MGMT 4660: STRATEGIC MANAGEMENT

MGNT 4660-02 Tuesday and Thursday 3:30 - 4:50 p.m. Miller Hall 2214
MGNT 4660-03 Tuesday and Thursday 7:00 -8:20 p.m. Miller Hall 2202

Instructor: Susana Velez-Castrillon, Ph.D.

Email: svelez@westga.edu

Office: Miller Hall 2123

Phone: 678-839-4847

Office Hours: Tuesday and Thursday 10:00 a.m. to 12:00; 2:00 p.m. to 3:00 p.m.; and 5:00 to 7:00 p.m. or by appointment

During office hours I am available in my office and also online using CourseDen’s Blackboard tool.

Prerequisites: Area F, ECON3402, FINC3511, MGNT3600, MKTG3803

COURSE DESCRIPTION: This course is about how an enterprise achieves and sustains a high level of success and the role the general manager plays in this process. How success has been or will be achieved is the enterprise’s strategy. It requires both analysis and action. The cases and concepts of the course take the total enterprise as the unit of analysis and the general manager as the key actor.

Developing the general management perspective is at the core of what we do in this course. A general manager is responsible for a multi-functional group (business, division, profit center, etc.) and is accountable for the strategic performance of that unit. But what we will learn has utility not just to the person at the “top” of the enterprise. Increasingly general management responsibility is shared. All members of the management team and the organization need to appreciate how their actions contribute to the overall success of the enterprise.

COURSE OBJECTIVES: The primary objective of the course is to develop expertise in formulating (analysis) and implementing (action) strategy. Although the course progresses from formulation to implementation, one cannot presume to fully understand strategy formulation without the realization of what it takes to implement strategic change. At the end of this course, you should be able to:

To develop your capacity to think strategically about a company, its business position, how it can gain sustainable competitive advantage and formulate plans to ensure organizational viability. (BBA 4, BBA 6)
To develop skills using strategic and functional level analytical tools in a variety of companies and industries to facilitate the development and implementation of effective business strategy. (BBA 2, BBA 4)
To integrate and synthesize knowledge gained in business core courses into a comprehensive approach to managing a multifunctional business organization. (BBA 4, BBA 6)
To organize and present strategic and operational information appropriate to professional standards and practices. (BBA 1, BBA 3)

COURSE MATERIALS:

Link https://students.flatworldknowledge.com/course/1658287

Flatworld offers several alternatives for accessing its textbooks. I encourage you to explore all options before deciding which one works best for you. You may choose whatever option is best for you as long as you read the required material before class.

If you buy your textbook from the bookstore, you will receive a code that you need to redeem on Flatworld’s website using the link above.

**Required Simulation:** Every student is required to subscribe to the “CEO” simulation, which is available online for $29.00. Click here to subscribe http://www.goventure.net/buy

The simulation numbers will become available before the start of each simulation, but only to those teams that fulfill the conditions (see the SIMULATION section on page 3).

**Articles and Cases for in-class discussion:** Articles are available through the library on-line, or are posted on CourseDen as noted on the syllabus. Additional readings may be announced in class, posted on CourseDen, or distributed in class as the semester progresses.

**USE OF CourseDen:** CourseDen is an absolutely necessary resource for this class. All information, instructions, and updates will be posted on CourseDen. Also, CourseDen is the preferred method of communication with your instructor and classmates. You must get in the habit of checking CourseDen frequently.

### DETERMINANTS OF THE TERM GRADE

<table>
<thead>
<tr>
<th>Assignments</th>
<th>Points</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Two exams (30 points each)</td>
<td>60</td>
<td>30</td>
</tr>
<tr>
<td>Simulation (50 points)</td>
<td>55</td>
<td>27.5</td>
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<tr>
<td>Company performance first run 10 points</td>
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<td>Company performance second run 10 points</td>
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<td>Letter to shareholders 20 points</td>
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<td>Presentation 15 points</td>
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<tr>
<td>Case studies (4 x 10 points/case)</td>
<td>40</td>
<td>20</td>
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<tr>
<td>Exercises, including plagiarism tutorial (varies)</td>
<td>20</td>
<td>10</td>
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<tr>
<td>LinkedIn Profile</td>
<td>15</td>
<td>7.5</td>
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<tr>
<td>RCOB field exam</td>
<td>10</td>
<td>5</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100%</strong></td>
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</table>

**Grade Scale**

- **A** 90.0 – 100%
- **B** 80.0 – 89.9%
- **C** 70.0 – 79.9%
- **D** 60.0 – 69.9%
- **F** 0 – 59.9%

**EXAMS:** Three exams will be given. The class notes provide a foundation, but all discussions, cases, in-class exercises, and material used or presented in class or CourseDen may be included in the exam – even if it is not
discussed in class. A missed exam will count as zero. The first two exams are not cumulative. The final exam may cover all the material presented in the course. The lowest exam grade will be dropped. No one should enroll who cannot take the exams as scheduled.

Be on time to take tests. Being late is not a good reason to request a make-up exam. No one arriving 15 minutes after the start of an exam will be allowed to take it. Tests will be collected 80 minutes after the start of the class.

*If you are doing poorly on exams, please see the instructor as soon as possible*; waiting will not increase your chances of improving your grade.

Exams are the property of the instructor and the University of West Georgia and may not be taken or duplicated.

Exam weighting and number are subject to change at the discretion of the instructor.

**SIMULATION:** The class will be divided into groups of 3-4 students for the simulation. Since you may not know other students in this course, we will have ‘speed dating’ to learn more about each other and help you in forming the teams. Here are the step-by-step instructions to get started:

a. Create your Teamwork Profile and bring it to the speed dating. The form is available on CourseDen. If you don’t bring this completed, you cannot participate in the speed dating.

b. Once you have chosen your team, create a “Group Expectations Document”. A template is available on CourseDen. All members of the team must sign this document. Give one copy (not the original) of the document to your instructor. Once you turn in this document, you will get the code to join the simulation and can start playing.

c. Read the player’s guide and familiarize yourself with the simulation. Answer the quiz inside the simulation by the date specified in this syllabus. Your team cannot start the second simulation until all players have passed the quiz with a grade of 70% or above.

d. To keep the simulation competitive, there will be two separate runs each one worth 10 points. Each run corresponds to one year divided in 4 quarters.

e. Once each run of the simulation starts, your team will be responsible for submitting a decision every week for 4 weeks on Saturday by 11 p.m. Every decision must be documented in the “Strategy Journal” which is available in the simulation. Because you need to provide analysis for each decision a team cannot just get lucky and guess the right decision. On the other hand, if you are unlucky and your decision just does not work out as planned, you can show in your strategy journal that you actually gave some thought to the decision - it just did not work as expected.

Your grade on the simulation is calculated as follows:

- **Company performance first run (10 points):** based on the rubric as explained next.
- **Company performance second run (10 points):** Based on the rankings and final results according to the grading rubric provided by GoVenture. The rubric grade is the sum of the following items:
  - Rank: Rank Score compared to other businesses
  - Achievements: Total number of achievements earned compared to other businesses
  - Trends: Percentage of periods Performance Score stayed the same or increased
Profit: Total Profit earned compared to other businesses
Revenue: Total Revenue earned compared to other businesses
Product Competitiveness: Score is based on average combination of price, brand, and R&D scores.
Inventory Management: Percentage of missed unit sales plus expired inventory compared to total units manufactured and sold. Lower percentage scores higher.
Marketing: Overall Brand Equity Score / 10
Advertising: Advertising Effectiveness Score / 10
HR Management: HR Score / 10

The total maximum points based on the rubric is 100. The team with the highest score at the end of each run of the simulation gets 10 points for that run. The other teams’ scores will be calculated as a proportion of the winning team’s score. There is no floor grade.

At the end of the two simulations (two years or 8 quarters), you need to hand-in the following derivables:

A letter to shareholders (20 points): This letter should address the following:
(1) Explain your simulation company’s financial performance over the entire two years (two runs). (Make references to the table that shows the financial results.)
(2) What strategy did your firm pursue? What about that strategy was effective and what was ineffective?
(3) Conduct a situational (SWOT) analysis and present this in an exhibit. In the body of the letter, use this analysis to identify three (3) specific objectives, benchmarks, or tactics that your company will implement in the future.
(4) If you participated in the simulation again, what would you do differently and why?
(5) How has the simulation helped you improve your understanding of and ability to interpret and analyze the strategy and performance of actual businesses? This will be a brief paragraph.
(6) Exhibits:
   a. A table of your simulation company’s financial results. Prepare (i.e., type) this table yourself from data available within the CEO system. Do NOT merely print the graphs or tables prepared for you by the CEO simulation. This table must include:
      • the metrics used to rank the teams each week
      • items typically important in financial statements (e.g., revenues, total expenses, specific expenses relevant to your strategy, debt level, etc.)
      • year-to-year percentage changes in these items. Present this as an exhibit.
   b. Graphics presenting the week-to-week changes in revenues, profits, brand equity, and HR scores.

Online, you can find examples of letters to shareholders from almost any public company.

Format: Minimum length 5 pages (excluding exhibits); maximum length: 8 pages (excluding exhibits), 12-point Times New Roman, 1.5 spacing, 1-inch margins all around.
Presentation (15 points): Prepare a 12-minute presentation of your letter to shareholders.
In this presentation, pretend that you are addressing the shareholders during your annual meeting.
Dress accordingly.
Turn in the slides.

Further details about the simulation will be provided in class.

Your grade on the simulation is a combination of my assessment and a review by your peers of your participation, punctuality, contribution, and team work. The peer-review rubric is available on CourseDen.

CASE STUDIES: You will analyze four (4) case studies in class and provide a brief write-up (1-2 pages) and/or oral presentation.

Appendix A provides guidelines for case analysis. A successful analysis will define a specific point of view, employ analytical tools to support this view, and aggressively argue this view. Please remember that there are no correct answers, just better or worse answers. You will be judged on the quality of arguments, including clarity, support, integration of analysis and recommendations.

The 10 points for the case studies will be assigned as follows:

- **9-10 Outstanding** - extremely thorough and insightful analysis, outstanding recommendations
- **7-8 Excellent** – very thorough and insightful analysis, excellent recommendations
- **5-6 Strong** – thorough and insightful analysis, strong recommendations
- **3-4 Average** - analysis and recommendations are competent, but not overly thorough or insightful
- **0-2 Marginal** – limited analysis and/or recommendations. No questions answered or superficial answers indicating an unacceptably poor effort

IN-CLASS EXERCISES: there are several team or individual assignments to be completed during a class period. Some, but not all, of these exercises are listed in the class schedule. These in-class exercises total 25 points, and number of points per exercise varies.

LINKEDIN PROFILE (10 points): All students are required to create a profile in LinkedIn (http://www.linkedin.com/), a professional networking website. This profile must be thorough and include a good, business-appropriate photograph. Additionally, you are required to:

- Connect with at least 6 UWG classmates.
- Join the Richards College of Business at the University of West Georgia Group – I recommend you do this quickly because it takes several days for the group to accept your request to join.
- Join at least two other professional interests groups (make sure that you actually join the group and not just follow it)

Further details about the LinkedIn profile, including the grading rubric, are available on CourseDen.
RCOB ASSESSMENT EXERCISE - FIELD EXAM (10 points): One class period during the first month of class will be devoted to the college field exam. This exam consists of multiple choice questions and will be administered in one of the college computer labs. The exam questions cover each of the business subjects or functions (e.g., accounting, economics, management, etc.) Assessment exercises are conducted each semester in order to assess if the college is teaching the concepts that are considered fundamental to business education and if this teaching is effective in helping students master the concepts. Assessments are part of the MGNT 4660 course because all of the prerequisite courses leading up to MGNT 4660 will have covered those business fundamentals for the various business disciplines. Students will receive full credit for this assignment by completing it, provided that their effort demonstrates that they took the assignment seriously.

EXTRA CREDIT:

BB&T Lecture on Free Enterprise (Sep 30th): Attend the lecture and scan your ID at the end, for 6 points of extra credit.

From time to time new extra credit opportunities may arise. If an extra credit opportunity arises it will be made available to the entire class.

DEADLINES, MAKE-UP ASSIGNMENTS AND EXAMS, AND LENGTH LIMITS: Please let me know if under rare and extreme circumstances you will be late in submitting an assignment. A minor delay (less than a week) will result in a penalty of 10% of the grade. A major delay (over a week) will result in 0 points for the assignment.

A similar policy is in place for projects that exceed length limits. Minor excesses (10% or less) will normally result in penalties of 5% of the grade, and significant excesses (more than 10%) in a penalty of 10% of the grade.

Make-up exams, assignments, case studies, in-class exercises will be given only in the event of extraordinary circumstances and university-accepted documented situations:

- You need to contact the instructor and provide all relevant documentation, 72 hours before the exam for pre-scheduled events (such as university-endorsed functions), and up to 72 hours after the exam for fortuitous events (such as illness).
- Excused absences for the in-class exercises will be permitted to make up the absence by providing written essay answers (3 pages minimum, double spaced, 12 point New Times Roman font) related to topics assigned by the instructor. A maximum of one make-up assignment will be allowed for absences.
- Scheduling of all make-up assignments and exams is at the discretion of the instructor.

TECHNOLOGY: The use of technology (i.e. laptops) in the classroom will be permitted as long as these devices are used for classroom related activities and do not distract from the lecture or class discussion. If at any point the use of these devices becomes problematic to the class, all such devices will be banned for the remainder of the semester. Cell phones should always be turned off or on silent and NEVER used during class.

THE HONOR CODE: At the University of West Georgia we believe that academic and personal integrity are based upon honesty, trust, fairness, respect and responsibility.
Students at West Georgia assume responsibility for upholding the honor code. West Georgia students pledge to refrain from engaging in acts that do not maintain academic and personal integrity. These include, but are not limited to, plagiarism*, cheating*, fabrication*, aid of academic dishonesty, lying, bribery or threats, and stealing.

Definitions:
• Cheating - “using or attempting to use unauthorized materials, information or study aids”
• Fabrication - “falsification or unauthorized invention of any information or citation”
• Plagiarism - “representing the words or ideas of another as one’s own. Direct quotations must be indicated and ideas of another must be appropriately acknowledged”

Every student must take the plagiarism tutorial as indicated on the syllabus and CourseDen. Any violation of the honor code will result in a grade of F and an official notification to the relevant authorities. Further details regarding Student Conduct can be found in Appendix A of the UWG Connection and Student Handbook.

CREDIT HOUR POLICY (3 credit hours): For approximately fifteen weeks, students in this class will generally spend 150 minutes with direct faculty instruction (either face-to-face or online) and work about 360 minutes outside of the classroom each week. This out-of-class work may include, but is not limited to, readings, simulations, assignments, projects, group work, research, and test preparation.

OTHER IMPORTANT INFORMATION: Students, please carefully review the information available at this link: http://www.westga.edu/assetsDept/vpaa/Common_Language_for_Course_Syllabi.pdf
It is your responsibility to read the information available in this website, as it contains important material pertaining to your rights and responsibilities in this class. Because these statements are updated as federal, state, university, and accreditation standards change, you should review the information at least once each semester.

The instructor reserves the right to make changes to this syllabus.
<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Required readings</th>
<th>Assignments Due</th>
<th>CEO Simulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug 26 (Tu)</td>
<td>Course Introduction</td>
<td>Please read the syllabus</td>
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<td>Weekly on Saturday at 11 pm.</td>
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<td>Aug 28 (Th)</td>
<td>In-class exercise: Alaska Gold Mine</td>
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<td>Sep 2 (Tu)</td>
<td>Mastering Strategy: Art and Science</td>
<td>Chapter 1</td>
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<td>Sep 3 (W)</td>
<td>Withdrawal &quot;W&quot; period begins for Full Term-15 week courses. Students who withdraw from a full term - 15 week class between 12:01 am Sep 3 and midnight Oct. 17 will receive a grade of W (Full Session Courses).</td>
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<td>Sep 4 (Th)</td>
<td>CEO simulation Introduction Speed dating</td>
<td>Teamwork Profile Available in CD. Please complete it before class</td>
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<td>Sep 9 (Tu)</td>
<td>Leading Strategically</td>
<td>Chapter 2, Case Study: The Mission vs. The Bottom Line</td>
<td>Plagiarism statement. E-mail pre- and post-test to <a href="mailto:svelez@westga.edu">svelez@westga.edu</a> Turn in signed document in class.</td>
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<tr>
<td>Sep 11 (Th)</td>
<td>Evaluating the External Environment</td>
<td>Chapter 3, pages 53 to 70</td>
<td>Group Expectations Document. Template available in CD. Submit in class.</td>
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<tr>
<td>Sep 16 (Tu)</td>
<td>Evaluating the External Environment</td>
<td>Chapter 3, pages 53 to 70</td>
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<td>Simulation Quiz (simulation website)</td>
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<tr>
<td>Sep 18 (Th)</td>
<td>Industry Analysis and Strategic Groups In-class exercise: Airline industry analysis</td>
<td>Chapter 3, pages 71 to 85 Reading: “E-commerce &amp; airlines: What are the eerie similarities between the ‘almost-zero’ profit businesses?”</td>
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<td>Run 1/Decision 1 (R1/D1) (09/20)</td>
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<tr>
<td>Date</td>
<td>Topic</td>
<td>Required readings</td>
<td>Assignments Due</td>
<td>CEO Simulation Decisions Due Weekly on Saturday at 11 pm.</td>
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<td>Sep 23 (Tu)</td>
<td>In-class exercise: Ratios Tell a Story</td>
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<td>Sep 25 (Th)</td>
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<tr>
<td>Sep 30 (Tu)</td>
<td>Managing Firm Resources Tinkertoy Exercise</td>
<td>Chapter 4, pages 87-110</td>
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<td>R1/D2 (09/27)</td>
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<tr>
<td>Sep 30 (Tu)6 to 8 pm</td>
<td>BB&amp; T Lectures in Free Enterprise Mr. John Moore: Brand Strategists for Starbucks, Whole Foods, and other famous companies</td>
<td></td>
<td>Attendance is voluntary Extra credit opportunity: Attend the lecture and scan your ID at the end, for 6 points of extra credit</td>
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<tr>
<td>Oct 2 (Th)</td>
<td>In class exercise: Value Chain</td>
<td>Readings: “Just in Time for the Holidays”</td>
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<td>R1/D3 (10/04)</td>
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<td>Oct 7 (Tu)</td>
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<td>Oct 9 (Th)</td>
<td>SWOT analysis In-class exercise: Airlines SWOT analysis</td>
<td>Chapter 4, pages 111-112 Readings: “Singapore Airlines Balancing Act” and “When One Business Model Isn’t Enough”</td>
<td></td>
<td>R1/D4 (10/11) The first round of the simulation ends.</td>
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<tr>
<td>Oct 14 (Tu)</td>
<td>Selecting Business Level Strategies</td>
<td>Chapter 5, pages 115 – 129</td>
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<td>Oct 16 (Th)</td>
<td>Selecting Business Level Strategies Case study: Preserve The Luxury Or Extend The Brand</td>
<td>Chapter 5, pages 129 – 147 “Preserve The Luxury Or Extend The Brand”</td>
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<tr>
<td>Oct 21 (Tu)</td>
<td>Supporting Business-Level strategy</td>
<td>Chapter 6</td>
<td>LinkedIn Profile due. Print the profile and submit it in class.</td>
<td>Page 9 of 11</td>
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<tr>
<td>Date</td>
<td>Topic</td>
<td>Required readings</td>
<td>Assignments Due</td>
<td>CEO Simulation Decisions Due Weekly on Saturday at 11 pm.</td>
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<tr>
<td>Oct 23 (Th)</td>
<td>Selecting Corporate-Level Strategies</td>
<td>Chapter 8</td>
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<td>Round 2/Decision 1 (R2/D1) (10/25)</td>
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<tr>
<td>Oct 28 (Tu)</td>
<td>Case study: Sony’s Turnaround</td>
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<td>Read the Sony articles available on CD</td>
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<tr>
<td>Oct 30 (Th)</td>
<td>Game: Acquire (In class exercise)</td>
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<td>R2/D2 (11/01)</td>
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<tr>
<td>Nov 4 (Tu)</td>
<td>Competing in International Markets</td>
<td>Chapter 7</td>
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<td>R2/D3 (11/08)</td>
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<tr>
<td>Nov 6 (Th)</td>
<td>Executing Strategy Through Organizational Design</td>
<td>Chapter 9</td>
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<td>R2/D4 (11/15)</td>
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<tr>
<td>Nov 11 (Tu)</td>
<td>Exam 2 – Chapters 5, 6, 7, 8, 9</td>
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<td>All Team Project Reports are due:</td>
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<td>Nov 13 (Th)</td>
<td>Work day</td>
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<td>Presentation materials</td>
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<td>Nov 18 (Tu)</td>
<td>Leading an Ethical Organization</td>
<td>Chapter 10</td>
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<td>Letter to shareholders</td>
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<td>Nov 20 (Th)</td>
<td>Video case study: Culture, Priorities, and Acquisitions</td>
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<td>Peer evaluations</td>
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<td>Nov 24 – Nov 28</td>
<td>Thanksgiving – No classes</td>
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<tr>
<td>Dec 2 (Tu)</td>
<td>Team Project Presentations</td>
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<td>Final exam Section 02: 2:00 – 4:30 p.m.</td>
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<tr>
<td>Dec 4 (Th)</td>
<td>Team Project Presentations</td>
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<td>Final exam Section 03: 8:00-10:30 pm</td>
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<tr>
<td>Dec 11 (Th) at noon</td>
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<td>Final exam Section 02: 2:00 – 4:30 p.m.</td>
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The schedule is tentative and may change due to situational factors at the discretion of your instructor.
APPENDIX A: CASE ANALYSIS GUIDELINES

1. Identify the strategic issues in this case

A strategic issue is any issue that has the potential to fundamentally affect the company's competitive position, its strategy, its operations and its prospects. Typically, it is the issue addressing which resolves all other issues. More importantly, the number of strategic issues facing an organization is limited in number - at the most there are two or three such issues. Prioritize. Look not at the symptoms but the underlying cause.

To identify the strategic issues one needs to examine the firm's competitive positioning. The firm's competitive positioning is arrived at after an analysis of the firm's environment (industry analysis), the firm's resources and capabilities (internal analysis) and the firm's strategies and its outcome. The strategic issue is something that has the potential to affect the firm's competitive positioning and may be due to changes in the environment, internal resources and capabilities, questionable strategies and the like.

Third, to examine the competitive position you need to consider all relevant information in the case. Question any hidden assumptions. Make explicit all assumptions you make in order to arrive at your conclusions. Assess your logic and arguments for coherence and consistency.

2. Identify alternative courses of action

The relevant alternatives are those that most directly address the strategic issues that you have identified in the first step. The relevant alternatives should be based on the analysis that you have performed earlier. In other words they must be consistent with the industry analysis, the internal analysis and the firm's strategies that you have identified.

Second, examine whether these alternatives are really alternatives. In other words, can the firm simultaneously undertake one or two or all of the alternatives? Some decisions like a Make or Buy decision are truly mutually exclusive. On the other hand, in some other cases a firm may not be able to pursue all alternatives because the firm does not have the resources and capabilities.

3. Evaluate the alternatives and recommend one course of action. Justify your decision.

To recommend any one of the alternatives that you identified in the earlier step you need to evaluate all the alternatives. What are the pros and cons of each alternative? Why are some alternatives not feasible options for the firm? It is this analysis that enables you to identify and recommend the alternative that you think best addresses the strategic issue that you have identified. Present your recommendations with specific implementation details and support your decision by arguing its merits vis-à-vis the alternatives.

Evaluate your entire analysis in terms of its consistency, coherence, brevity and logic. Does it make any assumptions that you have not made explicit? Is the information used factually correct? Are the conclusions justifiable? Are they based on opinions, personal beliefs or logic and facts?