THE UNIVERSITY OF TEXAS AT ARLINGTON
MANA 5336 - BUSINESS POLICY

Spring 2010

Section : 002

Instructor: : Abdul Rasheed
230 Business Building
phone: 272-3867
E-mail: abdul@uta.edu

Office Hours : By appointment

Class Time : Tuesday 7-9:50 Location: Room 152


Cases need to be separately purchased from the book store.

Course Description

The focus of this Business Policy course is on corporate level and business-unit level strategy formulation and implementation. It requires the application of the knowledge and techniques learned in the earlier courses in an integrated fashion. The basic theme of the course is the concept of strategy which encompasses the relationship between a business enterprise and its environment. The topics to be covered include industry analysis, internal analysis, achieving and maintaining different types of competitive advantage, and management of the diversified corporation.

Along with text material, case studies will be used in this course as a mechanism for the development of analytical and decision-making skills and highlighting the reality of organizational and environmental uncertainties in strategic decision making. In short, this course attempts to encourage an integrated, multifunctional, "general management" perspective of the organization and its environment. You will be required to study the assigned text and cases, analyze them and share your insights with the rest of the class.

Evaluation and Grading Procedure

The final grade for the course will be based on performance in the following:

Exams : 55
Term Paper : 35
Class Participation : 10
Exams: There will be two exams, one midterm and a final. These will be closed-book, in-class exams requiring essay type answers.

Term Paper: You will work in groups of four to analyze a case. Assignment of the cases and explanation of the assignment will be provided later.

Class Participation: Active participation is expected from students in the course. Both the quality and quantity of participation will be evaluated by the instructor in calculating your grade. Attendance is a necessary but not sufficient condition to get a satisfactory class participation grade.

Student Learning Outcomes:

After completing the course the student will be able to:

1. Conduct an industry analysis
2. Conduct an analysis of a company’s external environment
3. Conduct a company’s internal analysis and identify strengths and weaknesses
4. Identify and evaluate a company’s strategies at the business level
5. Identify and evaluate a company’s strategies at the corporate level
6. Analyze issues associated with implementation of a firm’s strategies.
7. Evaluate strategic options available to a company and make recommendations regarding the most appropriate future strategy for the firm.

This is a cell phone free class. Make sure that your phones are switched off at all times.
<table>
<thead>
<tr>
<th>Session</th>
<th>Date</th>
<th>Topic/Assignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Jan 19</td>
<td>Introduction/Administrative Matters</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ch 1: The Concept of Strategy</td>
</tr>
<tr>
<td>2.</td>
<td>Jan 26</td>
<td>Ch 2: Goals, Values, and Performance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ch 3: Analyzing the Industry Environment</td>
</tr>
<tr>
<td>3.</td>
<td>Feb 2</td>
<td>Ch 4: Intra-industry Analysis</td>
</tr>
<tr>
<td>4.</td>
<td>Feb 9</td>
<td>Corporate Governance</td>
</tr>
<tr>
<td>5.</td>
<td>Feb 16</td>
<td>Ch 5: Analyzing Resources and Capabilities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Case: Crown Cork and Seal in 1989 #9-793-035 (22 pages)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Issues for Analysis</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. What are the most significant factors affecting competition in the metal container industry?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. What strategy does Crown Cork have for competing in this industry?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. What advantages, if any, does a firm the size of Crown Cork have over American Can and Continental Can? How do you explain the comparison shown in Exhibit 3 in the case?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. What recommendations would you make to management?</td>
</tr>
<tr>
<td>6.</td>
<td>Feb 23</td>
<td>Ch 7: The Nature and Sources of Competitive Advantage</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ch 8: Cost Advantage</td>
</tr>
<tr>
<td>7.</td>
<td>Mar 2</td>
<td>Ch 9: Differentiation Advantage</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Case: Google Inc. #9-806-105 (34 pages)</td>
</tr>
</tbody>
</table>
Issues for Analysis

1. What were the key factors behind Google's early success?
2. Do you expect the search business to become more concentrated? Is search a winner-take-all business?
3. In renewing its deal with AOL, could Google afford to pay AOL more than 100% of the revenue generated from AOL searches? How did Microsoft's maximum affordable bid for AOL's search traffic compare to Google's?
4. In addition to enhancing its core search businesses, should Google also branch out into new arenas? Which of the following would you recommend: (1) building a full-fledged portal like Yahoo's; (2) targeting Microsoft's desktop software hegemony; and/or becoming an e-commerce intermediary like eBay?
5. Do you view Google's distinctive governance structure, corporate culture, and organizational processes as strengths or potential limitations?

---

8. Mar 9  MID TERM EXAMINATION
(Will cover chapters 1-9, and Session 4, except chapter 6)

9. Mar 23  Ch 11: Technology-based Industries and the Management of Innovation
(Read Chapter 10 in preparation for this class)

Case: Dell Inc in 2009 # 908M93 (18 pages)
Issues for Analysis
1. How and why did the personal computer industry come to have such low average profitability?
2. What were the reasons behind Dell's phenomenal success in the 1990s?
3. What led to the erosion of Dell's competitive advantage in the last decade?
4. I assume you realize that in the last year or two, Dell has fallen behind and HP has taken the lead. Provide your thoughts on how this came about despite what seemed to be insurmountable lead by Dell just a few years ago.
5. Can Dell regain their competitive advantage? If so, how?

10. Mar 30  Ch 12: Competitive Advantage in Mature Industries
Ch 13: Vertical Integration and the Scope of the Firm

11. Apr 6  Ch 14: Global Strategies and the Multinational Corporation

Case: BRL Hardy: Globalizing an Australian Wine Company #9-300-018 (20 p)
Issues for Analysis
1. How do you account for BRL Hardy's remarkable post merger success?
2. What is the source of the tension between Stephen Davies and Christopher Carson? How effectively has Steve Millar handled their differences?
3. Should Miller approve Carson's proposal to launch D'istinto? Why/why not?
4. What recommendation would you make to the organization concerning the conflicting proposals for Kelly's Revenge and Banrock Station? What would you decide to do as Carson? As Millar?

12. Apr 13 Ch 15: Diversification Strategy
    Ch 16: Managing the Multibusiness Corporation

13. Apr 20 Ch 6: Organization Structure and Management Systems
    Case: Automation Consulting Services #9-190-053 (11 pages)
    Issues for Analysis
    1. How should the ACS founders deal with the problems they have identified? Be as specific as possible in making recommendations for each of the four offices.

14. Apr 27 CLASS PRESENTATIONS

15. Mar 4 CLASS PRESENTATIONS

May 11 FINAL EXAM 8.15 TO 10.45 P.M