

Strategy I

Professor Christina Fang

COR1-GB 2103 W5: Online

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COURSE OVERVIEW

This course is motivated by a simple question with a set of complicated answers: “What allows certain firms to earn positive economic profits while others deliver negative returns?” Strategy I will investigate three potential answers:

- the external environment – industry structure
- the internal functions of the firm – resources and capabilities
- managerial decision-making

It is important to recognize upfront that *neither strategic analysis nor this course can be as perfectly organized as the outline suggests*. This is not accounting or statistics which begin with core, universally accepted principles and then build to harder problems and applications. Instead, real life strategy is complicated and messy throughout. Strategy I is a “big picture” course and the emphasis is on applying simple, yet powerful ideas to achieve superior profitability. We will use cases extensively to illustrate how to apply conceptual frameworks and arguments to actual business situations.

We will learn a set of new tools and concepts:

- Five Forces Analysis – how external forces affect profitability.
- Value Chain Analysis – how internal activities affect profitability.
- Resource Based View of the Firm – which resources are the basis for sustained competitive advantage.
- Managerial Decision Making – decision traps managers should avoid.

COURSE MATERIALS

Articles and Cases	
Book Chapters	<i>Moneyball: The Art of Winning an Unfair Game.</i> W. W. Norton & Company, New York. (chapters 2, 5 and 6). Michael Lewis, 2003.
Online Simulation (last class)	

HOW TO PREPARE FOR A CLASS

Go to BrightSpace → Content. There are 6 lesson pages, and on each lesson page, you will see a sequence of recommended activities both before and after classes. I will continually update these Content pages. So make sure you check them regularly.

- You should start with the readings – process the main concepts and post questions/ideas/comments (if any) on Discussion (BrightSpace).
- Next, read the case assigned for that particular class. Guide your reading with the study questions posted (on each lesson page), and try to answer them as you review your understanding of the case. These study questions will also be the focus of our class discussions.
- Please deal with the cases as you find them; there is no need to seek outside or post-case data on the firm or industry. If you already have such information from previous experience, this can be very useful in case discussion. Please let me know about it in advance, and I will make a point to call on you at the appropriate time.
- I will deliver “mini-lectures” to set the stage or summarize important concepts. I will also provide key takeaways from case discussions, when and how to use various frameworks, and suggestions of common mistakes with course frameworks. All slides for these mini-lectures will be available on BrightSpace.

COURSE GRADING

Required Components	Engagement and participation (in class and on Discussion Forum)	30%
	Individual Reflections (3)	20%
	Group Project (in class)	30%
	Base Grade	80% (B+ maximum)
Optional	Take Home Final	20% (+0, +1, +2 letter grades)
Overall	Total	100%

There are two components of the grade – a “base grade,” derived from your performance on the required elements of the class (participation, quizzes, and group work), and an optional or “extra credit” portion that is the take-home final exam.

The base grade ranges up to a maximum B+.

- ***Engagement and Participation (30%, Individual)***
Please come prepared to share your ideas and critically interpret the perspectives presented by others. In addition, you can also contribute to the Discussions page (BrightSpace). The two are not substitutes but supplements. ***We will depend on everyone’s active involvement to generate a diverse variety of perspectives, sharpen key arguments and make the class a successful learning journey.***
- ***Individual Reflections (20%, Individual) - see Course Outline for due dates***
- ***Group Project (30%, Group)***
You work in assigned teams of 5-6 members, and analyze an assigned firm. See details on this project here: Brightspace → Content → Lesson 5. Strategic Decision Traps.
- ***All students on track for something lower than a B- will be contacted by me before the final class.***

Take-home Final Exam (20%, Individual)

The optional final exam will be posted **immediately after our last class** on BrightSpace. It will be strictly individual and represents ‘extra credit’. The optional final can raise your grade by 0, 1 or 2 letter grades – e.g. from a B+ to an A, or a B- to a B+.

- Please note that the decision of whether or not to complete the final exam should be based on your own final grade preferences and expectations, *not* on your performance in the other elements of the class.
- Turning in the take-home final exam does not guarantee a higher grade.

COURSE POLICIES

Use of Electronics: We will use Google docs to collaborate on group discussions. As such, you will need laptops or tablets (with keyboards) to work effectively in class.

Attendance and Lateness: Attendance is required and part of the participation grade. Late arrival or early exit hampers your ability to learn the material, impacts your grade through missed participation opportunities, and disrupts the flow of the class. In the case of unavoidable absences, please try to notify me ahead of time, but be aware that regardless of your reason, absences will negatively affect participation.

Zoom Etiquette: Cameras should be kept on during class. I also expect that you are in a well-lit area to be recognized, log in through NYU (authenticated), join in time, and keep yourselves muted when you are not speaking. If you expect difficulties or issues regarding these important policies, please inform me in advance.

Honor Code: As members of our community, all students are expected to maintain and abide by the highest standards of professional conduct and behavior, as set out in our [Academic Integrity Policies](#) as well as the [NYU Stern Student Code of Conduct](#). *Collaboration of any kind is prohibited on individual assignments. All assignments will be automatically submitted to Turnitin.com to check for duplication and plagiarism.*

Students with Disabilities: Please contact the Moses Center for Students with Disabilities (CSD, 998-4980) and me as soon as possible.

COURSE OUTLINE * for details on each lesson, go to *BrightSpace--> Content*.

Class	Dates	Topic	Readings
1	Jan 6 (Tues) 7-9pm	Introduction	Article: Our syllabus in its entirety. ☺ Case: Moneyball: The Art of Winning an Unfair Game. W. W. Norton & Company, New York. Chapters 2, 5 and 6. 2003. Michael Lewis.
2	Jan 8 (Thur) 7-9pm	External Analysis	Article: The Five Competitive Forces That Shape Strategy. 2008. Michael Porter. Case: Tesla Motors
3	Jan 11 (Sun) 11-1pm	Internal Analysis	Article: Competing on Resources. 2008. David Collis and Cynthia Montgomery. Case: Trader Joe's Due: Individual Reflection - Stern's VRIO Analysis
4	Jan 11 (Sun) 2-4pm	Strategy Implementation	Article: The Experimental Roots of Revolutionary Vision. 2006. Jerome Barthelemy. Is Yours a Learning Organization? 2008. David Garvin, Amy Edmondson and Francesca Gino. Cases: Honda (A) (B) Due: Individual Reflection - Learning Memo
5	Jan 13 (Tues) 7-9pm	Strategic Decision Traps	Article: The True Measures of Success 2012. Michael J. Mauboussin Due: Individual Reflection - Assessing Luck (Optional)
6	Jan 15 (Thur) 7-9pm	Strategic Decision Making – a Simulation	Article: Strategic Innovation Simulation Foreground Reading. Due: 1. “Create Your Own Case” Group Project. 2. Individual Reflection - My Simulation Strategy