Corporate Strategy Analysis

Strategy 2 MBA Summer Intensive, 2011

Preliminary Syllabus

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Office hours: By Appointment
Teaching Assistant: TBD

REQUIRED READING

- Coursepack (Coded CP in schedule)
- Other material as assigned

COURSE OVERVIEW

Whereas business strategy analysis focuses on competition between individual businesses, corporate strategy analysis focuses on the strategic management of multi-business firms. The main question regarding multi-business firms around which this course revolves is: Where is the boundary of the firm?

We will analyze horizontal and vertical dimensions of the firm boundary. We will seek to understand why some firms expand vertically into upstream and downstream areas of the supply chain, and why some firms diversify into related or unrelated businesses. We will also look at the ways in which a firm can change its boundary, including mergers, acquisitions and alliances. Finally, we will consider the role of corporate governance in helping the manager determine the appropriate boundary of the firm.

TEACHING PHILOSOPHY

The greatest value from graduate education is seldom realized immediately upon graduation. Such value is realized over a lifetime, and comes not from having a “bag of tricks” but rather from developing analytical, and problem-solving, skills. One of the most valuable abilities that you can develop and sharpen in graduate school is the ability to think critically and strategically, and to speak and write in a logical and compelling manner.

In class, I will act as moderator, facilitator and lecturer to help you gain a better understanding of corporate strategy. You are responsible for a large portion of your own development. You are required not only to attend classes, but also to carefully prepare for each class and contribute actively to class discussion. The compressed nature of the course makes it crucial that you prepare the assigned material for every class.
COURSE GRADING

Grading will be based on the following:

<table>
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<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Group Case Analysis</td>
<td>25%</td>
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<tr>
<td>Group Final Exam</td>
<td>40%</td>
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<tr>
<td>Solo Case Analysis</td>
<td>15%</td>
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<tr>
<td>Participation (and in-class activities)</td>
<td>20%</td>
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area throughout. I will also track attendance through participation, in accordance with the Langone MBA regulation of full attendance for intensive courses:

**Attendance:** Faculty will excuse absences and entertain requests to change exam and assignment due dates only in cases of documented serious illness, family emergency, religious observance, or civic obligation. If you will miss class for religious observance or civic obligation, you must inform your instructor no later than the first week of class. Recruiting activities, business trips, and vacation travel are not acceptable reasons for absences or requests to schedule exams and assignments. If a student is absent from the first day of an intensive course, the instructor may request that the student be removed from the course.

**COURSE COMMUNICATION**

A Blackboard website has been created for this course. You should check blackboard on a regular basis. The course syllabus, class roster, lecture notes, class discussion questions, assignment information, and general course announcements will all be posted on the site.

**OTHER ISSUES**

**Honor Code:** Please remember that you are governed by the MBA Honor Code. Moreover, every student is obligated to report any suspected violation of that code. You can find more information on the MBA Honor Code at [http://w4.stern.nyu.edu/scorp/committee.cfm?doc_id=4797](http://w4.stern.nyu.edu/scorp/committee.cfm?doc_id=4797).

**Students with Disabilities:** If you are having trouble in class, I want to know about it as soon as possible. I will do my best to help students who, despite a sincere and solid effort, are experiencing difficulty. If you have a qualified disability and will require academic accommodation during this course, please contact the Moses Center for Students with Disabilities (CSD, 998-4980) and provide me with a letter outlining recommended accommodations.

**IMPORTANT DATES TO REMEMBER:**

- **Group Case Analysis: Due Class 2**
  - Case: Nucleon
  - Question available on Blackboard

- **Individual Write Up: Due Class 6**
  - Case: Google
  - Question available on Blackboard

- **Final Exam: Due One Week from last class (Class 6)**
  - Case: TBD
  - Question available on Blackboard

**COURSE SCHEDULE**

See Attached
### SCHEDULE

<table>
<thead>
<tr>
<th>Class</th>
<th>Topics and Reading Assignments</th>
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| 1     | **Introduction – Where is the Boundary of the Firm?**  
Reading: International Management Group (IMG) (Case, CP) |
| 2     | **Where Should the Boundary Be?**  
*FIRST ASSIGNMENT DUE -- SEE QUESTION POSTED TO BLACKBOARD*  
Reading: Nucleon, Inc. (Case, CP) |
| 3     | **How to Change the Boundary**  
Reading: The Walt Disney Company and Pixar, Inc.: To Acquire or Not to Acquire? (Case, CP)  
Reading: Are You Paying Too Much for That Acquisition? (Article, CP) |
| 4     | **Reasons to Change the Boundary**  
Reading: Vivendi (A): Revitalizing a French Conglomerate (Case, CP)  
Reading: The Age of Customer Capitalism (Article, CP) |
| 5     | **What Happens after You Change the Boundary?**  
Reading: Berkshire Hathaway (Case, CP)  
Reading: Danaher Corporation (Case, CP) |
| 6     | **Role of Corporate Governance**  
*SECOND ASSIGNMENT DUE -- SEE QUESTION POSTED TO BLACKBOARD*  
Reading: Google, Inc (Case, CP)  
Reading: Corporate Governance (Article, CP) |