COURSE DESCRIPTION
MST530 Strategic Planning and Management: Formulation and Implementation is a four-credit (40-hour) graduate-level course in the OHSU Division of Management curriculum focused on formulating, implementing and managing strategic actions. The course is structured around four two-day sessions, in-class exercises, case studies and a group project.

Technology companies, products and whole industries fail or simply fade away. Others succeed well beyond the expectations of their creators. Is success or failure in technology a game of chance? Are there underlying forces and approaches that lead to success while others lead to failure? How do managers in technology firms make the right decisions to increase the chances for success? How do they respond to changes in their environment? How do they assure that their strategic aspirations are in line with their organization’s ability to deliver?

Strategy formation and implementation for technology companies is complex, challenging and fraught with uncertainty. Simple approaches are limiting and complexity introduces risk. The course introduces students to the tools, processes, structures and real-world barriers to the creation and evolution of strategy in technology companies. It combines academic research and models, case studies, the real-world experiences of the instructors, students and guest speakers and practical group activities.

KEY LEARNING OBJECTIVES
The intent of this course is to give students a practical understanding of how to establish and manage a business strategy. After completing this course, students will be able to:

1. Appreciate and apply the principal tools, processes and structures used in the formation and implementation of technology strategy.
2. Recognize the challenges and barriers to successful strategy development and understand proper approaches to avoid and overcome those challenges.
3. Mix the discipline of strategy formation with the “seat-of-the-pants” responsiveness required in technology business.

COURSE EXPECTATIONS AND ASSESSMENT CRITERIA

Class Schedule
There will be four 10 hours sessions with two classes per session. Each classroom session will be held on consecutive days from 4pm to 9pm on Friday evenings and from 9am to 2pm on Saturdays.

Class Preparation
Send the instructors an email before January 1, 2010 with "Hi, my name is <your name>" in the subject line (that helps us identify your message rapidly and be sure it is not a virus!).

Provide the following information:

1. Your full name, position, company name, division and address, phone number and email.
2. The MST/Division of Management courses you have taken or/and are taking.
Instructors

Your personal preparation for the class discussions

Case discussion guidelines

Deadline but prior to class discussions will

Case question responses should be submitted by email to the instructors. Responses submitted after the

submissions will be graded on your ability to

logically from your analysis while considering

session in which they are due.

questions will be accepted up to midnight PST on the

Beginning with the 1st session in which they are due.

concept of analyzing a case.

It is

Case Preparation Questions (40 Points)

We assume that each of you has knowledge, experience and creative ideas that are valuable and will significantly enhance everyone’s learning experience when shared with the rest of the class. Success depends on each student bringing their full attention, inputs and to “show up” by debating and challenging other students’ thoughts and logic. Persuasion and reasoned opinion will be valued over simply conversing. The criteria for measuring participation include:

1. You must participate constructively in the discussions. To be considered fully participating you must come prepared and contribute to the class using good listening and presentation skill to defend your ideas and opinions about the cases, reading assignments, pre-session assignments and in-class dialogs.

2. You must demonstrate an understanding of the major themes, key messages and strategic reasoning behind the case situations and required reading assignments.

3. You must be present and not distracted by non-class activities.

Group Project (20 Points)

In the first session the students will be divided into groups that will work together until the last class to prepare an analysis and presentation on a strategic issue faced by a selected company. You must, as a team, perform a strategic analysis, make a presentation to the class, explain your recommendations and defend your position. The project will be described in detail at the first class session.

Case Preparation Questions (40 Points)

It is expected that you are familiar with the case-study method of learning and have a firm grasp on the concept of analyzing a case. Each case includes a set of specific questions defined in this syllabus. Beginning with the 1st session you are expected to turn in written answers to these specific case questions prior to the session and then participate in the class discussions. Responses to case questions will be accepted up to midnight PST on the Thursday before the beginning of the session in which they are due. Provide crisp and sound conclusions to the stated questions that flow logically from your analysis while considering the environment and capabilities of the corporation. Your submissions will be graded on your ability to provide a concise summary to the assigned questions, apply the course concepts to the issues of the case and to provide reasoned analysis and recommendations. Case question responses should be submitted by email to the instructors. Responses submitted after the deadline but prior to class discussions will receive a maximum score of one point per case. Note: the case discussion guidelines apply to all assigned cases and are intended to be used only as a guide for your personal preparation for the class discussions and written answers are not required.


Points Distribution
Each session will be scored based on this table of maximum potential points for each assessment category.

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Case Discussion Guidelines
In addition to responding to the case questions for each assignment, you will be expected to participate in class discussion that will depend on your ability to engage in conversations about the case and may include the discussion topics outlined below. You are NOT expected to prepare or turn in a written response to the topics below but you should come prepared to engage with the rest of the class in a spirited debate related to the critical information and strategic ideas presented in the case.

Executive Summary
A high-level summary of relevant facts, key relationships, and highlights of strategic issues, options and alternatives.

Analysis
Examine the internal and external environment using all of the appropriate analysis methods: economic, SWOT, market, cultural, competitive and financial – financial analysis can be included as an exhibit where appropriate.

- Develop a succinct analysis and point of view of the case by organizing and selecting relevant facts, and apply concepts learned in class to draw logical conclusions;
- Relate company performance to strategic factors, functional and corporate strategy, policies, and implementation;
- Explore why things are happening the way they do in the case and assess probable causes and underlying issues based on facts available from the case.

Recommendations and Conclusions
Be prepared to make suggestions for strategic actions or tactics that the company could employ to mitigate risks, optimize assets and apply a balanced approach to achieving results. We are looking for a reasoned set of recommendations based on the facts of the case. You may use your own knowledge and information beyond what is available in the case but try to avoid using information about what happened after the case.

SESSIONS OVERVIEW

Session 1 – Tools for Strategy Formation
While strategy formation cannot be reduced to a science, an understanding and facility with the tools and models that have been created over the years makes the creation of strategy a more rigorous and disciplined process. Use of these analytic frameworks helps strategists analyze, synthesize, decide and communicate strategy direction. In some sense, these tools are the lingua franca of strategy.

Session Objectives
We will use the readings, homework, cases, lecture and in-class discussion to understand the tools and practice using them on real world, current examples.
MST 530 – Strategic Planning and Management: Formulation and Implementation

- Be able to analyze the competitive situation within industries and companies and identify the main strategic issues that those companies face.
- Identify the sources of competitive advantage that companies and approaches for developing a competitive position in an industry.
- Understand how the dimensions of time and agility impact strategy.

Agenda Topics
- Introductions
- Course Overview
- What is Strategy
- Competitive Strategy Fundamentals
- Impact of Time and Agility

Pre-Session Assignment
In addition to the cases and pre-reading, please come to class prepared with an example from the news of a technology company facing an important strategic issue or opportunity. Be prepared to discuss your views on what the issue is, how it fits into the larger industry context and what you think the company should do. You will be making a short presentation on your analysis on Saturday morning. This first assignment may become the basis for your group project.

Pre-Readings
2. The Innovator’s Dilemma: When New Technologies Cause Great Firms to Fail, Clayton M. Christensen, Harvard Business School Press (June 1997), Chapter 1 through 4
3. Crossing the Chasm: Marketing and Selling Technology Products to Mainstream Customers, Geoffrey A. Moore, Harper Collins (November 1991), Chapters 1 and 2
4. What Lessons Can the Agile Community Learn from A Maverick Fighter Pilot?, Steve Adolph, University of British Columbia, Canada steve@wsaconsulting
5. Case - Southwest Airlines (A), Charles O'Reilly, Jeffrey Pfeffer, Stanford Graduate School of Business, 1995

Case Preparation Questions
Please submit answers to the following questions by email to the instructors prior to the start of class. Complete the pre-reading before beginning the case analysis.

Southwest Airlines:
1. Describe the industry that Southwest operates in. Who are their competitors? How do their customers differ from their competitors? What forces are the most significant in this industry? How do these forces impact this company? Please use the Porter Five Forces Framework to analyze Southwest.
2. What are Southwest’s sources of competitive advantage? What makes them different from their competitors? Is this difference sustainable? Why? Is it growable? How?
3. What company is the most agile in this industry? Why? Does this give them an advantage? How?
4. How should Southwest respond to the new “Lite” airlines?

Google:
1. Compare and contrast Google’s industry situation with that of Southwest Airlines. What is similar? What is different?
2. How do you think that Microsoft and Yahoo will respond to Google’s growing influence?
3. Is Google’s growth sustainable? Should they grow in their core business or expand into new areas outside of the core?

Optional Readings

Session 2 – Processes for Strategy Formulation
Strategy formulation takes many forms depending on a wide range of variables that influence how management chooses to address the need for long-term and short-term approaches to running the business. Companies that decide to put deliberate effort into strategy development need to employ some sort of process that will be appropriate for the situation and deliver the desired results.

Session Objectives
- Appreciate the connections between vision and strategy
- Understand processes that can be used to develop strategy
- Learn about methods of gathering and organizing information for analysis and synthesis
- Learn how to apply effective decision making models

Agenda Topics
- Vision Setting
- Corporate, Competitive and Functional Strategies
- Considering the Human Factors
- Strategy Process Models
- Approaching to Gathering Information
- Decision Making Models

Pre-Session Assignment
In addition to the cases and pre-reading, please come to class prepared with a diagram of the process that your company uses to develop strategy and how you deal with budgeting to support the strategy. Be prepared to present your diagram and discuss the pro’s and con’s.

Pre-Readings
2. Developing Business Strategies, David Aakers, John Wiley and Sons, Chapters 3-7

Optional Readings
2. Decision Making: The Heart of Strategy Collection, March 2003; This collection of articles from Harvard Management Update, the Harvard Management Communication Letter, and Harvard Business Review begins with advice about how to set up a process for generating multiple alternatives, fostering a robust exchange of ideas about those alternatives, and producing a well-tested decision. Among the articles included are "What You Don't Know About Making Decisions," "Problem Solving for Decision Makers," and "How Good Data Leads to Bad Decisions."

Case Preparation Questions
Please submit answers to the following questions prior to the start of class. Complete the pre-reading before beginning the case analysis.

Apple, 2006, 2008
1. Using the Porter 5-forces approach describe the main competitive forces in the industries that Apple has been concerned with and explain how the priority issues related to these forces have changed since 1990?
2. Historically, what have been Apple's major strengths & weaknesses. In the next three to five years what are the significant opportunities and threats Apple needs to deal with?
3. What is the key strategic fork-in-the-road decision faced by Apple now. Evaluate how Steve Jobs has attempted to solve the problem?
4. Describe a strategic planning process you would recommend to Steve Jobs if he came to you asking for advice on how Apple should approach the challenge of strategy formulation?

Strategic Planning at United Parcel Service
1. What are the strengths and weaknesses of scenario planning?
2. What are the key elements of UPS’s approach to strategic planning? In particular, what is your evaluation of the UPS charter, the centennial plan and the strategy road map?
3. How does UPS’s strategic planning process compare with the approach at your organization?

Session 3 – Launching a New Strategy
Formulating a strategy is only the first step in the process of achieving strategic success. The strategist must align organizations, suppliers, partners and customers, overcome objections, assure that capabilities match aspirations, and instigate actions toward the strategy. In this session, we’ll cover the major issues that arise when a new strategy is implemented and discuss ways to address those issues.
Session Objectives

- Understand the barriers to strategy implementation within an organization.
- Develop plans and programs for successful strategy implementation.
- Understand the key role of leadership in strategy implementation.

Agenda Topics

- Frameworks for Implementing Strategy
- Operational Issues
- Marketing and Distribution Issues
- Financial Issues
- Cultural and Momentum Issues
- Customer and Market Issues

Pre-Session Assignment

In addition to the cases and pre-reading, each group should come to class prepared to discuss the major strategy implementation issues facing them in the context of their group project. You will be making a short presentation on your analysis on Saturday morning.

Pre-Readings


Case Preparation Questions

Please submit answers to the following questions prior to the start of class. Complete the pre-reading before beginning the case analysis.

GE’s Growth Strategy: The Immelt Initiative

1. When Immelt takes over GE, how different is his situation from that of his predecessor, Jack Welch? One year later, how has his situation changed?
2. What known challenges does Immelt face as he begins his strategy implementation? How does he handle them? What challenge arise during the course of implementation and how does he handle them?
3. What would you have done differently?
Intermountain Health Care

1. What cultural issues does Brent Smith face in implementing Clinical Integration? How does he address them? What would you have done differently?

2. What major operational challenges does he face? How does he address them? What would you have done differently?

3. Between cultural and operational challenges, which do you believe are most important? Why?

Optional Readings


2. The Importance of Structure and Process to Strategy Implementation, Eric M. Olson and Stanley F. Slater and G. Tomas M. Hult, Business Horizons - Indiana University, January 15, 2005


Session 4 – Measuring, Monitoring and Adjusting the Strategy

How do you measure a strategy? After a strategy has been defined and put into action it is important to assess key indicators of success in order to make adjustments and adapt to changing conditions.

Session Objectives

- Be able to make a strategy map
- Be able to apply scenario planning tools
- Understand quantitative and qualitative measure of strategy effects
- Appreciate methods for overcoming resistance
- Understand financial perspectives used in strategy development

Agenda Topics

- Methods of measuring strategy effectiveness
- Market Valuation
- Managing Cultural and Leadership Factors
- Risk Tracking and Mitigation

Pre-Session Assignment

In addition to the cases and pre-reading, please come to class prepared with a diagram of the key strategy performance measures that your company uses to monitor and adjust strategy. Be prepared to spend 3 to 5 minutes presenting your diagram and discussing the pro’s and con’s of the approach used by your company.

Pre-Readings


4. Case - HP at a Strategic Crossroad 2005, Ali Farhoomand, Asia Case Research Centre, The University of Hong Kong; 2005

Optional Readings


Case Preparation Questions

Please submit answers to the following questions prior to the start of class. Complete the pre-reading before beginning the case analysis.

**TiVo**

1. What are TiVo's competitive advantages and disadvantages.

2. What are the key strategic metrics and market indicators that should be monitored.

3. Given the three options offered at the end of the case, if you could only choose one, which would you choose? Why?

**HP**

1. How was HP positioned before Fiorina's arrival? Was she successful in repositioning the company?

2. Comment on the appropriateness of the operational and financial targets that Fiorina was trying to meet. Are there other metrics or targets you would recommend for HP?

3. Has the change in leadership at HP solved the strategic problems highlighted by this case? What options were open to the new CEO?
COURSE MATERIALS


The Maverick Fighter Pilot article for session 1 pre-reading can be found at:

http://www.steveadolph.com/articles%20and%20papers/articles%20and%20papers.htm

Required Textbooks

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<th>TITLE</th>
<th>CHAPTERS</th>
<th>AUTHOR</th>
<th>PUBLISHER</th>
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<tbody>
<tr>
<td>Developing Business Strategies</td>
<td>3 - 7</td>
<td>David Aakers</td>
<td>John Wiley and Sons Inc.</td>
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Additional Textbook Readings (excerpts on reserve in the campus library)

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<th>TITLE</th>
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<tr>
<td>Innovators Dilemma</td>
<td>1 - 4</td>
<td>Clayton Christensen</td>
<td>Harvard Business School Press</td>
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<td>Crossing the Chasm</td>
<td>1, 2</td>
<td>Geoffrey A. Moore</td>
<td>Harper Collins</td>
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Required Reading Articles

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<tr>
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<tr>
<td>What Lessons Can the Agile Community Learn from A Maverick Fighter Pilot?, Steve Adolph, University of British Columbia, Canada steve@wsaconsulting</td>
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<td>Strategy Formulation and Inertia, Giovanni Gavetti, Harvard Business School, January 10, 2005</td>
<td>2</td>
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<tr>
<td>Executive Champions: Vital Links Between Strategy and Implementation, Nick Wreden, Harvard Management Update Article, September 1, 2002</td>
<td>3</td>
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<tr>
<td>Building the Strategy Implementation Network, Charles H. Noble, Business Horizons, Indiana University; November 15, 1999</td>
<td>3</td>
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<td>An Options-led Approach to Making Strategic Choices, Jan W. Rivkin, Harvard Business School, February 6, 2006</td>
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### Optional Reading Articles

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<tr>
<th>DESCRIPTION</th>
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<tr>
<td>Growth Outside the Core, Chris Zook and James Allen, Harvard Business Review, Dec 1, 2003</td>
<td>1</td>
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<tr>
<td>Decision Making: The Heart of Strategy Collection, Harvard Management Communications Letter, March 2003;</td>
<td>2</td>
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<tr>
<td>Cutting the Strategy in Diamond in High-Technology Ventures, Robert A. Burgelman, Robert E. Siegel, California Management Review, May 1, 2008.</td>
<td>3</td>
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<tr>
<td>The Importance of Structure and Process to Strategy Implementation, Eric M. Olson and Stanley F. Slater and G. Tomas M. Hult, Business Horizons - Indiana University, January 15, 2005</td>
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### Required Case Studies

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<td>Southwest Airlines (A), Charles O’Reilly and Jeffrey Pfeffer, Stanford Graduate School of Business, 1995</td>
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<tr>
<td>Google, Inc., Thomas R. Eisenmann and Kerry Herman, Harvard Business School, 2006</td>
<td>1</td>
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<tr>
<td>Strategic Inflection: TiVo in 2005, David B. Yoffie, Pai Ling Yin, Harvard Business School, 2005</td>
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<td>HP at a Strategic Crossroad 2005, Ali Farhoomand, Asia Case Research Centre, The University of Hong Kong, 2005</td>
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### Recommended Books for Additional Learning

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<th>Blue Ocean Strategy</th>
<th>Strategic Market Management</th>
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<td>Good To Great</td>
<td>Essential Strategic Management</td>
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<td>The Discipline of Market Leaders</td>
<td>Competing for the Future</td>
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<td>Built To Last</td>
<td>The Strategy Process: Concepts, Contexts and Cases</td>
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<td>Market Driven Strategy</td>
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<td>Certain to Win</td>
<td>Seeing What’s Next</td>
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<td>Strategy is Destiny</td>
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