



## COURSE SYLLABUS

Course Number: **L&S 126**  
Title: **STRATEGY FORMULATION**  
Semester and School Year: **First Semester SY 2012 – 2013**

### Instructors & Schedule:

A	T-TH 0730-0900	SOM 105	YU, SHERWIN G.	goopyu@yahoo.com
B	T-TH 1030-1200	SOM 203	SABUG, FRUCTUOSO T., JR.	fsabug@ateneo.edu
C	T-TH 0730-0900	SOM 210	GALURA, MARIA TERESA L.	tgalura@ateneo.edu
D	T 1630-1930	SOM 105	GARCIA, RENATO B.	tatobg@gmail.com
E	TH 1630-1930	CTC 104	ONGPIN, ANTONIO C.	tonyongpin@yahoo.com
F	T-TH 1630-1800	CTC 203	GUBALLA, HECTOR P.	hguballa@ateneo.edu
G	F 1330-1630	SOM 202	MAYUGA, RAMON L.	rlm@mozcom.com
GK	T-TH 0900-1030	SOM 104	DA SILVA, PAMELA ANN P.	pdasilvaster@gmail.com
H	T-TH 0730-0900	SOM 104	FILART, JOHNNY U.	johnny.filart@gmail.com
I	W 1630-1930	SOM 104	CRUZ, JOSE GERARDO A.	josegerardocruz@gmail.com
J	M 1800-2100	CTC 104	RAPISURA, MARIEL VINCENT A.	vinerap@yahoo.com
K	T-TH 1330-1500	SOM 210	SABUG, FRUCTUOSO T., JR.	fsabug@ateneo.edu
L	T-TH 1630-1800	SOM 203	MANUELA, JR., WILFRED S.	wilfredm@yahoo.com
M	TH 1630-1930	CTC 306	MAYUGA, RAMON L.	rlm@mozcom.com
N	T-TH 1330-1500	CTC 205	VALENCIA, ARTURO A.	avalencia@ateneo.edu
O	T-TH 0900-1030	CTC 103	YU, SHERWIN G.	goopyu@yahoo.com
P	T-TH 1500-1630	CTC 203	MANUELA, JR., WILFRED S.	wilfredm@yahoo.com
Q	T-TH 1500-1630	CTC 307	SABUG, FRUCTUOSO T., JR.	fsabug@ateneo.edu
R	M-W-F 1130-1230	SOM 105	GALANG, ROBERTO MARTIN N.	rgalang@ateneo.edu

### A. COURSE DESCRIPTION

- Strategy Formulation (LS 126) and Strategy Implementation (LS 127) serve as the capstone, integrative courses for graduating seniors in management-oriented concentrations. Unlike other business courses that concentrate narrowly on a particular function or a piece of the business – accounting, finance, marketing, production, human resources, or information systems, strategic management is a *big picture* course. The center of attention is the total enterprise – the industry and competitive environment in which it operates its long-term direction and strategy, its resources and competitive capabilities, and its prospects for success.
- Students will use all the knowledge acquired from previous courses, coupled with strategic management techniques to chart the future directions of different organizations.
- The centerpiece is the group business project, which is a hands-on experience for students in business planning and implementation, inclusive of strategy formulation, implementation, and evaluation. In the first semester, students will craft a business plan to develop and start up a business. In the second semester, they will actually implement their business plan for at least three months, evaluate their performance and strategies, and show how they can make the business grow.
- Major topics covered are: The Strategic Management Process; Mapping the Business Landscape; Creating Competitive Advantage; Strategy Analysis and Choice; Implementing Strategies: Management and Functional Issues; Review, Evaluation and Control. Case studies and readings complement conceptual content.

**B. COURSE OBJECTIVES**

1. To learn, understand, and appreciate the process of strategic management – strategy formulation, strategy implementation, and strategy evaluation. In the learning process, students should develop the capability to think strategically about an organization by:
  - a. conducting strategic analysis in a variety of industries and competitive situations whether small or large, startup or ongoing, local or global;
  - b. integrating the knowledge gained in earlier management courses and demonstrating why and how the different parts of the business need to be managed in strategic harmony for the organization to operate in a winning fashion;
  - c. developing managerial judgment in assessing business risk and improving the ability to make sound decisions and achieve effective outcomes.
2. To foster an entrepreneurial mindset and develop strategic competencies by providing hands-on experience in crafting business strategy, reasoning carefully about strategic options, using *what-if* analysis to evaluate various alternatives, making focused strategic decisions, and actually implementing and executing such decisions.
3. To emphasize the importance of exemplary ethical principles, sound personal and company values, and socially responsible management practices.

**C. REQUIRED TEXTBOOK**

**David, Fred R. Strategic Management: Concepts and Cases (13<sup>th</sup> Low Price 2011 Edition)**  
<http://www.prenhall.com/david> and <http://www.strategyclub.com>

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Supplementary Textbooks/Readings:

1. Hill, Charles W. L. and Gareth R. Jones. *Theory of Strategic Management with Cases*. Canada. South-Western (8<sup>th</sup> International Student Edition) 2009.
2. Pitts, Robert A and David Lei. **Strategic Management: Building and Sustaining Competitive Advantage**. Thomson Asian (4<sup>th</sup>) Edition 2007. <http://pitts.swlearning.com>
3. Thompson, Strickland and Gamble. **Crafting and Executing Strategy**. McGraw Hill 16<sup>th</sup> Edition. 2007.
4. Zimmerer, Thomas W. and Norman M. Scarborough. **Essentials of Entrepreneurship & Small Business Management**. Prentice-Hall 2008.
5. Kaplan, Robert S. and David P. Norton. **The Balanced Scorecard: Measures that Drive Performance**. HBR Onpoint Enhanced Edition 2009.
6. Kaplan, Robert S. and David P. Norton. **Using the Balanced Scorecard as a Strategic Management System**. HBR Classic 2009.

Plus suggested cases/readings as specified by the professor.

**D. COURSE OUTLINE, SCHEDULE, AND READINGS**

Weeks #	Readings/Cases/Submission (Cases to be taken up will be provided by the professor)
1	Welcome. Syllabus/Course Requirements <ul style="list-style-type: none"> <li>• LS 126 GROUP BUSINESS PROJECT GUIDELINES (handout)</li> <li>• Introduction to Entrepreneurship: (Purdue Entrepreneurship Certificate Program Wiki): <a href="http://entr200.wiki.zoho.com/Introduction-to-Entrepreneurship.html">http://entr200.wiki.zoho.com/Introduction-to-Entrepreneurship.html</a></li> <li>• Peter Drucker. <i>The Theory of the Business</i>. HBR Sept.-Oct. 1994. Pp. 95-104.</li> <li>• How to Create a Business Plan (Entrepreneurship.com) <a href="http://www.entrepreneur.com/startingabusiness/businessplans/article38290.html">http://www.entrepreneur.com/startingabusiness/businessplans/article38290.html</a></li> <li>• The Business Model (QuickMBA) <a href="http://www.quickmba.com/entre/business-model/">http://www.quickmba.com/entre/business-model/</a></li> <li>• Chesbrough &amp; Rosenbloom. "The Role of the Business Model in Capturing Value from Innovation: Evidence from Xerox ..." <a href="http://www.hbs.edu/research/facpubs/workingpapers/papers2/0001/01-002.pdf">www.hbs.edu/research/facpubs/workingpapers/papers2/0001/01-002.pdf</a></li> </ul>

2-3	<p><b>David Chapter 1. The Nature of Strategic Management</b>  <b>David Chapter 10. Business Ethics/Social Responsibility/Environmental Sustainability</b>  <b>David Chapter 11. Global International Issues</b></p> <ul style="list-style-type: none"> <li>• David. Part 5: Strategic Management Case Analysis pp. 378-390</li> <li>• Hill and Jones. Chapter 1. Leadership, Strategy and Competitive Advantage pp. 1-35</li> </ul> <p>Business Concept &amp; Model (submit business proposals for screening - week ending June 30, 2012)</p>
4	<p><b>David. Chapter 2. Formulating the Business Vision and Mission</b></p> <ul style="list-style-type: none"> <li>• James Collins and Jerry Poras. "Building Your Company's Vision"* at HBR online version:  <a href="http://harvardbusinessonline.hbsp.harvard.edu/hbsp/hbr/articles/article.jsp?articleID=96501&amp;ml_action=get-article&amp;print=true">http://harvardbusinessonline.hbsp.harvard.edu/hbsp/hbr/articles/article.jsp?articleID=96501&amp;ml_action=get-article&amp;print=true</a></li> </ul>
5	<p><b>David. Chapter 3. Making an External Assessment</b></p> <ul style="list-style-type: none"> <li>• Michael E. Porter. The 5 Competitive Forces That Shape Strategy. HBR Jan. 2008. Pp. 78-93.</li> <li>• Hill and Jones. Chapter 2. Opportunities and Threats - Analyzing the External Environment.</li> <li>• Pitts and Lei. Chapter 2. Assessing Industry Attractiveness and the Competitive Environment.</li> </ul>
6	<p><b>David. Chapter 4. Making an Internal Assessment</b></p> <ul style="list-style-type: none"> <li>• Hill and Jones. Chapter 3. Competencies and Profitability – Analyzing Internal Resources.</li> </ul>
7	<p><b>Long Test or Case Presentations</b>  <b>Corporate Strategic Audit Case Pass 1 (due week ending August 18, 2012)</b></p>
8	<p><b>David. Chapter 5. Placing Strategies into Action</b></p> <ul style="list-style-type: none"> <li>• Hill and Jones. Chapter 4. Strategy at the Functional Level</li> <li>• Michael E. Porter. What is Strategy? HBR Nov.-Dec. 1996. Pp. 61-78.</li> </ul>
9	<p><b>David. Chapter 6. Understanding Strategy Analysis and Action</b></p> <ul style="list-style-type: none"> <li>• Hill and Jones. Chapter 5. Strategy at the Business Level.</li> <li>• Hill and Jones. Chapter 6. Industry Environment and Business-Level Strategy</li> </ul> <p>Business Project Pass 1 (Industry Study and Marketing Plan with Competitive Strategies – due week ending <b>August 11, 2012</b>)</p>
10	<p><b>Long Test or Case Presentations</b>  <del>Corporate Strategic Audit Case Pass 2 (due week ending August 18, 2012)</del></p>
11-12	<p><b>Performance Management &amp; The Balanced Scorecard</b></p> <ul style="list-style-type: none"> <li>• Hill and Jones. Chapter 11. Performance and Governance</li> <li>• Johnson. Introduction to the Balanced Scorecard and Performance Management System, at <a href="http://www.adb.org/Documents/Books/Balanced-Scorecard/chap1.pdf">http://www.adb.org/Documents/Books/Balanced-Scorecard/chap1.pdf</a></li> <li>• Kaplan and Norton. Using the Balanced Scorecard as a Strategic Management System. HBR Classic. 2009. available online at <a href="http://portal.sfusd.edu/data/strategicplan/Harvard%20Business%20Review%20article%20BSC.pdf">http://portal.sfusd.edu/data/strategicplan/Harvard%20Business%20Review%20article%20BSC.pdf</a>  OR  <a href="https://wiki.brown.edu/confluence/download/attachments/33761/Balanced+Scorecard.pdf?version=1">https://wiki.brown.edu/confluence/download/attachments/33761/Balanced+Scorecard.pdf?version=1</a></li> <li>• Rohm. Using the Balanced Scorecard to Align Your Organization.  <a href="http://www.balancedscorecard.org/LinkClick.aspx?fileticket=1Uq6fsxJyaY%3d&amp;tabid=56">http://www.balancedscorecard.org/LinkClick.aspx?fileticket=1Uq6fsxJyaY%3d&amp;tabid=56</a></li> </ul> <p>Business Project Pass 2 (Design and Development Plan due <b>Sept. 1, 2012</b>)</p>
13	<p><b>David. Chapter 7. Dealing with Management &amp; Operations Issues</b></p>
14	<p><b>David. Chapter 8. Dealing with Marketing, Finance/Accounting, R&amp;D and MIS Issues</b></p>

15	<b>Long Test or Case / Mock Presentations</b> <b>Deadline for Submission of Final Business Plan is <u>9:00 am FRIDAY, Sept. 21, 2011</u></b>
16	<b>Panel Presentation on Saturday, Sept 29, 2012</b>

**E. METHODOLOGY/COURSE REQUIREMENTS**

◆ Interactive lectures	◆ Group Business Project <sup>(1)</sup>
◆ Class discussions	◆ Group Research (Corporate Strategic Audit) <sup>(7)</sup>
◆ Written Analysis of Cases <sup>(2)</sup>	◆ Experiential exercises
◆ Team presentation on case analysis <sup>(2)</sup>	◆ Outside readings on current strategic issues

1. **Group Business Project** (6-8 students per group): Submission in phases of a written business plan and its presentation to a departmental panel at the end of the 1<sup>st</sup> semester. Implementation of the plan for at least three months during the 2<sup>nd</sup> semester, submission of periodic and final written reports of operations, and presentation of operational performance, lessons learned, and future plans to a departmental panel.
2. **Written Analysis of Cases (WACs) / Team Presentations:** One Group WAC plus individual WACs to be submitted; for Group WAC, class presentations may be required.
3. **Peer Evaluation.** At the end of each semester, each group member will be asked to rate each member of the group including him/herself to monitor how each member contributed to the group.
4. **Faculty mentoring.** Advice and guidance provided by faculty during formulation and implementation phases.
5. **Long Tests,** quizzes, WACs, experiential exercises, recitation
6. **Reports/reflection papers** on extra readings.
7. For the 2<sup>nd</sup> semester, **Group Research** on a company (**Corporate Strategic Audit**) will be required. Students will also be encouraged to participate in International Business Strategy Competitions during the 2<sup>nd</sup> semester.

**F. GRADING SYSTEM**

◆ Group Business Project	35
- Development/Written Submissions	20
- Panel Presentation	15
◆ Individual work (Tests, WACs, papers and reports)	40
◆ Other group activities(CSA Case, WAC, papers, reports)	15
◆ Class Participation/Recitation	<u>10</u>
	100%

Note: Group members generally get the same grade for particular group activities but grade adjustments may be made depending on the results of the peer evaluation, e.g. under-performers may be penalized.

**G. CLASSROOM POLICIES**

1. Maximum allowable cuts:
  - a. 9 absences for 1-hour classes or
  - b. 6 absences for 1 ½ -hours classes or
  - c. 3 absences for 3-hour classes

2. Intellectual honesty will not be compromised. Plagiarism (extensive “cutting and pasting” even if there are footnotes and/or failure to cite appropriate sources) will be punished with an F for the entire subject if done in an activity for which the grade makes up more than 15% of the final grade. The availability of tools/webs such as [www.turnitin.com](http://www.turnitin.com) , [www.plagiarismchecker.com](http://www.plagiarismchecker.com), etc. has enabled the easier tracking of such acts.  
Falsifying sales and documents for the business project will also be punished with an F for the whole course.
3. The JGSOM Dress Code will be strictly enforced.
4. The use of laptops is STRONGLY DISCOURAGED during lectures so as to ensure the full attention of the students.
5. The respectful practice of turning off cellphones (or putting them in silent mode) is a professional minimum in the classroom.
6. The Student Handbook will serve as the guide for all. Individual faculty can issue additional classroom policies specific to their respective classes.

#### **H. CONSULTATION HOURS**

Consultation hours will be announced individually by each lecturer, with a view to the concept of mentoring and nurturing the ideas of the students. The students are encouraged to regularly seek the advice of their lecturers/course facilitators. You may check their schedule with the secretary (Ms. Ghing Lopez) of the Department of Leadership and Strategy. You may also email them directly and/or request for an appointment.