BBUS 470: Business Policy and Strategic Management  
School of Business, University of Washington Bothell  
Autumn 2014 (version 1 • September 26, 2014)

Kevin Laverty – laverty (at) uw (dot) edu  
Direct line and voice mail: +1 425 352 5338 – Fax: +1 425 352 5277  
Office: UW2, room 325 – office hours by appointment  
Course web page: http://faculty.washington.edu/laverty/470

Basic course information
1. Required preparation for each class sessions is listed in the schedule (last part of this syllabus)

2. Course objectives ("Learning goals") ***TO BE UPDATED***
   Understand top management perspective: problems span and transcend disciplines
   Understand and apply the models of strategy and strategic management
   Compare and contrast strategy and strategic management models with principles and
   models from core and elective business courses, non-business courses, and non-
   academic sources
   Develop and extend ethical and global perspectives emphasized in other courses
   Enhance skills in writing, analysis, and oral expression

3. Teaching approach
   Seminar format
   Focus on “seminal ideas”
   Class time is for discussion, application and extension; assigned material should be
   studied in advance; study of assigned readings is required preparation for class
   Use of “spaced repetition” approach to major ideas
   Requiring precision in expression of concepts, definitions, and theories

4. Grades and schedule of assignments (tentative weighting; see note 2 below)

   25% participation in and contribution to class discussion
   5% Individual assignment due Monday September 29
   5% Individual assignment due Monday October 6
   10% Quiz -- October 15
   20% Examination 1 -- November 5
   15% Group assignment -- November 24
   20% Examination 2 -- December 3

Two important notes on grades:
1. I will assign the course grade in a 2-step procedure. First, I will calculate the weighted average of individual written work (assignments, exams, quizzes). If the weighted average grade on these elements is BELOW 1.7, then that is your course grade. However, if the grade on these elements is 1.7 or higher, I also take into
account the participation/contribution element and the group assignment element in calculating your grade.

2. This weighting is TENTATIVE because there may be quizzes or additional written assignments if I observe insufficient preparation for classes. If we have these additional elements, the grade weighting will be adjusted accordingly.

**Access and Accommodations:** Your experience in this class is important to us, and it is the policy and practice of the University of Washington to create inclusive and accessible learning environments consistent with federal and state law. If you experience barriers based on disability, please seek a meeting with DRS to discuss and address them. If you have already established accommodations with DRS, please communicate your approved accommodations to your instructor at your earliest convenience so we can discuss your needs in this course.

Disability Resources for Students (DRS) offers resources and coordinates reasonable accommodations for students with disabilities. Reasonable accommodations are established through an interactive process between you, your instructor(s) and DRS. If you have not yet established services through DRS, but have a temporary or permanent disability that requires accommodations (this can include but not limited to; mental health, attention-related, learning, vision, hearing, physical or health impacts), you are welcome to contact DRS at 425.352.5307 rlundborg@uw.edu.
Course details

I. Course overview, purpose, and approach to learning
II. Expectations
III. Grading convention
IV. Policies
V. Assignment and exams
VI. Contribution to class discussion
VII. Schedule of class sessions

I. Course overview, purpose, and approach to learning

This is a rigorous capstone course.

BBUS 470 takes an executive’s level perspective of perhaps the most fundamental question of business as a profession: why are some firms more successful than others? I pose this as two related but distinct questions: [1] How do you explain success? (That is, what “causes” success? How do you explain why different organizations are more or less successful than others?) and [2] How do you manage to make a particular organization successful? (That is, where do you focus attention, what problems do you address, what choices do you make? Questions such as these are posed given the specifics of the organization itself and the business environment in which it exists.) Together, these are “the great question.”

Three perspectives are woven into this course: business policy, the capstone function, and strategic management. Historically, business schools had a business policy course focusing on the problems facing and decisions made by the firm’s top managers. This course was established as an integrative capstone taken after students had studied the functional disciplines of business (e.g., organizational behavior, organization theory, finance, accounting, marketing, operations). More recently, the field of strategic management infused the capstone/business policy course, particularly in bringing economics-based perspectives to understanding competition, evolution of industries, and sources of rent (economic profit).

BBUS 470 is designed to address these concerns and perspectives through theory- and case-based study of strategy and performance. The primary level of analysis is the firm, but we will also touch on other levels of analysis (individual, organizational, industry, and nation) to enhance our understanding of the context for firm-level strategy and performance.

Each student will be required to present written work that reflects an understanding of the course material, and engage in seminar-format discussions addressing theory and cases.

Several things that you should know about my approach to teaching and learning:

a. Class sessions will be conducted as seminars. I use the term seminar to capture the objective of thoughtful and critical discussions of the assigned readings and cases in
which each person is expected to be a contributor. This is not a lecture class with one-way information flow.

b. I encourage an analytical approach in class sessions and written work. To me, analytical indicates seeking to identify underlying problems and issues, evaluating the theories and evidence presented, and comparing and contrasting across different readings and perspectives. An analytical approach contrasts both with descriptive (compiling facts, definitions, and lists) and argumentative (mustering evidence in support of a pre-established position) approaches.

c. There will be no time set aside to “review” for exams. Actually, I like to think that I am spending the entire quarter preparing you for the exam, so in that sense, review for the exam starts on September 24. In addition, I spend a lot of both preparation time and class time emphasizing the connections among the course’s seminal ideas, and I will demonstrate via class discussion the types of questions to expect on exams.

d. There will be no “extra credit” assignments.

Each chapter in the text has features addressing themes including “ethics and strategy” and “global perspectives” associated with the chapter’s topics. We will cover these explicitly in class discussion.

II. Expectations
My primary expectation is that you display that you are earnest in your desire to learn and in your engagement with the assigned material and class activities. Students are expected to demonstrate the level of motivation, responsibility, and quality of work consistent with the explicit and implicit expectations associated with study at a research university. By the way, this expectation is similar to what I believe any employer would require of a Business School graduate.

Quality work requires time spent on preparation, thinking critically and systematically, writing clearly, and communicating ideas and arguments in a seminar format.

Every student should be prepared to make high quality contributions at every class session based upon assigned material. Studying (not just simply reading) assigned readings and cases is necessary for students to meet the expectations for contribution.

III. Grading convention
Assignments and exams are graded on either a 0-10 or 0-100 scale (some may be graded on a pass-fail basis). I translate these to UWB’s 4.0 scale as follows: For assignments graded on a 0-10 score, subtract 5.5 to get your grade on the 4.0 scale. For assignments graded on a 0-100 score, divide your grade by 10 and subtract 5.5 to get your grade on the 4.0 scale. Examples are in this table:
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<th>UWB 4.0 scale</th>
<th>Letter equivalent</th>
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**IV. Policies**

A. **Academic integrity and plagiarism.** Strict adherence to University of Washington and UW Bothell standards with respect to academic integrity is expected implicitly by enrollment in this course (or any other course at the university, for that matter).

A violation of academic integrity will result in a grade of 0 (zero) for that assignment (on the 0-10 or 100 scale). **Note that this is a VERY severe grade penalty.**

UW Bothell’s policies and procedures on academic and student conduct are based on State of Washington law and are not a matter of discretion for me as your instructor. The policies and procedures I follow can be found at the following URL:

http://www.uwb.edu/studentservices/studentconduct/faculty-resources

The material at

http://faculty.washington.edu/laverty/academic_integrity_010614.html

is assigned reading for this course; it is your responsibility to know and understand this information. If you have any questions, please ask me.

B. Email sent to your UW account is considered by the UW Bothell to be official communication. I will send notices regarding the class to the list of currently enrolled students, and it is your responsibility to receive these emails. If you forwarding UW mail to another account, it is your responsibility that the forwarding works successfully.

C. Each written assignment must be completed and submitted in the format specified (hard-copy and/or electronic) by the time specified. Specifics will be provided with each assignment. Late assignments will receive a substantial penalty. I will only grade assignment submissions in the format(s) specified for each assignment. (If a hard copy is specified and you cannot attend the class when an assignment is due or if you have a one-time printing problem, I will accept an e-mail attachment or a faxed copy as indicating the assignment was completed on time. But you must provide me a hard copy as soon as possible, and I will not grade anything other than the hard copy.)

D. **Absences.** I will not grade attendance per se, but (obviously) you must be present to participate and contribute to class discussion (Section VI). Of course I understand that sometimes life circumstances take precedence over class work. If you cannot attend a class because of exceptional work circumstances, or health or family problems, I can excuse you from that day’s participation. However, you must provide me with some sort of evidence of the circumstances.
For examinations and quizzes, my policy is similar. If you absolutely cannot attend class on the day of an exam or quiz, I can allow you to arrange for a “make up” provided [a] you provide written evidence of the reason you could not take the exam or quiz and [b] you take responsibility for the logistics of the “make up.”

For written assignments, I expect that you will meet the deadlines for all planned absences (e.g., work trips, family vacations). In the case of unplanned situations I can be flexible, but again with the requirement of written documentation of your circumstances.

In all cases, excused absences, late submissions, and “make ups” are at my discretion and contingent upon my approval.

E. Regarding laptops, tablets, phones, etc. in class: Please do not use computers, tablets, phones, or other electronic devices during class for anything (e.g., email, texts, Facebook, work for other classes, instructor bingo) not directly related to the material at hand. My purpose for this policy is to maintain individual and class focus. We all benefit when we are collectively engaged. If you are using a computer (or any other electronic device) I will consider it equivalent to your raising your hand as if to say, “I volunteer to answer the question or make a comment.”

V. Assignments, examinations, and quizzes
There will be two individual written assignments. Requirements will be distributed via email and posted on the course web page.

There will be two examinations during the quarter. The first is comprehensive to that point (i.e., through the first three course modules). The second is not strictly “comprehensive”—it is not a “comprehensive final exam—as it will focus on the material covered after Examination 1 (i.e., the “strategy implementation” course module. However, as you will see, you will need to draw up ALL course topics to analyze the strategy implementation material.

At this time one quiz is scheduled. Other quizzes will occur without being announced if I deem them necessary.

VI. Contribution to class discussion
Class discussion is important to the learning objectives of this course. I believe that engaging in a “seminar” format discussion is important in understanding concepts and relationships, and that discussion complements individual study. However, discussion is not a substitute for individual study. Discussion also mirrors realistic situations in businesses or other organizations in which ideas are presented, challenged, and debated as a means of arriving at a decision.

Although I emphasize an analytical approach, there certainly is room for individual opinion, but I expect this to be reasoned, not based on pre-conceptions.

I hope for lively and even intense discussions of opposing viewpoints. Nevertheless, personal attacks and/or lack of respect for others and/or their ideas are unacceptable and will not be tolerated.

In preparation for class discussion, I suggest the following:

- Be prepared to offer a brief (one minute) oral summary of every reading: What is its purpose? What are its major points? How would you compare and contrast it with other readings?
- Be prepared to describe and discuss what the reading contributes to addressing the course’s “great question” and fundamental ideas.
- For cases, be prepared to address the situation that the managers of this firm face: if you had two minutes of their time, what would you recommend that they do, and why?

**VII. Schedule of class sessions**

Refer to following pages for the schedule as of September 24, 2014.

Prepare to discuss the readings on the dates listed. This schedule may change due to weather-related university closures or if some topics take longer to cover than anticipated. I will do everything possible to keep the schedule for the quiz and examinations fixed as published. The schedule, with updates as necessary, is available on the course web page [http://faculty.washington.edu/laverty/470/](http://faculty.washington.edu/laverty/470/).
Readings should be completed by the date indicated. Source of materials noted:

ERes: direct link to UWB library reserve readings for this course: https://eres.bothell.washington.edu/eres/coursepass.aspx?cid=1348
Case: direct link to cases for this course from HBSP; purchase all 7 cases at https://cb.hbsp.harvard.edu/cbmp/access/30714029
Library: obtain from UW Library research databases (e.g., Business Source Complete)

NOTE: The schedule is subject to change if UW Bothell classes are cancelled because of weather or other reasons. If any cancellations occur, I will adjust the due dates for assigned readings accordingly but will do my best to maintain the announced dates for the quiz, assignments, and exams as the highest priority.
MODULE 1: SEMINAL IDEAS, STRATEGY, AND THE BUSINESS ENVIRONMENT

WEEK 1

Wednesday September 24

Topics:
- Course introduction, purpose, and overview
- Perspectives: the seminar, seminal ideas, and “the great question”
- Academic integrity, plagiarism, and being in a research university

Assigned reading:
- BBUS 470 syllabus (The syllabus is an assigned reading and you are expected to study it, just as you are expected to study any other assigned reading)
- Academic integrity material including links (link available via course web page) http://faculty.washington.edu/laverty/academic_integrity_010614.html

WEEK 2

Monday September 29

Individual assignment due: What have you learned from prior classes that helps you answer “the great question”: why are some firms are more successful than others?

Topic: Perspectives on success—different levels of analysis (readings on ERes and web)

Wednesday October 1

Topic: Strategy, competitive advantage, and strategic thinking
Text: Chapter 1, pp. 2-27
Case: Timex Corp.
(For discussion: What changes in the environment were affecting the watch industry at the time of the Timex case?)

WEEK 3

Monday October 6
Case: Wal-Mart Stores’ Discount Operations
Individual assignment due: Financial analysis and comparison with industry

Wednesday October 8

Topic: Industry level of analysis—industry structure and the Five Forces model
Text: Chapter 2, pp. 28-63
MODULE 2: BUSINESS STRATEGY AND COMPETITIVE ADVANTAGE

WEEK 4
Monday October 13
Topic: The resource-based view
Text: Chapter 3, pp. 64-99

Wednesday October 15
QUIZ (covers material to date)
Topic: Cost leadership strategies
Text: Chapter 4, pp. 102-129

WEEK 5
Monday October 20
Topic: Differentiation strategies
Text: Chapter 5, pp. 130-160
MODULE 3: CORPORATE STRATEGY AND ORGANIZATION

Wednesday October 22
Topic: Vertical integration and “why do firms exist?”
Text: Chapter 6, pp. 162-187

WEEK 6
Monday October 27
Topic: Corporate diversification (part 1)
Text: Chapter 7, pp. 188-219

Wednesday October 29
Topic: Organization: Diversification (part 2), alliances, and M&A
Text: Chapter 8, pp. 220-247
Text: Chapter 9, pp. 248-275
Text: Chapter 10, pp. 276-305

WEEK 7
Monday November 3
Topic: International/global/transnational strategies
Text: Chapter 11, pp. 306-341

Wednesday November 5
EXAMINATION 1 (covers all material to date)
MODULE 4: STRATEGY IMPLEMENTATION

• WEEK 8
  Monday November 10
  Topic: Theory and strategy

  Wednesday November 12
  Topic: The creation of a new industry
  Case: EMI and the CT Scanner

• WEEK 9
  Monday November 17
  Topic: Strategy for “late movers”
  Case: Matching Dell

  Wednesday November 19
  Topic: Strategy and organization in the international firm
  Case: United Cereal: Lora Brill’s Eurobrand Challenge

WEEK 10
  Monday November 24
  Group assignment (details to be provided; assignment will be due on Tues Nov 25)

  Wednesday November 26
  NO CLASS - Assignment TBA

WEEK 10
  Monday December 1
  Case: BRL Hardy: Globalizing an Australian Wine Company
  (For discussion: Group assignment)

  Wednesday December 3
  EXAMINATION 2 (covers material since Examination 1)

Finals week
  Monday December 8 and Wednesday December 10
  There is no final exam and at this time I do not plan to have class meetings during finals week. However, class meetings MAY take place on one or both of these days if we need to make up class time due to university closure(s).