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**University Studies Senior Capstone**  
**BUSINESS STRATEGY**  
School of Business Administration  
Portland State University  
Spring 2012

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Professor Melissa Appleyard

BA 495: Honors, CRN 64900

Classrooms:

Wednesdays: ASR 230 10:00am-11:50pm (ASR= Acad. & Student Rec Center across the street from the SBA)

Fridays: SBA 390 9:00am-12:50pm

Office: SBA 632, Office Hours: Thursdays, 3pm-5pm (also most Mondays: phone first)

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**Required Reading**

- **Text:** Frank T. Rothaermel, *Strategic Management: Concepts*. ISBN: 0-07-732445-5
- **Cases:** Should be available the week before the start of the term in a Course Pack at **Smart Copy** (location: Next to Hot Lips Pizza: 1915 SW 6<sup>th</sup>; phone: 503-227-6137)

**Supplemental Reading (depending on client)**

- Bruce R. Barringer and R. Duane Ireland (2007). *Entrepreneurship: Successfully Launching New Ventures* (2nd Edition). Upper Saddle River, N.J.: Prentice Hall.
- Robert Gunn and Chris Durkin (eds.) (2010). *Social Entrepreneurship: A Skills Approach*. Bristol, Great Britain: The Policy Press.
- Peri H. Pakroo (2009). *Starting & Building a Nonprofit: A Practical Guide*. Berkeley, CA: Nolo.

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• **Course Overview**

- Effective strategies lead organizations to stand out—for what they do and how they do it. One of the primary pillars of Portland State University's strategy is to develop students who can apply interdisciplinary learning to real world issues and become leaders of change. PSU's University Studies program is one of the ways that the University has consistently gained international recognition for a distinguished undergraduate experience.
- The University Studies capstone course contributes to this strategic pillar by seeking to enhance the lives of PSU seniors through service learning with partners around the world.
- The Business Strategy Capstone course is designed to provide an integrative experience along two dimensions: 1) as a culminating experience for the University Studies program at PSU; and 2) as a way for business students from different majors to combine their knowledge and work together to work in the field with an external partner on a pressing strategic issue.

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- **Course Objectives**

- To pursue the four key goals of the University Studies Program:
  - **Inquiry and Critical Thinking**
  - **Communication**
  - **The Diversity of the Human Experience**
  - **Ethics and Social Responsibility**
- CAPSTONE STUDENT HANBOOK:** Each student is required to review the Handbook which can be found on-line at <http://www.pdx.edu/sba/capstone>
- To develop the ability to incisively apply and effectively communicate business concepts in practical application, including:
  - Conducting a comprehensive analysis of an organization, its industry, competitors, and general environment, and develop viable strategic alternatives.
  - Relating strategic management theory, concepts and frameworks to a partner organization that will serve as the client during the term.
- To develop abilities for assessing competitive environments and identifying value-creating opportunities in the global economy.
- To acquire tools for judging performance, identifying changing industry dynamics, anticipating competitors' responses, and leading organizational and strategy evolution accordingly.
- To understand the levels of strategy creation spanning business unit-level and corporate-level decision-making.
- To recognize the viewpoints and influences of a variety of stakeholders during strategy creation.
- To understand how strategy formulation demands simultaneous decision-making along multiple dimensions involving innovation, functional areas, and external relationships.
- To engage in highly interactive analyses, where students push each other to their analytical limits in a respectful way and are encouraged to take risks.

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- **Important Notes:**

This class will be taught in a dynamic case-method format. Everyone will be expected to attend every class, contribute to class discussions, and visit the Client's operations if possible. If you happen to have deep personal knowledge about the topic or company to be covered in a given class session, please disclose that information in your short postings before class. Do not search the internet to see "what happened" after the time of the case, because this could limit your thinking as to possible outcomes.

Please do not use a laptop or other electronic devices (e.g., iPads, smart phones, etc.) during class to ensure everyone is engaged in the flow of the analysis. Print your postings and answers to assignment questions to use during class. When working with your team on the Client project, you can use your electronic devices as needed to organize the work.

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- **Course Grading:**

Preparation and Analysis of Readings:

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|-----|--|
| 10% | Short write-ups posted to Desire2Learn + Essay (see handout)   |
| 10% | Quizzes<br>[Best 2 out of 3; no make-ups]  |
| 25% | Attendance + Contributions during the class discussions<br><i>Please send your instructor an email if you have to miss class</i><br>[Grade of A: requires no unexcused absences and makes high quality contributions in every class;<br>Grade of B: requires no unexcused absences and participates often;<br>Grade of C: requires no unexcused absences and participates rarely;<br>Grade of D (or less): has one or more unexcused absence and/or does not participate.] |

Project:

- |     |   |
|-----|---|
| 30% | Final Client Report with Strategic Recommendations  |
| 25% | Client Presentations [Note: <b>passion</b> and <b>pictures</b> are essential!]<br>[5% PESTEL+6 Forces; 5% VRIO+SW; 5% Financials; 10% Final Presentation to Client] |

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- **Short write-ups: Synthesis of Readings**

UNST goal: Inquiry and Critical Thinking

UNST goal: Communication

The short write-ups are due by:

- **9:00PM on Thursdays. Late submissions will not be accepted.**

The short write-ups will be graded as follows: Superficial = 1; Adequate = 3; Superb = 5.

### **1) Synthesis of the Readings for the day and Application**

In addition to preparing the assignment questions for each class, which can be found below, please post short responses to the appropriate folder in the course's Desire2Learn site.

The purpose of these postings is to have you step back and formulate a summary view of the material and link the course material to current events.

- (1) In 3-4 sentences, how does the reading in the book link to the case? For example, link a new concept from the book to the case.
- (2) In 3-4 sentences, describe how an issue in the news confronting a different firm in the industry OR a different firm in a totally different industry is related to concepts covered in the book or case, and what the strategic implications are. Please include the website address in your posting.

The purpose of these short write-ups is to allow students to practice applying strategy constructs to real-world situations. Students should become masterful at relating strategic management theory, concepts and frameworks to current events while understanding the implications of these events for business practice.

**Instructions for posting the Short write-ups:**

- A) Go to the Desire2Learn site for the course
- B) Post in appropriate folder for the class session

Again, your Short write-up is in addition to your extensive preparation of the assignment questions for each class, which will form the basis of our class discussion. You do not have to hand in your analysis of the assignment questions, but please print out your Short write-up and your answers to the assignment questions to be ready to discuss both in class.

#### **Additional Information on Student Access to Desire2Learn:**

Students registered under the CRN for this course will be automatically added to the Desire2Learn site. Each student needs an ODIN account to be added to the course. The students' Desire2Learn ID will be the same as their ODIN username and their password will be the last four digits of their PSU Student ID number.

#### **• Class Discussion Contributions**

UNST goal: Inquiry and Critical Thinking

UNST goal: Communication

A central part in developing your inquiry, critical thinking and communication skills will be active and thoughtful contributions to the class discussion. Your contributions will be critical in refining your managerial and presentation skills, as well as to your learning and the learning of your classmates, so everyone is expected to participate in each class session. I usually ask for volunteers, but I also cold call people throughout the class session.

In evaluating class contributions, I consider both quality and the frequency of contribution, but I weigh quality more heavily. In assessing quality, I consider the following dimensions:

- Is the student taking risks?
- Is the student creatively trying to experiment with strategic thinking and visioning?
- Does the comment simply repeat facts from the case, or does it provide analysis that adds to our understanding of the case and its broader implications?
- Does the comment fit well into the flow of the discussion? Is it linked to the comments of others?
- Does the comment trigger others to enter the analysis?
- Does the comment link the case material effectively to the material from the textbook?
- Does the comment reflect creative thinking, perhaps by tying together multiple viewpoints or tying back to material covered previously in the course?
- Is the comment presented in a clear, compelling manner or is it confusing, repetitive or contradictory?
- Is the comment delivered in a respectful, constructive tone?

In making my overall assessment of class participation, the overarching criterion is "How significantly did this student's contributions add to the learning of the class as a whole?"

- **Readings and Assignments (bring answers to assignment questions to class for discussion)**

- (1) Cases and Readings: Course Pack at **Smart Copy** (location: Next to Hot Lips Pizza: 1915 SW 6<sup>th</sup>; phone: 503-227-6137)
- (2) Frank T. Rothaermel, *Strategic Management: Concepts*.

<b>Week</b>	<b>Topic</b>	<b>Case/Readings</b>
1. Wed. Apr. 4	<b>Introduction to the Client Organizations this term</b>	<p><b>Readings:</b> Syllabus and Materials for course project in course D2L sites</p> <p><b>Project Assignment:</b> Read:</p> <ol style="list-style-type: none"> <li>(1) The clients' project overview;</li> <li>(2) The Syllabus;</li> <li>(3) The Capstone Student Handbook: <a href="http://www.pdx.edu/sba/sites/www.pdx.edu.sba/files/Handbook-%20Student%20Capstone.pdf">http://www.pdx.edu/sba/sites/www.pdx.edu.sba/files/Handbook-%20Student%20Capstone.pdf</a></li> <li>(4) Materials on the Business Capstone website: <a href="http://www.pdx.edu/sba/capstone">http://www.pdx.edu/sba/capstone</a></li> </ol> <p>(5) Inquiry and Critical Thinking Essay assignment in D2L Please read the companion readings listed in that assignment also found in D2L</p>
		<p><b>UNST goal: Inquiry and Critical Thinking</b> <b>UNST goal: Communication</b></p> <ol style="list-style-type: none"> <li>(1) Bring your questions about the syllabus and client project.</li> </ol>
1. Fri. Apr. 6	<b>What is Strategy?</b>	<p><b>Client:</b> Guest speaker: senior manager from client organization</p> <p><b>Text:</b> Chapter 1. What Is Strategy and Why Is It Important? Chapter 2. The Strategic Management Process</p> <p><b>Readings:</b> Online material about clients</p>
		<p><b>UNST goal: Inquiry and Critical Thinking</b> <b>Work on Client Project</b></p> <ol style="list-style-type: none"> <li>(1) Prepare questions for the client related to their project overview.</li> <li>(2) Research all of the clients online (their websites; competitor websites; etc.)</li> <li>(3) Please take notes on the overview provided by the senior manager from the client. The person will describe the pressing strategic issue that you will address as part of your business plan and strategic recommendation deliverable.</li> </ol> <p><b>Assignment Question tied to textbook reading</b></p> <ol style="list-style-type: none"> <li>(4) If you can find the following information online: analyze the clients' missions. How do the strategies followed by the client organizations appear to be influenced by their missions? What are the primary strengths and weaknesses of the clients' strategies?</li> </ol> <p>[At end of class, you will specify your preferences regarding the clients. The instructor will assign you to a client team to assure there is diversity on each team in terms of each business major.]</p>
2. Wed. Apr. 11	<b>Introduction to Client's Business</b>	<p><b>Readings:</b> Materials for course project in course D2L site</p> <p><b>Project Assignment:</b> Instructor will email team assignments to the class</p>
		<p><b>UNST goal: Inquiry and Critical Thinking</b> <b>Work on Client Project</b></p> <ol style="list-style-type: none"> <li>(1) Each team will need to summarize its client's scope of work in 1 paragraph and prepare a bullet point of deliverables that will form the outline for the final report.</li> <li>(2) Each team will present this summary and list of bullet points. Each team members should talk through the bullet points that s/hes will take the lead on.</li> </ol>
2. Fri. Apr. 13	<b>What is Performance?</b>	<p><b>Text:</b> Chapter 5. Competitive Advantage and Firm Performance</p> <p><b>Cases:</b> Chemalite, Inc., HBS [9-177-078] New Heritage Doll Company: Capital Budgeting, HBS [4212]</p>

	<b>UNST goal: Critical Thinking</b> <u>Assignment Questions</u> (1) With your team, develop Chimalite's Balance Sheet for its first 6 months. (2) With your team, walk through the transactions of the second 6 months.	
	Use the spreadsheet circulated by the instructor for New Heritage Doll Company: (3) Develop the business cases for each of the two projections under consideration by Emily Harris. Which do you regard as more compelling and why? (4) Use the operation projections for each project to compute a net present value (NPV) for each. Which project creates more value? (5) Compute the internal rate of return (IRR) and payback period for each project. How should these metrics affect Harris's deliberations? How do they compare to NPV as tools for evaluating projects? When and how would you use each? (6) What additional information does Harris need to complete her analyses and compare the two projects? What specific questions should she ask each of the project sponsors? (7) If Harris had to recommend one project over the other, which should she recommend and why?	
3. Wed. Apr. 18	<b>Client's Strategic Focus and High-Level Industry Performance</b>	<b>Reading:</b> <b>Project Assignment:</b> With your team, search data sources to understand key performance metrics and industry-level data (from competitors; Portland metro statistics; customer segment data; etc.) that would influence outcomes for your client.
	<b>UNST goal: Inquiry and Critical Thinking</b> <b>UNST goal: Communication</b> <u>Work on Client Project</u> (1) Each team will outline key performance metrics for their client given the scope of work. (2) Each team will present its research on important trend data that could influence client performance. (3) Each team will present a few PPT slides containing the information above; the last slide should contain a revised list of the team's bulleted deliverables (mark through what deliverables your team will eliminate in red and underline new deliverables). The final scope of work will be handed in to the professor.	
3. Fri. Apr. 20	<b>Evaluating Environmental Opportunities and Threats</b>	<b>Text:</b> Chapter 3. External Analysis: Industry Structure, Competitive Forces, and Strategic Groups <b>Case:</b> Better World Books: Social Entrepreneurship and the Triple Bottom Line, Georgia Tech <b>Reading:</b> Porter, M.E., "The Five Competitive Forces that Shape Strategy," <i>Harvard Business Review</i> , Jan 2008: 2-17.
	<b>UNST goal: Ethics and Social Responsibility</b> <u>Assignment Questions</u> (1) What do you think about the Mission statement of Better World Books (BWB)? (2) What is their Business Model? Is it ethical? (3) Search the Internet for information on a B-corp and measuring the Triple Bottom Line: is BWB fulfilling these goals? (4) Lay out the incentives for contributions. Are these win-win relationships? (5) Conduct a Porter's "6" Forces analysis of this industry. Use the PESTEL framework to analyze how the 6 Forces might change going forward. (6) Stepping back, please synthesize this case and if you were the CEO, which part of your current strategy would you concentrate on? Which part would you change?	
4. Wed. Apr. 25	<b>Evaluating Client's External Environment</b>	<b>Project:</b> Evaluate PESTEL and the "6" forces that influence the Client's industry. Analyze the biggest threats and the greatest opportunities. What would you recommend to the Client regarding its pressing strategic issue given these forces?

	<p><b>UNST goal: Inquiry and Critical Thinking</b>  <b>UNST goal: Communication</b>  <u>Work on Client Project</u></p> <p>(1) Each team will prepare their PESTEL and 6 forces analysis in a PPT slide deck (<a href="#">post to D2L</a>), the primary threats and opportunities, and their recommendation to the Client.          (All team members should present; note, this is a graded presentation.)</p>	
4. Fri. Apr. 27	<b>Evaluating a Firm's Internal Strengths and Weaknesses</b>	<p><b>Text:</b> Chapter 4. Internal Analysis: Resources, Capabilities, and Activities + first two pages of Chap 6 on Whole Foods  <b>Case:</b> Whole Foods: Balancing Social Mission and Growth, HBS [9-410-023]</p>
	<p><b>UNST goal: Social Responsibility</b>  <u>Assignment Questions</u></p> <p>(1) How has Whole Foods created value for society? What are its primary strengths and weaknesses? How have their efforts to create social value led to business results?          (2) How has Whole Foods grown while staying true to its social mission? For example, what organizational strategies, processes, and procedures have enabled them to balance these seemingly conflicting goals? Which resources and capabilities are VRIO?          (3) In the last few years, would you say that Whole Foods is more about growth or its social mission? How does their support of practices such as the development of large-scale organic farms fit with their broader social ideology?          (4) Assess Mackey's new model of "conscious capitalism." How does it relate to the Porter and Kramer reading?          (5) What changes, if any, should Mackey make to Whole Foods's strategy going forward?</p>	
5. Wed. May 2	<b>SWOT Analysis of Client's Strategic Issue</b>	<p><b>Project:</b> In the context of the Client's pressing strategic issue, evaluate the Client's complete Strengths &amp; Weaknesses relative to 1 competitor. What would your team recommend to the Client regarding the capabilities it needs to acquire?  [NOTE: in two weeks you will be asked to calculate how your recommendations will affect the Client's Profit and Loss statement, as well as the Breakeven analysis. Therefore, it is recommended to sketch these effects out as you complete your SW.]  Each team should print out sample Business Final Report, Profit and Loss and Income statements from Desire2Learn</p>
	<p><b>UNST goal: Inquiry and Critical Thinking</b>  <u>Work on Client Project</u></p> <p>With team create a PPT slide deck (<a href="#">post to D2L</a>):</p> <p>(1) Assess your client's S&amp;W relative to 1 competitor; what are the 5 most important resources your client has/needs? Analyze these by using the VRIO framework.          (2) How do these 5 resources lead to primary capabilities?          (3) Assess how these primary capabilities will lead to competitive advantage for your client.          (All team members should present; note, this is a graded presentation.)</p> <p>Note, for the financials due the next client work session, make sure everyone on your team understands the Breakeven, Profit and Loss, and pro forma Income statement from the sample Business Plan. Using the Client's data, start work on the Profit and Loss and Income statements.</p>	
5. Fri. May 4	<b>Business Strategy: Product-line Extension</b> <b>New line of Business</b>	<p><b>Text:</b> Chapter 6. Business Strategy: Differentiation, Cost Leadership, and Integration          Chapter 7. Business Strategy: Strategic Entrepreneurship and Innovation  <b>Reading:</b> Lack of peripheral vision – How Starbucks failed in Israel, African Journal of Marketing Management</p>

	<b>UNST goal: Critical Thinking</b> <b>UNST goal: Diversity of Human Experience</b> <u>Assignment Questions</u> (1) What were the fatal flaws in Starbucks's strategy in Israel? (2) Analyze your client's business-level strategy. What are the greatest flaws? (3) Pick a framework in Chapter 7 to illustrate the most pressing threat and greatest opportunity for your client.	
6. Wed. May 9	<b>Evaluating Client's Financial Position</b>	<b>Project:</b> With your team, complete the Profit and Loss, Income statements, and Breakeven analysis using the Client's data.
	<b>UNST goal: Inquiry and Critical Thinking</b> <b>UNST goal: Communication</b> <u>Work on Client Project</u> (1) Be prepared to present your client's Profit and Loss and Income statements and Breakeven analysis. Create a PPT slide deck ( <a href="#">post to D2L</a> ). (2) How do your emerging recommendations play out in the financials? (All team members should present; note, this is a graded presentation.)	
6. Fri. May 11	<b>Business Strategy: Strategic Entrepreneurship</b>	<b>Text:</b> Chapter 12. Corporate Governance, Business Ethics, and Strategic Leadership <b>Case:</b> Google, Inc. HBS [9-910-036] <b>Readings:</b> (1) Business Models
	<b>UNST goal: Ethics and Social Responsibility</b> <u>Assignment Questions</u> (***) <b>For this class session</b> , it is fine if you surf the internet prior to class to further your understanding of the case. Research Google's unfolding relationship with China; Google's changing position on Net Neutrality; Google's entry into e-books.) (1) What is Google's strategy? Their theory of how to gain competitive advantage can be broken down as follows: <b>What</b> is their business model (that is, what serves as their profit engine) and <b>how</b> do they differentiate themselves? (2) What are the primary economic processes underlying their strategy? (3) Analyze the data in the exhibits. To what degree has Google been able to capture the value that they have created? (4) Conduct a SWOT analysis (internal Strengths and Weaknesses and external Opportunities and Threats) for Google by the end of the case. Use your SWOT analysis to inform your recommendation for what the company's next strategic moves should be. For example, which of the following would you recommend: 1) build a full-fledged portal like Yahoo!'s; 2) target Microsoft's software hegemony; and/or 3) become an ecommerce intermediary like eBay?	
7. Wed. May 16	<b>Evaluating Client's Financial Position</b>	<b>Project:</b> Visit Client's operations and meet with Client to walk through financials <b>Critical Thinking Essay:</b> Meet with Prof. Appleyard if any questions on Essay—it is due next week.
	<b>UNST goal: Inquiry and Critical Thinking</b> <b>UNST goal: Communication</b>	
7. Fri. May 18	<b>Business Strategy: Product Diversification Forward Vertical Integration</b>	<b>Text:</b> Chapter 8. Corporate Strategy: Vertical Integration and Diversification <b>Case:</b> Tropical Salvage: From Recession to Expansion, Portland State University, School of Business Administration <b>Reading:</b> (1) Bloom and Chatterji, "Scaling Social Entrepreneurial Impact," <i>California Management Review</i> , 51:3, Spring 2009: 114-133. (2) Dees, J.G., "Social Entrepreneurship," <a href="http://www.caseatduke.org/documents/dees_sedef.pdf">http://www.caseatduke.org/documents/dees_sedef.pdf</a>

	<p><b>UNST goal: Social Responsibility</b>  <b>UNST goal: Diversity of Human Experience: small firm perspective</b></p> <p><u>Assignment Questions</u></p> <ol style="list-style-type: none"> <li>(1) Analyze the Strengths and Weaknesses of Tropical Salvage. Assess whether the company's capabilities are Value, Rare, difficult to imitate, and supported by the company's practices.</li> <li>(2) What advantages and disadvantages do Tropical Salvage's Indonesia operations provide to the company?</li> <li>(3) What are the operations, marketing and financing challenges faced by Tim O'Brien as he considers rolling out his expansion plans? Use the SCALERS framework from the Bloom and Chatterji reading to determine additional capabilities the company would need to be successful.</li> <li>(4) In the current market conditions, should O'Brien pursue his growth plans? If so, should these plans focus on product diversification, branded retail or both? If not, what alternatives are available to O'Brien to build his business?</li> </ol>	
8. Wed. May 23	<p><b>Financial Implications considering Competitor Response</b></p> <p><b>Project:</b> Develop 1 scenario of how the financials would change based on a competitor's reaction to what you are proposing to the Client.</p> <p><b>11:00pm: Critical Thinking Essay due into _dropbox_ section in D2L; make sure to attach your file.</b></p>	
	<p><b>UNST goal: Inquiry and Critical Thinking</b>  <b>UNST goal: Communication</b></p> <p><u>Work on Client Project</u></p> <ol style="list-style-type: none"> <li>(1) Each team will prepare 1 PowerPoint slide of primary recommendations to the Client.</li> <li>(2) Each team will develop 1 scenario as to how a competitor would respond and what change that would make to the financial projections from last week. (So last week's financials should be ready and then a version of how the financials would change with the competitor response.)</li> </ol> <p>(A team member who has not presented yet should be ready to present.)</p>	
8. Fri. May 25	<p><b>Corporate Strategy: Alliances</b></p> <p><b>Text:</b> Chapter 9. Corporate Strategy: Alliances, Networks, and Acquisitions  <b>Case:</b> Better World Books: Social Entrepreneurship and the Triple Bottom Line, Georgia Tech &lt;assigned earlier in the term&gt;</p>	
	<p><b>UNST goal: Ethics and Social Responsibility</b></p> <p><u>Assignment Questions</u></p> <ol style="list-style-type: none"> <li>(1) What role have strategic alliances played in the success of BWB?</li> <li>(2) What strategic alliances or other relationships across company boundaries would you recommend to BWB in order to: 1) ensure growth; 2) set up a migration path for BWB's business model given the threats it faces?</li> <li>(3) What are the key strategic alliances, networks, or acquisitions your client should pursue?</li> </ol>	
9. Wed. May 30	<p><b>Incorporate into client project: Corporate Strategy: Vertical Integration, Diversification, Alliances, Networks, and Acquisitions</b></p> <p><b>Project:</b> Progress report on your deliverables.</p>	
	<p><b>UNST goal: Inquiry and Critical Thinking</b>  <b>UNST goal: Communication</b></p> <p><u>Work on Client Project</u></p> <ol style="list-style-type: none"> <li>(1) Each team will prepare their primary (refined) deliverables and recommendations and talk through key remaining issues.</li> </ol>	
9. Fri. Jun. 1	<p><b>Corporate Strategy: International Strategy</b></p> <p><b>Text:</b> Chapter 10. Global Strategy: Competing Around the World  <b>Case:</b> Grupo Bimbo, HBS [9-707-521]</p>	

	<p><b>UNST goal: Diversity of Human Experience: international firm perspective</b></p> <p><u>Assignment Questions</u></p> <p>(1) Why is Grupo Bimbo much less profitable in Brazil and the U.S. than in its home market of Mexico?</p> <p>(a) How would you propose to address the challenges that Grupo Bimbo faces in Brazil? What actions would you take and which problems would those actions solve?</p> <p>(b) How would you propose to address the challenges that Grupo Bimbo faces in the U.S.? Again, what actions would you take and which problems would those actions solve?</p> <p>(2) Make the case either for or against Grupo Bimbo going to China.</p> <p>(3) If Grupo Bimbo does continue its expansion in China, what would you change about their strategy there?</p>	
10. Wed. Jun. 6	<p><b>Incorporate into client project: Corporate Strategy: International Strategy</b></p>	<p><b>Project:</b> Progress report on your deliverables.</p>
	<p><b>UNST goal: Inquiry and Critical Thinking</b></p> <p><b>UNST goal: Communication</b></p> <p><u>Work on Client Project</u></p>	<p>(1) Each team will prepare their final presentation and talk through key remaining issues.</p>
10. Fri. Jun. 8	<p><b>UNST goal: Inquiry and Critical Thinking</b></p> <p><b>UNST goal: Communication</b></p>	<p><b>Presentation to Client for half of the class (business attire)</b></p>
11. TBA	<p><b>UNST goal: Inquiry and Critical Thinking</b></p> <p><b>UNST goal: Communication</b></p>	<p><b>Presentation to Client for the other half of the class (business attire)</b></p> <p><b>Final Project Due for All Teams</b></p>

## **Course Project: Business Plan and Strategic Recommendation**

Working with an interdisciplinary team, you will develop a business plan (OR RELATED DELIVERABLE) for the external Client around a pressing strategic issue identified by the Client. After the second class session, you will be assigned a team with members who represent a cross-section of the business majors.

The team will produce a written report that makes **clear recommendations depending on the Client's scope of work.**

Project Deliverables:

- See weekly assignments above. **Concepts from the course should be incorporated** into all project deliverables as appropriate.
- Some of the richest recommendations come through primary research. Each team is expected to contact **at least 3 organizations** central to the scope of work. Please incorporate content into report and cite in the bibliography.
- The completed plan should be approximately **20 pages, NOT** including charts, graphs, resumes, tables, or outlines—please put those after the text, but explain them in the text. Reports should be typed and organized using subheadings for easy reference. **11 point font, single spaced with sub headings (see sample report).**
- Make sure to cite all data and sources for quotes, chart data, etc. Follow the convention of: (Last name of source, date).
- Final deliverables:
  - 1) **the final PowerPoint presentation needs to be posted to D2L before the presentation to the client. Also please bring 2 hard copies, 1 for the instructor and 1 for the client.**
  - 2) **Before the start of the designated final exam time in week 11, post the final report to D2L. Also please bring 2 hard copies, 1 for the instructor and 1 for the client.**

Typical elements of a Business Plan are as follows. (**NOTE THAT YOUR FINAL REPORT MAY HAVE VERY DIFFERENT ELEMENTS DEPENDING ON THE CLIENT'S SCOPE OF WORK.**)

### **I. INTRODUCTION:**

- *Cover Page – The cover page should clearly state all members of your group alphabetically, the client's organization, and the date. Please do not go to the time and expense of "fancy" binding and coverings, the report needs to be stapled in the upper left-hand corner with the cover page on top.*
- *Table of Contents – Sections of the report and page numbers. The appendix must be ordered in the sequence referred by the narrative. Your first appendix will be the management plan – organizational chart (appendix A), through your last required appendix.*
- *Executive Summary - One-paragraph summaries of each area covered in the body of your plan with the primary recommendations: Company Description, Management, Marketing, Financial, and Strategic (try not to be longer than a single page). The purpose is to provide a quick overview for easy reference and to create interest and "excitement" for the reader to continue into the specifics of the report. The executive summary should be written after the body of the report is completed. Each paragraph should have an associated subheading in*

*the report (i.e. match exactly the evaluation sheet). Each paragraph is similar to a “journal abstract” and should be an informative summary of the critical recommendations of each section.*

**II. BODY:** (\* means a chart is required in addition to the FULL narrative)

**Management Plan:**

- *Organizational Structure \**
- *Human Resources (Wages and Benefits)\**
- *Production Process\* (PERT diagram of process or schedule that is repetitious for the Client’s organization – example: restaurant – daily schedule, remodeler – job schedule, financial planner – client meeting etc.)*
- *Facility Layout\* (if you are suggesting a change to their current operations)*

**Market Feasibility:** Based on the SWOT Analysis presented in class.

- *Target Markets Focusing on Client’s Strategic Issue (RESEARCH – should have 5 – 10 “cited” sources)*
- *Competitor Analysis (3 top competitors, SWOT)*
- *Product/Service Characteristics (description) & Pricing Strategy*
- *Promotional Plan (Promotional mix and budget)*

**Financial Plan:** Based on Financial Analyses presented in class.

- *Feasibility: How much money does the Client need and how do you propose to get it? Overall will this project be successful and why (last part of this section written – include breakeven and costs)*
- *Projection of anticipated costs at start up\* (research – cite your sources, costco.com and catalogues)*
- *Projected monthly\**
- *Sales projections for first year of operation\**
- *Pro Forma Income Statement for first 5 years\**
- *Break even projections\* (refer to text and [www.JavaCalc.com](http://www.JavaCalc.com))*
- *Scenarios given competitor response.*

**CONCLUSION:**

*Strategic Recommendations – What should the client do and why regarding its pressing strategic issue? Short term (one year or less), intermediate (2 - 5 year) and long range (5+ year) goals. These are GOALS – Small, Achievable, Measurable and Specific.*

*If your team identified additional strategic issues that the Client should address in the near term, present your analysis. Also present your analysis of opportunities regarding Vertical Integration,*

*Diversification, Alliances, Networks, Acquisitions, and International strategy over the next 5 years if not in the scope of work but your team identified attractive opportunities in any of these areas.*

**ADDITIONAL ATTACHMENTS:**

*Appendix –All charts, tables, graphs, etc.*

*Bibliography – I will expect at least five DIFFERENT secondary sources to be utilized, credited, and cited in your report. DIFFERENT means five various sources (i.e. all web sites count as only ONE source). Possible sources include Internet, competitor information, brochures, personal interviews, marketing collateral, periodicals, newspapers, and books (one or more of each type – often students have a total of 10 or more sources within each “type” ).*

[Acknowledgement: This project was adapted from a course project developed by PSU Professor Brenda Eichelberger.]

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Admittance to this course: If you miss class sessions 1 and 2, you cannot add this course.

**Academic Honesty:** Students will uphold the honor code in all work associated to this course. All work must be original and non-original work should be appropriately referenced. Copying material from the internet or any other source without proper citation is considered plagiarism and cheating and will receive a failing grade. For more information regarding PSU's policies on behavior and academic honesty, please see: <http://www.pdx.edu/dos/psu-student-code-conduct>

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For your information:

The SBA provides academic advisors as well as career and internship advisors to assist students in making the most of their collegiate experience. Academic advisors are trained to provide counsel in a wide range of issues. From selecting a business major to evaluating transferred transcripts, academic advisors are here to help students with all of their degree related questions. The following is a brief summary of the type of issues with which academic advisors can offer assistance

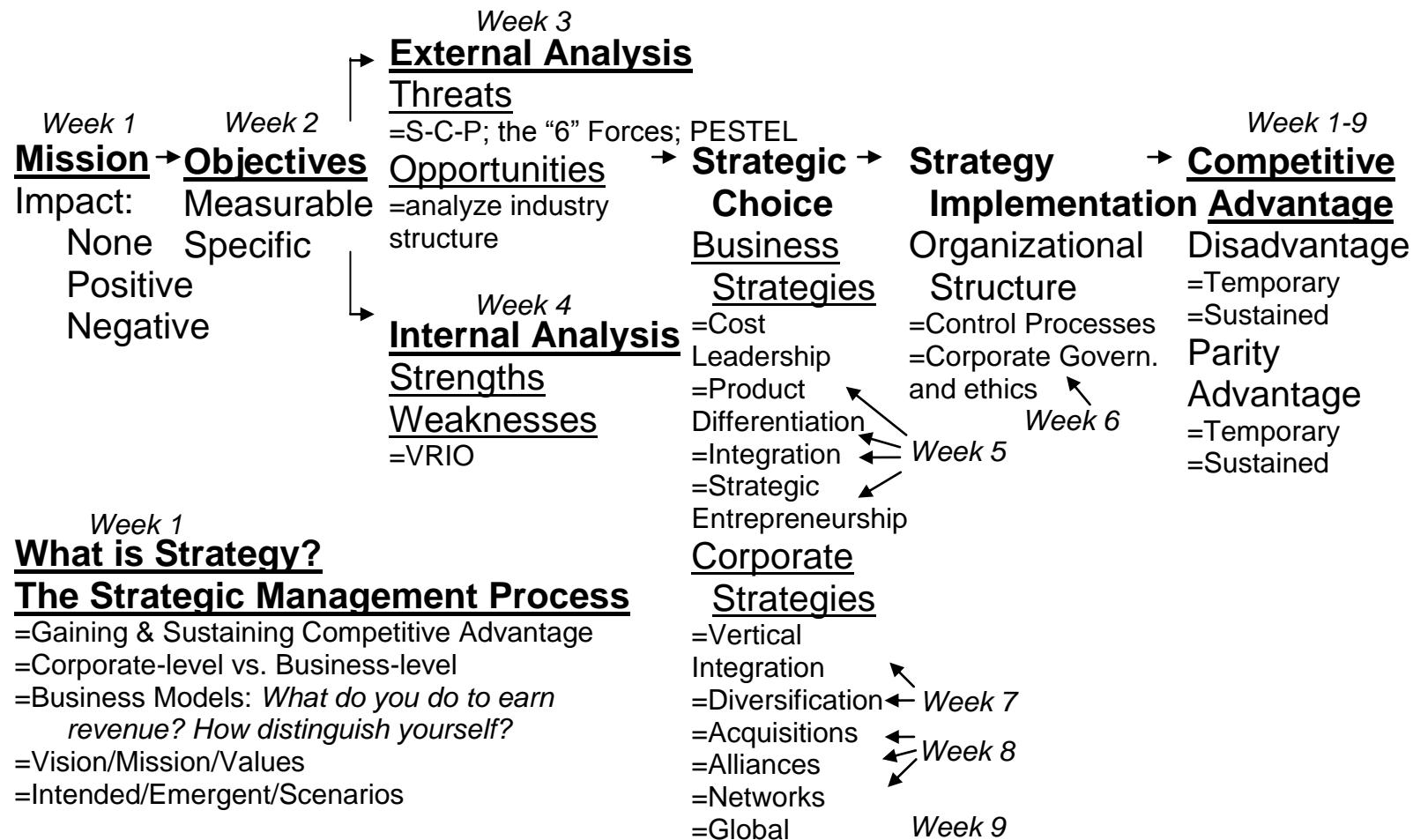
**DARS reports / SBA admissions requirements / Major selection and requirements / Transcript evaluation / Course overrides / Transfer credit petitions / Career planning / Portland State rules and policies**

In addition to academic advising, the SBA provides career and internship advisors to assist students in landing a job upon graduation or a summer internship while students are still in pursuit of their degree. Career and internship advisors can also provide resume and interview guidance.

All SBA advisors are available by appointment, which must be scheduled in advance. Drop-in hours are available as well. Drop-in hours are held regularly throughout the week and are designed to help answer routine or simple questions. For more information about SBA advising and drop-in hours please visit the School of Business website at <http://www.pdx.edu/sba/> and click on student resources.

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# Organizing Framework of the Strategic Management Process and Course Flow



(Sources: Rothaermel textbook, Barney/Hesterly textbook;  
BA 495 syllabus.)