Red and Blue Oceans: Strategy Making in a Dynamic World

... the business environment in which most strategy and management approaches of the twentieth century evolved is increasingly disappearing. As red oceans become increasingly bloody, management will have to be more concerned with blue oceans than the current cohort of managers is accustomed to. – Kim & Mauborgne (2005) in Blue Ocean Strategy

Resources


McGraw-Hill Create (Cases): CofC Bookstore or www.mcgrawhillcreate.com/shop

Other Required Materials: Glo-Bus simulation (every student must register); Harvard Business Review articles (goto: https://cb.hbsp.harvard.edu/cbmp/access/20160572); and articles posted to OAKS.

Course Description

Business Policy (Strategic Management) is an important course in virtually all business programs – undergraduate and graduate. As a capstone course, its intention is to provide students with an opportunity to integrate what they learned in their narrower discipline-based courses into a cohesive whole. This is very much about the process of managing; that is coordinating various functions of business (e.g., marketing, finance, operations) and leveraging their capabilities. It is action oriented (decisions must be made), and represents a major step in making the transition from ‘student’ to ‘professional.’ Employers seek graduates who think and act like professionals (rather than like students).

The point of strategy is simple: ‘to win the customer’s preference and create sustainable competitive advantage, while leaving sufficient money on the table for shareholders. It defines a business’s direction and positions it to move in that direction’ (Bossidy & Charan, 2002, p178). Strategy (what actually occurs) is contrasted with planning (what may occur) and requires successful implementation as well as timely adaptation to an unforeseen reality (coping with an unpredictable environment).

Strategy challenges the manager to think like a generalist, and requires skills of synthesis and integration. It is largely a sensemaking process that demands developing rational-logical analysis based on facts, as well as political skills based on judgment and interpretation (and intuition) of those ‘facts’ in response to complex circumstances.

Few understand that a good strategic planning process also requires the utmost attention to the hows of executing the strategy. – Bossidy & Charan (2002) in Execution
A typical day at the office for me begins by asking: ‘What is impossible that I’m going to do today?’ – Daniel Lamarre President/COO Cirque du Soleil

Course Format
The primary pedagogy in Business Policy is discussion. We also employ cases, mini-lectures, videos, classroom dialog, experiential exercises, and in-class small group activities. A simulation is also used. The most critical aspect is to collectively participate (actively) in a learning- and meaning-centered experience. A student- and learning-centered pedagogy requires students to share the learning space and work in partnership with the professor. This is a joint responsibility and cannot tolerate non-participants in the learning process. I do not lecture. What’s of value depends on your initiative – I will not ‘tell’ you what you ‘need’ to know. Knowledge is created – by you. Everyone must practice active learning skills and be engaged in the learning process.

Course Objectives
Through participation in this course, students will:

1) develop skills related to making sense of complex business situations, including problem finding/definition as well as creating workable strategic recommendations.
2) understand the political implications – internal, local, and global -- and the subsequent process of persuading others of the viability of plausible problem interpretations and solutions.
3) comprehend the contextual implications of strategy, i.e., how decisions impact different parts of the organization internally as well as the global consequences.
4) explicitly recognize the implications of strategic decisions within a defensible ethical framework as well as address issues of corporate social responsibility.
5) develop written and oral communication skills
6) practice the appropriate use of policy/strategy terminology; the use of language is enhanced when students articulate their ideas in class (hence, discussion-orientation).
7) work constructively and collaboratively within a group/team context.
8) consider the environmental (as in green) impact of all decisions and potential actions within frameworks respecting human rights, social justice, and ecological sustainability.

What you will not learn:
… that there is a prescriptive, right answer for fixing organizational problems. Management is an art, based in part on science, that is learned by doing.

Student Expectations
Reading assignments: Student learning and class discussion depends upon each class member’s preparation prior to class. I construct my syllabus to give us something to talk about in class. Thus, it is not only imperative that you read assigned material, but that you also think about it! Why is the material important? How does it relate to your own experiences? Do you agree with the basic premise? (If not, why?) What questions come to mind? How do the ideas put forth in the readings relate to other concepts and ideas?

[T]he field of strategy is too important to be left to the strategists. – Carter, Clegg & Kornberger [2008] in A Very Short, Fairly Interesting, and Reasonably Cheap Book about Studying Strategy
Class participation: Your participation in discussions is crucial. It is up to you to create opportunities to derive value from the class while making informed contributions to class learning. There are different ways of doing this: responding to questions, supplementing or challenging others’ comments, raising the level of discourse through probing, and asking the ‘right’ question that illuminates the concept/issues under investigation. If you go home thinking that class was less than you hoped, then you should consider how you could make it a more satisfying value-added experience. This is a collaborative effort – feel free to discuss this with the professor so that we can meet your learning needs.

Attendance: Attendance is simply assumed. Each member is accountable to the class. Since we co-create a ‘constructivist’ classroom, i.e., one that unfolds rather than one that is planned/choreographed by the professor, the spontaneity and direction of our dialog cannot be predicted nor replicated by simply ‘reading the book.’ If you are unable to be in class, please be responsible by informing the professor before class.

Honor Code: As a condition of enrollment, students are bound by the College of Charleston Honor Code, which prohibits specific actions such as cheating and plagiarism. The College’s Code of Conduct requires that students meet rigorous standards of ethical behavior, as well as conduct themselves with civility and respect in their interactions with other students, faculty, College staff, campus visitors, and other members of the local community. Violations will not be tolerated and will be reported to the Office of Student Affairs. Students can find a complete version of the Honor Code in the Student Handbook at http://www.cofc.edu/studentaffairs/general_info/studenthandbook.html.

Instructor Expectations
You can expect the instructor to focus on providing class members with an opportunity to develop their learning skills by facilitating, moderating (when required) and participating in discussion. His expertise is best employed in the understanding and proper utilization of the conceptual ideas being introduced and elaborated. What and how much you learn is largely up to you; but you can enhance your learning by requesting support from the instructor either in class or outside of class (e-mail works well). He will do everything possible to assist your development. He will attend every class, be prepared for and participate in discussion, and provide as much structure as the class requires. Finally, he values having fun in doing his work, looks at things from different perspectives, (particularly the ‘alternative’ one!), often engages in devil’s advocacy, and takes a distinctly critical stance with respect to the tenets of management orthodoxy, i.e., command-and-control hierarchy, the grand narrative, de-legitimization of resistance.

Course Requirements
1p Papers = 10%       Mid-Term = 30%    Glo-Bus = 30%    Final Case Analysis = 30+%*

Assignments: Assignments are due when they are due. Since we will discuss them in class, there is no way to ‘make-up’ an assignment that is not turned in on time. Even if you must miss a class, make sure your work is submitted by the deadline.
The Assignments

Short (1p) Thought Papers
*Experience Example.* What are some dimensions/aspects of ‘experience’ (for instance, one might be ‘emotional connection’; what are others?) Think then of an example from your own experience of a business product or service that captures the essence of the experience economy. Explain what it is and why/how it connects to the dimensions of ‘experience.’ Ground your discussion in readings, e.g., textbook.

*Smithfield: Ethics and Values.* We explore Smithfield Foods from several perspectives. Now, employing strategic thinking, what are some key issues with respect to values and ethics? At what stage is Smithfield? Assume you work for Smithfield: what strategy would you adopt in the context of your personal ethics?

*Differentiation.* Identify an example of how a commodity product/service is differentiated.

*Leadership Style.* Analyze (critically) Mr Nardelli’s strategy and leadership style at Home Depot. Did the strategy ‘require’ his style? What ‘level’ do you think he best fits? Was Nardelli a good choice for CEO? Would you want to work for him (or someone like that)? (See Taylor & LaBarre, especially Part 2 and leadership in today’s organizations.) Relate to readings and most importantly: *think critically.*

Mid-Term Exam/Quiz
The mid-term/quiz is content-oriented and relates to the fundamentals of strategy/policy covered in class and the text. The exam will be a take-home format, provided on Thursday and due on Tuesday next. It will address concepts we’ve discussed and ask you to use them ‘in context.’ That is, the questions will ask you to utilize the basic ideas in a practical way related to a particular organization/situation. You will be expected to incorporate knowledge/ideas gleaned from all assigned course material, i.e., in addition to the text. Questions will relate to organizations we’ve discussed in class, and may relate to a specific company via a brief reading assigned within the quiz.

Group Project: *GLO-BUS* simulation – The digital camera industry
There are numerous aspects that comprise this simulation, including two quizzes (individual), a peer evaluation, and eight group decision rounds, culminating with a group presentation. Your overall company score will be weighted heavily (approx 60%) in calculating this portion of your course grade. You should take this simulation seriously as a learning mechanism and do your best. You are also required to make a presentation to the class that summarizes your strategic experience.

Final Assignment: Individual case analysis
This will be a fairly extensive case analysis at the end of the course that requires you to pull together the material from the class. You will be assigned a case and given about 2-3 weeks to develop your analysis (7-10pp single-spaced). This is your opportunity to demonstrate what you’ve learned in the course over the semester. (Note: your performance on this project will carry deciding weight in event of a mixed final grade, i.e., if you are borderline, evaluation of this project will influence an up-or-down result.)

Note: Any student requiring academic accommodations because of a disability should speak with the professor so that your needs can be addressed.