Portland State University  University Studies Senior Capstone  
School of Business Administration  BA495 BUSINESS STRATEGY  Term: W2013

**Professor: William M. Jones**  
BA 495: CRN 40313, Section 011, Tuesday & Thursday 5:20-8:10PM  
Classroom: SBA 390  
Office: SBA 441  
Hours: Tuesday/Thurs (noon-5), Monday/Wednesday (10-3), by appointment  
Phone: 503-869-6407  Fax: 503-725-5850  Email: wmj@pdx.edu

**Required Reading**

- **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 6th; phone: 503-227-6137)  
- **Capstone Student Handbook:** Each student is required to review the Handbook which can be found on-line at [http://www.pdx.edu/sba/capstone](http://www.pdx.edu/sba/capstone)

**Supplemental Reading (depending on client & Optional)**


**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 in the community.  
- 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.

**Course Objectives**

In this course, we will learn business strategies course content while simultaneously interacting with the four key goals of the University Studies Program  
1. appreciation of the diversity of the human experience,  
2. communication,  
3. critical thinking, and  
4. social/ethical responsibility.
The following course objectives include notations about which University Studies goal(s) are embedded within that objective:

• 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. (communication, critical thinking)
  - Relating *strategic management theory, concepts and frameworks* to a partner organization that will serve as the client during the term. (appreciation of diversity, critical thinking)
  - Applying concepts to *current news events*. (communication, critical thinking)

• To understand how strategy formulation demands simultaneous decision-making along *multiple dimensions* involving innovation, functional areas, and external relationships. (communication, critical thinking)

• 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, while also working collaboratively in a team-based setting. (appreciation of diversity, communication, critical thinking, social/ethical responsibility)

• To offer consultation services to the businesses that are our community partners in ways that further both the interests of that community partner and us, as we share and hone our expertise as business students from various majors (communication, critical thinking, appreciation of diversity, social/ethical responsibility)

**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.** 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.

Laptop use during lecture is prohibited, unless you are using the laptop to take notes. [If that is the case, please see me for permission. In these circumstances, I'll ask that you email me your notes taken for the lecture for the first 4 class sessions.] *Exception:* on the days where we have client work, having a laptop within your group is helpful, but not essential.

Cell phones and mobile devices, PDAs etc. should be silenced and put away during class. If you routinely engage in texting, surfing or other device use during lecture, it sends a strong signal to the professor about your participation in class and your participation grade will be lowered to reflect this.

**Course Grading:**

**Client Project:**

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

**Preparation and Analysis of Readings:**

- 10% Short write-ups posted for weeks 2-8 to Desire2Learn (upload to D2L Drop-box folder Wednesdays by 11PM)
- 5% Reflective Essay: Choose between two UNST Studies essay options based on the 4 UNST Goals applied to your Capstone.
- 5% Quizzes [Best 2 out of 3; no make-ups]
- 25% Attendance + Discussion Contributions in-class

*Please send your instructor an email before class if you have to miss class*
Regarding Attendance + Discussion Contributions:
Grade of A: requires no unexcused absences and makes high quality contributions in every class;
Grade of B: requires no unexcused absences and participates often;
Grade of C: requires no unexcused absences and participates rarely;
Grade of D (or less): has one or more unexcused absence and/or does not participate.

Readings and Assignments Required:
(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 6th; phone: 503-227-6137)
(2) Frank T. Rothaermel, *Strategic Management: Concepts*.

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| 1. Jan. 8 | Introduction to course content & Client Organizations this term | **Readings:** Syllabus and Materials for course project in course D2L sites  
**Project Assignment:** Read:  
(1) 3 clients’ project overviews & Applications (D2L course site);  
(2) The Syllabus;  
(3) Review D2L Course site  
| 1. Jan. 10 | What is Strategy? | **Client:** Guest speakers: senior managers from 3 client organizations  
**Text:** Chapter 1. What Is Strategy and Why Is It Important?  
Chapter 2. The Strategic Management Process  
**Readings:** Online & D2L materials about clients |

Weekly Assignments
* No assignment to hand in Week 1.

1. Jan. 10

**What is Strategy?**

UNST goal: Inquiry and Critical Thinking  
UNST goal: Communication
(1) Bring your questions about the syllabus and client project.

**Work on Client Project**
(1) Prepare questions for the client related to their project overview.
(2) Research all of the clients online (their websites; competitor websites; etc.)
(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.

**Assignment Question tied to textbook reading**
(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?  
[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.]

**WEEK 2**

2. Jan. 15

**Introduction to Client’s Business**

**Readings:** Materials for course project in course D2L site  
**Project Assignment:** Prior to class the Instructor will email team assignments to all students.

**UNST goal: Inquiry and Critical Thinking**
**Work on Client Project**
(1) Each team will need to develop a proposal (see Proposal Template in D2L) 1-2 paragraph(s) and prepare a bullet point of deliverables that will form the outline for the final report. Next to each
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<td>deliverable note the team member(s) responsible for its completion.</td>
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<td>(2) Each team will present this summary and list of bullet points in a PPT (or you can project up your document if large enough to read). Each team members should talk through the bullet points that s/he will take the lead on.</td>
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<td>Week 2: assignments</td>
<td>• Short write-ups are due by 11pm on Wednesday</td>
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<td>• Email Weekly Project Progress Report to client</td>
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<td>• Email Proposal to Client &amp; upload on D2L for instructor end of week</td>
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<td>• Turn in class the UNST Release form if you are willing to submit your Diversity Essay</td>
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<td>UNST goal: Critical Thinking</td>
<td>Assignment Questions</td>
<td>(1) With your team, develop Chemalite’s Balance Sheet for its first 6 months.</td>
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<td>(2) With your team, walk through the transactions of the second 6 months in the Balance Sheet, Income Statement and Cash Flow statement.</td>
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<td>Use the spreadsheet circulated by the instructor for New Heritage Doll Company:</td>
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<td>(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?</td>
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<td>(4) Use the operation projections for each project to compute a net present value (NPV) for each. Which project creates more value?</td>
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<td>(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?</td>
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<td>(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?</td>
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<td>(7) If Harris had to recommend one project over the other, which should she recommend and why?</td>
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<td>WEEK 3</td>
<td>Project Assignment: With your team, meet with your client (preferably at their operations) and walk through financial statements: 5-year pro forma income statement, balance sheet and cash flow for last year, and finalize Scope of Work.</td>
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<td>3. Jan. 22</td>
<td>Client’s Financial Statements and Scope of Work</td>
<td>FIELD DAY: no class: meet with client this week 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.</td>
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<td>1. Portland Apothecary: cannot have site visit. Team/Client reschedule for after Jan. 30.</td>
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<td>2. ESS: Site Visit Client/team will work out a visit time</td>
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<td>3. Case of Bass: Client/team will work out a visit time</td>
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<td>UNST goal: Inquiry and Critical Thinking</td>
<td>Work on Client Project</td>
<td>(1) Create financials for client.</td>
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<td>UNST goal: Communication</td>
<td>(2) Outline key performance metrics given the scope of work.</td>
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<td>(3) Research important trend data that could influence client performance.</td>
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<td>(4) Sign final Scope of Work to hand to professor in next class. Post final Scope of Work both to D2L and email to Client.</td>
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<td>Week 3 Assignments</td>
<td>• Short write-ups are due by 11pm on Wednesday</td>
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<td>• Email Draft Scope of Work to Client &amp; upload on D2L for instructor (end of week)</td>
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<td>• Email Weekly Project Progress Report to client</td>
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**UNST goal: Diversity of Human Experience: international firm perspective**

Assignment Questions:
1) Why is Grupo Bimbo much less profitable in Brazil and the U.S. than in its home market of Mexico?
   - 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?
   - (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?
2) Make the case either for or against Grupo Bimbo going to China.
3) If Grupo Bimbo does continue its expansion in China, what would you change about their strategy there?

1) Bring your laptop if you have one with your PPT slides for the below loaded.
2) Assume you are a country manager for Grupo Bimbo and you are presenting your strategic recommendations to the Board of Directors. Choose to represent Grupo Bimbo’s operations in either the U.S., Brazil or China.
3) Analyze the key dimensions of PESTEL that are important in your country’s operations and the 2 major threats and the 2 major opportunities resulting from this analysis. Create 2 PPT slides with your analysis.
4) Analyze the key 5 Forces + Complements that are important in your country’s operations and the 2 major threats and the 2 major opportunities resulting from this analysis. Create a 2 PPT slides with your analysis.
5) Create 1 PPT slide with your primary recommendations for sustained competitive advantage for your country’s operations.

Make sure to use the data from the case and its exhibits to support your analysis. Put pictures on your slides.

**WEEK 4**

| 4. Jan 29 | Evaluating Client’s External Environment | Project: Evaluate PESTEL and the "6" forces that influence the Client’s industry by drawing on pertinent data. Analyze the biggest threats and the greatest opportunities. What would you recommend to the Client regarding its pressing strategic issue given these forces? |

**UNST goal: Inquiry and Critical Thinking**

**UNST goal: Communication**

Work on Client Project

1) Each team will prepare their PESTEL and 6 forces analysis in a PPT slide deck (*before class post to D2L and the client’s Drop-Box folder*), the primary threats and opportunities, and their recommendation to the Client.
   - Note: Focus on the PESTEL and “6” forces that are the MOST pertinent to the client.
   - Provide lots of data to back up analysis. Use data at the level of the client. (Include citations to the data and research.)

(All team members should present; note, this is a graded presentation.)

**Week 4 Assignments:**
- PESTEL & 6-Forces Project Team Presentation to Class, Tuesday, Jan. 29th.
- Short write-ups are due by 11pm on Wednesdays
- Final SOW email to client upload to D2L for instructor
- Email Weekly Project Progress Report to client
Week 4: Jan. 31

**Evaluating a Firm’s Internal Strengths and Weaknesses**

--5:30-6:15: Portland Apothecary student presentation

**Text:** Chapter 4. Internal Analysis: Resources, Capabilities, and Activities + first two pages of Chap 6 on Whole Foods

**Case:** Whole Foods: Balancing Social Mission and Growth, HBS [9-410-023]

**UNST goal: Social Responsibility**

**Assignment Questions**

(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.”

(5) What changes, if any, should Mackey make to Whole Foods’s strategy going forward?

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**WEEK 5**

**5. Feb. 5**

**SWOT Analysis of Client’s Strategic Issue**

--6:25-7:10: ESS student presentation

--6:25-7:10: Portland Apothecary Student Presentation

--7:20-8:05: Case of Bass Student Presentation

**Project:** In the context of the Client’s pressing strategic issue, evaluate the Client’s relative to 1 competitor (each team for a particular client should choose a different competitor). What would your team recommend to the Client regarding the capabilities it needs to acquire?

Focus on: the VRIO capabilities, the related Core Competencies, the resultant SWOT matrix, and the key recommendations from this matrix

[NOTE: in a future class, you will be asked to calculate how your recommendations will affect the Client’s financials. Therefore, it is recommended to sketch these effects out as you complete your SW.]

Each team member should download and study the sample Final Report and financials from Desire2Learn if they have not done so already.

**UNST goal: Inquiry and Critical Thinking**

**Work on Client Project**

With team create a PPT slide deck (before class post to D2L and the client’s Drop-Box folder):

(1) Identify the 5 key resources that would lead to capabilities and ultimately core competencies? Analyze by using the VRIO framework.

(2) Assess how these core competencies will lead to competitive advantage for your client by doing a SWOT matrix that leads to strategic recommendations. <model your analysis after the McDonald’s example from class and analyze how recommendations address data from External Analysis presentation last week>

(3) Assess your client’s SWOT matrix relative to 1 competitor. How should you refine your recommendations based on the SWOT matrix given this assessment?

(4) Provide specifics in terms of how the client will implement your recommendations (provide screen shots, etc., as examples).

(All team members should present; note, this is a graded presentation.)

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.

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**Week 5 Assignments:**

- **VRIO Project Team Presentation to Class, Tuesday, Feb. 5.**
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**UNST goal:** Critical Thinking<br>**UNST goal:** Diversity of Human Experience<br>**Assignment Questions**<br>(1) Do an external analysis and an internal analysis: what was the rationale for Starbucks entering Israel?<br>(2) What were the fatal flaws in Starbucks’s strategy in Israel? Include using the global strategy framework in Chapter 10 to depict their entry strategy vs. what strategy you would have advised them to use.<br>(3) Consider your client’s business-level strategy. What are the greatest flaws?<

**WEEK 6**

| 6. Feb. 12 | **Project Review**<br>**Project:** Each team will meet with professor and walk through how the project is going and what major issues need to be addressed. | **Week 6 Assignments:**<br>- Don’t forget short write-ups are due by 11pm on Wednesdays<br>- Email Weekly Project Progress Report to client |


**UNST goal:** Ethics and Social Responsibility<br>**Assignment Questions**<br>(**For this class session, 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.)<br>(1) What is Google’s strategy? Their theory of how to gain competitive advantage can be broken down as follows: What is their business model (that is, what serves as their profit engine) and how do they differentiate themselves?<br>(2) What are the primary economic processes underlying their strategy?<br>(3) Which innovation frameworks are most pertinent from Chapter 7?<br>(4) Analyze the data in the exhibits. To what degree has Google been able to capture the value that they have created?<br>(5) How has Google’s corporate governance and business ethics contributed to their success?<br>(6) 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? What adjustments to their corporate governance and business ethics are needed? |

**WEEK 7**

| 7. Feb. 19 | **Evaluating Client’s Financial Position**<br>~5:30-6:15: ESS Student Presentation | **Project:** With your team, complete the list of start-up costs (if applicable), Balance Sheet, Cash Flow, and pro-forma Income Statement for the next 5 years, as well as the Breakeven analysis, using the Client’s data. |
Week | Topic | Case/Readings
---|---|---
--6:25-7:10: Portland Apothecary Student Presentation | | 
--7:20-8:05: Case of Bass Student Presentation | | 
**UNST goal:** Inquiry and Critical Thinking  
**UNST goal:** Communication  
Work on Client Project  
(1) Be prepared to present your client’s start-up costs (as applicable), and financial statements. Note, that it is recommended that you create monthly entries for the first year in the income statement and cash flow statement, and then annual entries for the subsequent 4 years. Create a PPT slide deck (before class post to D2L and the client’s Drop-box folder).  
(2) How do your emerging recommendations play out in the financials?  
(All team members should present; note, this is a graded presentation.)

**Week 7 Assignments:**  
- Financials Project Team Presentation to Class, Tuesday, Feb. 19th.  
- Don’t forget short write-ups are due by 11pm on Wednesdays  
- Email Weekly Project Progress Report to client

7. Feb. 21  
**Business Strategy:**  
Product Diversification  
Forward Vertical Integration  
6:15PM: Tim O’Brien  
(Tropical Salvage) guest

**Text:** Chapter 8. Corporate Strategy: Vertical Integration and Diversification  
**Case:** Tropical Salvage: From Recession to Expansion, Portland State University, School of Business Administration  
**Reading:**  

**UNST goal:** Social Responsibility  
**UNST goal:** Diversity of Human Experience: small firm perspective  
Assignment Questions  
(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.  
(2) What advantages and disadvantages do Tropical Salvage’s Indonesia operations provide to the company?  
(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.  
(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?

**WEEK 8**

8. Feb. 26  
**Client’s Ecosystem and remaining issues**  
1. Portland Apothecary: Site Visit Client/team will work out a visit time  
2. ESS: cannot have site-visit, Team/Client reschedule for another date/time.  
3. Case of Bass: Client/team will work out a visit time  

**FIELD DAY:** no class: meet with client this week  
**Project:** Visit Client’s operations or someone in Client’s ecosystem and talk with Client about remaining issues.

**UNST goal:** Inquiry and Critical Thinking  
**UNST goal:** Communication

**Week 8 Assignments:**  
- Don’t forget short write-ups are due by 11pm on Wednesdays: This is your last weekly write-up  
- Email Weekly Project Progress Report to client
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**Case:** Better World Books: Social Entrepreneurship and the Triple Bottom Line, Georgia Tech  
*<case is posted in D2L>* |

**UNST goal:** Ethics and Social Responsibility  
**Assignment Questions**  
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. What role have strategic alliances played in the success of BWB?  
6. 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?  
7. 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 given the major threats (and opportunities) that exist?  

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**WEEK 9**

9. Mar. 5 | Final Report and Presentation Review | **Project:** Each team will meet with professor and walk through final report, final presentation, and any remaining issues.  
**Week 9 Assignments:**  
**March 6, Wednesday, 11:00pm: UNST Goals Essay due into. Upload essay to D2L drop-box folder.**  
**Email Weekly Project Progress Report to client**  
**March 7, Thursday, forward draft final report to Client via email**  
9. Mar. 7 | Organizational Design | **Text:** Chapter 11. Organizational Design: Structure, Culture, and Control  
**UNST goal:** Critical Thinking, Communication  

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**WEEK 10**

10. Mar. 12 | UNST goal: Inquiry and Critical Thinking  
UNST goal: Communication | **Run through of Final Presentation**  
**Week 10 Assignments:**  
- Email Weekly Project Progress Report to client (This is the last progress report)  
- FINAL REPORT with Appendices: Ideally deliver to client day of Final Presentation (bring 1 hard copy; send by email to client). If need more time, Final Report must be submitted to Client & Instructor no later than Wednesday, March 20 (post Final Report & all appendices to D2L folder and email to Client’s email address)  

**10. Mar. 14**  
---5:30-6:30: ESS Final Presentation  
---6:50-7:50: Portland Apothecary Final Presentation  
--Presentation to Client (business attire)  
--Final Presentation Slides prior to presentation submit to client (email & bring 1 hardcopy to presentation). For instructor upload PPT slides to appropriate D2L folder.  

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**WEEK 11**

**Week 11 Assignments:**  
- FINAL REPORT with Appendices: Ideally deliver to client day of Final Presentation (bring 1 hard copy; send by email to client). If need more time, Final Report must be submitted to Client & Instructor no later than Wednesday, March 20 (post Final Report &
Week | Topic | Case/Readings
--- | --- | ---
11. Mar. 18-22 (TBD) | UNST goal: Inquiry and Critical Thinking UNST goal: Communication | --Presentation to Client (business attire) --Final Presentation Slides prior to presentation submit to client (email & bring 1 hardcopy to presentation). For instructor upload PPT slides to appropriate D2L folder. --Final Report submitted to Client & Instructor no later than Wednesday, March 20 for All Teams (post Final Project and Presentation to D2L folder and email to Client’s email address)

Admittance to this course: If you miss class sessions 1 and 2, you cannot take 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](http://www.pdx.edu/dos/psu-student-code-conduct)

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/](http://www.pdx.edu/sba/) and click on student resources.
Appendix 1

Client Project: Business Plan and Strategic Recommendation Products

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.

Client Project Deliverables (mandatory):

During the term the project team will prepare several products (or deliverables) for the client based upon a written & approved scope of work. At a minimum the mandatory products will include the following:

- **Proposal** (see example Proposal template in D2L template folder): short (1-2 pages) proposal on what team proposes to do for project based upon what client wants and term length. This will be done before the scope of work will be developed.
  - Draft proposal will be sent to Client for review & comment
  - Team will revise according to comments.
- **Scope of work (SOW)** (see example SOW template in D2L template folder): this is a detailed outline of the tasks the project team will undertake based upon the proposal. SOW is a recipe for the work & includes a numbered list & description of all the tasks, any deliverables from the task & the schedule that the deliverable will be sent to the client.
- **Final Report** (see example report & example report template in D2L Templates folder): body of the final written report should be approximately **20-25 pages (it can be longer if you think necessary). The body of the report does not include**, executive summary, Table of Contents, references, or appendices. Reports should be typed and organized using subheadings for easy reference. Text not including headings and labels should be 11 point font, single spaced with sub headings
  - Make sure to cite all data and sources for quotes, chart data, etc. Follow the convention of: (Last name of source, date) in the text and use citation examples in BA495 library resource page for full citations in endnotes.
  - Draft of the final report must be sent to the client for review & comment before finalizing the final report (assume 1 week for client review)
  - Completed final report to be submitted to client electronically
- **Final presentation** (see example PPT master slide template in D2L template folder): PPT slides and handouts to be prepared, each team member should present for approximately 4 minutes.
- **Weekly Progress reports** (see progress report template in D2L template folder): these will be emailed weekly (it should always be the same day) to the client beginning Week 2 after teams are created and ending Week 10.

Client Interim Project Deliverables (potential):

It is very likely that you will also have “interim deliverables” the team submits to the client. What they are will be based upon the specific work outlined in the SOW. The advantage of an interim project deliverable is you can use that information in the final report (see below). Potential “interim deliverables” could include the following:

- **Technical Memoranda** or TM (see TM Template in D2L template folder): actual content of the TM will depend on the SOW. Some examples may be technical memoranda on competitor’s analyses, SWOT, PESTEL, market demand, financial forecasts, ROI, market plan, supply chain & logistics, etc. You will not have to finalize the TMs. They are for your client to comment on. Client comments should be incorporated into your final report.
- **Excel Spreadsheet Analysis** (See several examples of different excel templates): actual content of spreadsheet will depend on the SOW. Financial information may include spreadsheet analyses such as financial forecasts, accounting, revenue forecasts, balance sheet, ROI, etc. You will not have to finalize the spreadsheet analysis. They are
for your client to comment on. Client comments should be incorporated into your final report.

- **Interim Presentations:** Interim Presentations (PPT slides) may include financials, SWOT, PESTEL, Competitor’s analysis, etc. Any PPT slides are simply for your client’s record and are not for client comment.

### Deliverables Deadlines (mandatory & potential):

<table>
<thead>
<tr>
<th>Deliverable</th>
<th>Deadline Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Proposal:</strong></td>
<td>To be submitted to client &amp; instructor end of week 2</td>
</tr>
<tr>
<td><strong>SOW:</strong></td>
<td></td>
</tr>
<tr>
<td>• Draft SOW to be submitted to client &amp; instructor end week 3 for review/comment</td>
<td></td>
</tr>
<tr>
<td>• Final SOW to be submitted to client &amp; instructor end week 4</td>
<td></td>
</tr>
<tr>
<td><strong>Final PowerPoint presentation:</strong></td>
<td>Needs to be posted to D2L before the presentation to the client. Bring 1 hard copy for the client.</td>
</tr>
<tr>
<td><strong>Final Report:</strong></td>
<td></td>
</tr>
<tr>
<td>• Final Report: Bring 1 hard copy to client on day of Presentation. Email to client and upload to D2L folder for instructor no later than Wednesday March 20.</td>
<td></td>
</tr>
<tr>
<td><strong>Weekly Progress Reports:</strong></td>
<td>Email to client &amp; post on D2L for Instructor on the same day weeks 2-10</td>
</tr>
<tr>
<td><strong>Technical Memoranda:</strong></td>
<td>Delivery date(s) to client &amp; instructor will depend on the schedule in the SOW. TMs to email to client &amp; upload to D2L for instructor.</td>
</tr>
<tr>
<td><strong>Spreadsheet Analysis:</strong></td>
<td>Delivery date(s) to client &amp; instructor will depend on the schedule in the SOW. Spreadsheets to email to client &amp; upload to D2L for instructor.</td>
</tr>
<tr>
<td><strong>Interim Presentations:</strong></td>
<td>Presentation Topics (PESTEL, VIRO, Financials) &amp; dates have been identified &amp; scheduled, but actual topic &amp; schedule will depend on project SOW. All presentation PPT slides will be emailed to client &amp; uploaded to D2L for instructor PRIOR TO PRESENTATION DATE. 1 hard copy of PPT slides will be handed to client at Presentation.</td>
</tr>
</tbody>
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### Typical Business Plan Elements

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.)

See example previous BA495 final report and template is in the D2L Templates folder.

#### 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** – lists all major sections (headings & sub-headings) of the report by page number. List Appendices by Name in order of inclusion & can be either numbered or use alphanumeric (A,B,C…Z). They can include your Interim deliverables (the Technical memoranda, financial analysis, surveys, etc.) or other research you have completed.
- **Table of Tables:** – not needed unless you have many tables, then list tables included in the body of the report by page number.
- **Table of Figures:** – not needed unless you have many figures & graphs, then list figures & graphs included in the body of the report by page number.
- **Executive Summary** – Provide brief summaries of each area covered in the body of your plan with the primary recommendations (try to keep to one 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 is similar to a “journal abstract” and should be an informative summary of the critical recommendations of each section.

- State the overall key strategy problem or issue/opportunity that the client is facing.
- 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).
- Lastly, you state your overall recommendation for the client and that the rest of the analysis serves to support this recommendation.

II. BODY: (* below means: include if appropriate and create a chart in an appendix in addition to the FULL narrative)

The actual content of the Final Report will depend on your SOW. The purpose of the final report is to integrate the work you did during the term into a consistent, rational, and understandable document whose logic justifies the recommendations you identify. The reader may not agree with your recommendations but by reading the final report they will understand how you came to those recommendations. You do this by drawing on the research, analysis, and findings you conducted over the term and the interim deliverables you submitted to the client.

Below are some guidelines for content.

- **Overview of client’s primary issues addressed in the report.** Also include a brief history of the client’s organization. You can use the materials from your Proposal, which becomes the first two sections of the SOW.

- **Company Description and Management Plan:**
  - Vision, Mission, Strategy [this information may be in your Proposal & SOW]
  - Organizational Structure *
  - Human Resources (Wages and Benefits)*
  - Production Process* (PERT-program evaluation and review technique-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)

- **Industry Analysis and Market Feasibility:** Based on the External and Internal presentations in class.
  - Target Markets Focusing on Client’s Strategic Issue (RESEARCH – should have 5 –10 “cited” sources)
    - Primary issues in External Environment and resultant Threats and Opportunities (only include dimensions from PESTEL and 5 Forces + Complements that are pertinent)
    - Go beyond static analysis. If there are cycles in the industry or key events that affected some competitors more than others, note these.
  - Business-level Strategy
    - Industry size, projected growth, possible sales growth
    - Industry structure and pertinent strategic group for client
  - Competitor Analysis
    - Analyze top competitors relative to client (include: how does the client’s SWOT compare with their top competitor)
    - Primary issues from Internal Analysis (which resources/capabilities does the client has/needs that would provide truly VRIO and lead to strengths for sustained competitive advantage)

- **Marketing, Operations, and Sales Plan**
  - Product/Service Characteristics (description) & Pricing Strategy
    - Status of product/service
    - Primary risks in market entry and expansion
  - Promotional Plan (Promotional mix and budget)
    - Market segmentation and buyer behavior
• **Marketing collateral:** website content, brochures, etc.
  - Operations
    - Procedures, location, facilities, equipment
  - Distribution

• **Financial Plan:** Based on Financial Analyses presented in class. Possible helpful resources:

  **create a chart where the key elements and projections are explained in the text.**

  - **Feasibility:** How much money does the Client need and how do you propose to get it?
    Overall how will this client 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: e.g.,
    costco.com and catalogues)
  - **Pro Forma Income Statement, Balance Sheet, Cash Flow for first 5 years, with monthly
    income statement and cash flow broken out in first year**
  - **Break even projections** (refer to text and [www.JavaCalc.com](http://www.JavaCalc.com))
  - **Scenario(s).**

• **Conclusion:**
  - **Strategic Recommendations – What should the client do and why regarding its pressing
    strategic issues?**
    - Short term (one year or less), intermediate (2 - 5 year) and long range (5+ year)
      goals. These are GOALS – Small, Achievable, Measurable and Specific.
    - Conclude along the lines of: “Considering the alternatives presented in this report,
      the consulting team recommends the following strategies be pursued: (provide a
      bulleted list of your key recommendations).”
  - **If your team identified additional strategic issues that the Client should address in the
    near term, present your analysis.**
  - **Also present your analysis of Corporate-level strategy opportunities regarding Vertical
    Integration, Diversification, Strategic Alliances, Networks, Acquisitions, and Geographic
    Expansion 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:**
  - **Appendices** – All charts, tables, graphs, etc.
  - **Bibliography & References** (can be either in the form of EndNotes so numbered as
    appeared in text or alphabetical). 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 5 or
    more sources within each “type”).

[Acknowledgement: This project was adapted from a course project developed by PSU Professor Brenda Eichelberger and includes content from Barringer, Bruce R. (2009). *Preparing Effective Business Plans: An Entrepreneurial Approach*, Upper Saddle River, NJ: Pearson/Prentice Hall.]

**Group Project Work & Handling of Any Group Conflicts**

Team members will be collectively responsible for completing each of the Capstone assignments
and the grades earned on the client project will be assigned equally to each group member and
weighted by team evaluations.

I recommend that each team elect a “Project Manager” (PM) to direct the development of the
various components of the project work, organize team meetings, help lead team discussion and
communicate with the professor & client. The role of PM can be rotated every week, so all team
members can play this role throughout the term.

Don’t be a free rider on the project. You likely have been on teams where someone did not fully
contribute to the project, but expected the same grade as those making a strong contribution.
Therefore, strong contributions to projects, showing a collaborative attitude, regular attendance both in class and at team meetings are essential for optimal grading. In situations where someone is consistently not sharing in the responsibilities of the project, or delivering poor quality and/or late work to the group members, it is essential that others on the team help the person understand what issues exist and have everyone on the team brainstorm possible solutions. If I can be of any help in overcoming team-related issues, step 1 is for all of us to meet and sort things out. Step 2 is a follow on meeting to make sure things are better.
Appendix 2

Short write-ups: Synthesis of Readings

**UNST goal: Inquiry and Critical Thinking**

**UNST goal: Communication**

The short write-ups are to be prepared for weeks 2-8 & are due by:
- **11:00PM on Wednesdays. Upload to D2L Drop-box folder for week due. Late submissions will not be accepted.**

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

**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 drop-box folder for that week’s assignment 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/assigned articles link to the case you’ve read or to your client? For example, link a new concept from the reading to the case or client (if no case assigned, then explain concept(s) from the reading).
2. In 3-4 sentences, describe how an issue in the news from the last 6 months 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 and your assessment of the likely outcome. Please include the news source in your posting. (Search the Wall Street Journal, The Financial Times, The Economist, etc.)

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:**

1. Go to the Desire2Learn site for the course
2. Post in appropriate drop-box 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 have your Short write-ups and your answers to the assignment questions 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.
Appendix 3

Reflective Essay

University Studies Goals as Experienced in the BA495 Business Strategy Capstone Course

Choose one from the Two Following Options

Requirements:
• 3 pages, 1.5 spacing, 11 pt Arial font

Due:
• Tuesday, November 13, 11pm in the D2L drop-box folder designated for the essay.

INTRODUCTION TO THE ASSIGNMENT:
The purpose of the Capstone is to serve as the culminating general education course at PSU allowing, students to apply academic learning to address a real issue in our community. The Capstone has four goals: communication, critical thinking, diversity of human experience, and social and ethical responsibility.

Select from the two Options described below.

OPTION 1: REFLECT ON YOUR COURSE EXPERIENCE RELATED TO ALL 4 UNST GOALS
The University Studies program has four goals that serve as the cornerstones around which each University Studies class is designed: Inquiry and Critical Thinking, Communication, Appreciation of Human Diversity and Ethical and Social Responsibility, defined as follows:

1) Inquiry and Critical Thinking: able to: develop and utilize decision criteria for problem/opportunity identification, utilize appropriate data sources, use analytical tools and quantitative evaluation techniques, and select and present a solution consistent with identified decision criteria.

2) Communication: able to communicate clearly for a variety of purposes and to diverse audiences; written and oral output is marked by lucid and orderly thinking, substantial depth, fullness and complexity of thought.

3) Appreciation of Human Diversity: “diversity” refers to differences in ethnic, religious, and cultural perspectives, class, race, gender, age, sexual orientation and ability; able to view issues from multiple perspectives, to question what is being taught, and to construct independent meaning and interpretations; demonstrates broad awareness of how the self (you) appears from the greater perspective of human experience, questions own views in light of this awareness, and contemplates its implications for life choices in the personal and public spheres.

4) Ethical and Social Responsibility: creatively and comprehensively articulates approaches to ethical issues and social responsibility, in a scholarly manner, citing specific evidence; demonstrates an ability to view multiple sides of these issues, to question what is being taught, and to construct independent meaning and interpretations.

To help you frame your essay, please consider the following:

• Imagine someone from PSU has selected you to speak to the four University Studies goals from your own lived experience in this Capstone class. What connections can be made between your lived experience in this course and those four goals?

You may consider these questions to craft your 3 page reflective paper addressing how you enhanced your approach to the four areas:

• From my own lived experience, how did engaging in the community project for this course enhance my abilities in the four goal areas?

• How have the structure of this course, the assignments, the tasks of this class, and/or our class discussions enhanced my ability to analyze community issues from diverse perspectives?
• How has my work as a team member given me insight into collective problem solving, communication, and recommendation formulation?
• How does this process of self-reflection enhance my ability to critically think about my beliefs and attitudes towards the real world issues we addressed in this class?
• How has the production of the inputs into the final project for the client allowed me to expand and practice my skills in the goal areas?
• How have the readings and in this class furthered my skills in the goal areas? What new insights and understandings have I gained through the required reading of this course?

As you craft your 3 typed pages, remember to write from your own experience with I/me/my language. It will be important that you generate your observations and experiences with detail. You can draw on frameworks from prior classes to shape your essay. As you write, ask yourself how do I claim this to be true? Be sure the content of your essay reflects those claims.

OPTION 2: REFLECT ON YOUR COURSE EXPERIENCE RELATED TO THE UNIVERSITY STUDIES APPRECIATION OF HUMAN DIVERSITY GOAL

Every year University Studies selects a specific goal to assess in more depth and detail. This year the Capstone program is creating a portfolio to showcase the ways in which the Capstone Course provides evidence of students’ capacities to understand, analyze, and appreciate the diversity of human experience in the context of their coursework. Therefore, the purpose of this assessment is to capture the wide variety of ways that students come to learn about diverse populations through direct interactions and indirect service to a variety of populations.

If you select this option, University Studies would like you to consider participating in their ongoing research of this goal by submitting your essay. It is important to know that:

• Participation is completely voluntary.
• Participation has absolutely no impact on your grade,
• All participant's names will be kept confidential, and
• If excerpts from your essay are used in publications or presentations, any information that can identify you or be linked to you will be kept confidential.

Please review the Student Consent Form posted on D2L under the course content folder labeled University Studies Consent Form.

Capstone courses are expected to engage students in projects that require them to apply the expertise learned through their coursework to address real issues in the community. In this process students are expected to deepen their appreciation for diverse communities and become more aware of issues facing their communities, themselves and other populations. Through these community interactions students encounter “the other”. Further, Capstone courses are expected to further students’ meta-cognition skills such that they can articulate what they have learned, how they have learned it, how they have applied their learning, and what the outcome of that application has accomplished.

These skills can be demonstrated in many ways, including through reflective writing that requires students to interpret, explain, analyze, and evaluate complex issues relevant to the community and client they have served in their Capstone and/or the course content in your class. The following are examples of ways to express your understanding of “appreciation of human diversity:"

• Reflect on your personal experiences interacting with diverse populations (between team members, your client, research that required interviews with diverse individuals) or indirectly serving and learning from a diverse population (diversity of target market population, socio-economic range for specific products/services of your client, grant writing for Camp Starlight which serves kids infected and affected by HIV and AIDS, creating marketing plans for international women’s cooperatives)
• Analyze new insights developed as a result of working with and/or learning about diverse populations (this may include addressing previously held stereotypes, new sensitivities, new awareness for self and others, new relationships)
• Document new insights about the root causes of specific social issues and how social and environmental issues impact specific populations
• Write reflections on how you come to understand your own values and self identity on a personal level and how these values and identity shape your relationships with “others”
• Articulate connections and learning between course content (readings, speakers, videos, etc.) and the community population with which the Capstone partners.
Appendix 4

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?”