of approaches that are useful.

**B. Case Studies**

Case studies will be used to emphasize the applied nature of the topic. These cases will enable us to explore why good strategic management yields good business performance, to present the basic concepts and tools of strategic analysis, and to drill you in the methods of crafting a well-conceived strategy and executing it competently. We will cover cases in class, but you are encouraged to study the other cases, and to use them for the discussions.

**C. The Business Strategy Game**

The Game is a computer simulation where you compete directly with others in the class. It is designed to complement the class by giving you hands-on experience in crafting and implementing business strategy. The game is a very exciting and challenging part of the course. You will work in teams and make frequent decisions that will determine the direction of your company. There is a separate posting on CANVAS regarding the Game.

## II. Grading

- A. **Evaluations:** Students will be evaluated on the basis of written case studies, performance on the business strategy game, quizzes, oral case presentations and class participation. These components of the grade are weighted in the following manner and described below:

Business strategy game	20 points
Written case analyses (5)	10 points
CONNECT Required Reading	10 points
Individual company assignment	10 points
Midterm Exam	20 points
Final Exam	30 points

Your letter grade will be assigned according to the following scale:

A	90-100 points
B	80-89 points
C	70-79 points
D	60-69 points
F	<60 points

- B. **Business strategy game:** There are four components of this grade, each worth 25%: (1) performance on two quizzes, one on the players' manual (10%) and one on the mechanics of the game (15%), (2) a 3-year plan submitted after year 3 of the game, (3) the overall performance of your company and (4) the evaluation of your group members at the end of the game. The first decision will be submitted on June 28th. The 3-year strategic plan is due on July 15th.
- C. **Written case assignments:** The written case assignments are to be prepared on an individual basis. It is expected that the content of your written case will reflect your thoughts and analysis rather than the work of others. Suggestions regarding the preparation of the case assignments are described on the class website in a document labeled "A Guide to Case Analysis."
- D. **Individual company analysis:** Each student will submit a 4-6 page report evaluating the business strategy of a particular company. The company chosen must be approved by the instructor. You should view this assignment as an opportunity to display your knowledge and understanding of all the concepts covered in the class. It is due on the last day of class, July 26th.

- E. **Tests:** The Midterm Exam will be held in class on July 10 and the Final Exam will be held in class on July 26. The exams will be multiple choice combined with short case analyses. You are responsible for all the material in the assigned chapters, even if we do not cover the material in class.
- F. **Class participation:** Each student must contribute significantly to in-class analysis of the cases. You should make a conscientious effort to attend class discussions of cases and to be fully prepared to contribute to the case discussions. To earn an A in this class, participation typically requires contributing meaningfully on 8 to 10 cases, and standing out as a class leader in the discussions.
- G. **Late work:** Written case assignments are due on the day indicated in the Course Outline and should be turned in at the beginning of the class period. Cases turned in after the scheduled class periods are eligible for no higher than a grade of C. No late papers will be accepted if submitted more than 1 class day past the scheduled due date (except by prearranged consent of the instructor.)

### III. Students with Disabilities

UC Santa Cruz is committed to creating an academic environment that supports its diverse student body. If you are a student with a disability who requires accommodations to achieve equal access in this course, please submit your Accommodation Authorization Letter from the Disability Resource Center (DRC) to me privately during my office hours or by appointment, preferably within the first two weeks of the quarter. During this time, I would also like us to discuss ways we can ensure your full participation in the course. I encourage all students who may benefit from learning more about DRC services to contact DRC by phone at 831-459-2089 or by email at [drc@ucsc.edu](mailto:drc@ucsc.edu).

### IV. Administrative

DROP DEADLINE - Session 1 – July 2

WITHDRAW DEADLINE -\_Session 1 - July 13

### V. Sections and TA Office Hours

Wednesday      Earth/Marine B214    10:00AM - 11:30AM

TA Office Hours:

[prateek@ucsc.edu](mailto:prateek@ucsc.edu)

Wed    12:00PM-2:00PM

Eng 2-403G

COURSE OUTLINE (Tentative)

DATE	TOPIC	READING	ASSIGNMENT
June 26	Tools	Chapters 3 and 4	BSG quiz 1 due June 26th
	Description business strategy game	Players' manual online	BSG quiz 2 due June 27th
	Case study	"Guide to Case Analysis"	
Cio		Introduction to Connect	
		Sample Cases	
June 28	Tools	Chapters 3 and 4	Practice decision 1 due June 28th
	Case study & discussion	Case #1: lululemon	Question #4 - due June 28th
July 3	What is Strategy?	Chapter 1	Practice decision 2 due July 2nd
	Case study	Case #2: lululemon	Question #1 - due July 3
July 5	Managerial Process	Chapter 2	1st decision due July 5th
	Guest Speaker	Hovig Margossian	City National Bank
	Case study & discussion	Case: #3 Vision Statements	Rewrite due July 5th
			2nd decision due July 8th
July 10	Generic Competitive Strategies	Chapter 5	
	<b>Midterm Exam</b>		
July 12	Tailoring strategy	Chapter 6	3rd decision due July 11th
	Case study & discussion	Case #4: lululemon	Question #7 - due July 11 <sup>th</sup>
	Guest Speaker	Eddy Ascencio	SF Federal Reserve Bank (LA Off)
July 17	Foreign Markets	Chapter 7	3- Year Strategic plan July 18th
			4th decision due July 18 <sup>th</sup>
	Case study & discussion	Case #5: Costco	Weighted Decision Matrix - July 17
	Guest Speaker		
July 19	Diversified Companies	Chapter 8	5th decision due on July 20th
	Guest Speaker		
July 24	Organizing for Good Execution (10)		6th decision due on July 25th
	Managing Operations(11)		
	Corporate Culture(12)		
July 26	<b>Final Exam</b>		Individual Company Analysis