

**General information for this Management Decisions and Policy capstone class**

**Instructions for Purchasing our Online Multimedia Textbook:**

Please complete this ASAP!! All Students must purchase access rights - no exceptions!




Here are instructions for the custom membership created for students of University of Portland Management Decisions & Policy 400A (UOFP MGMT 400A 2016) at **\$XXX**.

NOTE: This is a custom membership created solely for the students of this specific class and is only accessed through the link below. **Students WILL NOT be able to find this custom membership by going directly to [CRAFTINGASTRATEGY.COM](http://CRAFTINGASTRATEGY.COM)**. Membership includes every thing with the Wisdom Membership minus the ability to comment in the Forum section.

TO SIGN UP FOR YOUR MEMBERSHIP:

- Link to: [CRAFTING A STRATEGY CUSTOM REGISTRATION URL]
- Fill out username, email address, and password
- Click "Create New Account"
- Then complete payment instructions

For any questions about sign up of your membership, please contact Joe Belcher at Crafting A Strategy ([JOE@CRAFTINGASTRATEGY.COM](mailto:JOE@CRAFTINGASTRATEGY.COM))

-  [StudentcardsFile](#)
-  [Hard copy of entire syllabus: BUS400 Meckler, A,B SP2016File](#)
-  [Key Issues: Client: Gateway Brewing, Joel and Karen SheleyFile](#)

**Week 1**

**Day 1 – Introduction to the Course**

1. Our multi-media textbook: [CRAFTINGASTRATEGY.COM](http://CRAFTINGASTRATEGY.COM)

**Day 2 – The Concept of Value**

2. [What is Value?](#)

**Day 3 - Resource Based Strategy**

3. [Resource-Based Strategy](#)


4. [VRIO Criteria and Calculating VRIO Scores](#)

Activity – Surplus Value From Intangible Resources

Magic Barrel Case Study (The Idea of Magic Barrel: Brand Community Highlighter vs. Value Chain Highlighter).


5. Homework for next week: Read/Review the entire white paper: Meckler and Holloway, 2015, [How our Case Studies Work & What They Teach: Putting Resource Based Strategy and Transaction Cost Economic Strategy into Action](#)
6. Take another sentence from the case and score it using VRIO

Supplemental Materials

- Hambrick and Fredrickson (2005). [Are You Sure You Have a Strategy?](#) *Academy of Management Executive*, Vol 19., Issue 4, p51-62
  - Williamson (1991). [Strategizing, Economizing, and Economic Organization](#).
  - Collis and Montgomery (2008). *Competing on Resources*. *Harvard Business Review*, Jul-Aug 2008, Vol. 86 Issue 7/8, p140-150
-  [Meckler Holloway, Resources and Capabilities CategoriesFile](#)

Meckler & Holloway's Core Categories of Resources/Capabilities

1. Technological (tools)
2. Knowledge (how to)
3. Human (labor)
4. Financial (cash and liquid assets)
5. Network (trading, borrowing, selling, purchasing, partnering)
6. Power (motivation to drive work)
7. Natural (inputs, including pre-processed)
8. Spatial (land, office space, manufacturing space)
9. Temporal (time)
10. Emotional (intangibles, non-knowledge)

-  [Graphic explaining "surplus value" or "consumer surplus"File](#)
- [Matching Marketing Plan with Dimensions of ValueURL](#)

Week 2

Day 4 – Value Creation and Capture

- [What are Transaction Costs?](#)
- [You Can't Put Percent Margins In The Bank](#)
- [Penn State Keynote Speech 2013 – Value Chain Innovation in the Craft Beer Industry](#)

## Day 5 & 6 – Value Chain Economics

1. [Internal Value Chain](#)
2. External Value Chain – [Industry Consolidation](#)
3. Activity – [Case Rolling Up Dry Cleaning](#)
4. Homework – Listen to Podcast: How to Select A Great Distributor

### Supplemental Materials

- *Porter (2008). The Five Competitive Forces That Shape Strategy.* HBR, Jan2008, Vol. 86 Issue 1, p78-93
- *Capron and Mitchell (2010). Finding the Right Path.* HBR, Jul/Aug2010, Vol. 88 Issue 7/8, p102-107

## Week 3



### Day 7 & 8 – Porter’s Five Forces (External Analysis)

1. [Interview with Michael Porter](#) – HBR The Five Competitive Forces That Shape Strategy
2. Craft Beer Industry – [Bargaining Power](#)
3. Craft Beer Industry – [Threat of New Entrants](#)
4. Activity – [Pok Pok Case Study](#) (Value Chain Highlighter – BMW Sentence)
5. Homework – Read And Click Through Magic Barrel Case Study – Value Chain Highlighter

### Day 9

Activity: Magic Barrel Case Study – Analyze one full sentence – from issue through action.

### Supplemental Materials:

-  [Meckler and Holloway, Resource Kinds and NamesFile](#)
-  [CAS Phrase VRIO worksheet forStudentsFile](#)

[Exam 1: Learning Goals Assessed: Value Chain Phrases, Focus on Getting Comfortable with VRIO Scores and Screening AlternativesQuiz](#)

Exam Rules:

- i. You have two attempts to take the exam.

- ii. At the end of each exam, a summary report will be displayed that shows how many questions you got right. We will not tell you the correct answers.
- iii. Do not worry about how long you may take to complete the exam. The exam will 'remember' exactly where you left off, and you will not lose your place in the event of a lost connection. You can also begin an exam and then logout or shutdown your computer (to take a phone call, sleep, study, or do research to get the correct answer) without losing your position.

Exam Suggestions:

- iv. Please open a new browser window and login to CRAFTINGASTRATEGY.COM (CAS) before beginning your exam. This will allow you to read and research the CAS content as you answer the exam questions. These exams are "Open Book" and we encourage you to have CAS open and available in its own window during exams.

**Week 4**

**Day 10: Multi-Business Model Strategy**

- v. Industry Level Disruption - [The Mindset, The Tool and the Strategy](#) (Video)
- vi. Incumbent Firms, Ignorance, and Disruption – [Blog, Give Me Profitability and Give Me Death](#)
- vii. Architectural vs. Component Innovation ([Blog](#))
- viii. Homework: Listen to Podcast about business model strategies: –

**Day 11 & 12: From Business Plans to Business Models – The New Era of Strategy**

- ix. [Death of the Business Plan](#)
  - x. [What is Bankability?](#)
  - xi. [Innovative Revenue Models](#)
  - xii. Activity: Blue Ocean Strategy & Television
  - xiii. Homework: Osterwalder Video – [Burn Your Business Plan](#)
- b. Supplemental Materials
- i. *Johnson, Christensen, and Kagermann (2008). Reinventing Your Business Model. Harvard Business Review, Dec2008, Vol. 86 Issue 12, p50-59*
  - ii. *Kim and Mauborgne (2004). Blue Ocean Strategy. Harvard Business Review, Oct2004, Vol. 82 Issue 10, p76-84*

- iii. *Holloway and Sebastiao (2010)*. [The Role of Business Model Innovation in the Emergence of Markets: A Missing Dimension of Entrepreneurial Strategy](#)

[Exam 2: Learning Goals Addressed: Focus on Industry Level Disruption vs. Firm Level Strategy Quiz](#)

**PLEASE REMEMBER** the following rules and suggestions for taking these online exams (They are the same rules and suggestions for Exam 1).

## Week 5


### **Day 13 & 14– Three Levels of Leadership**

- iv. [Blog Three Levels of Leadership](#)
- v. [The Secret to Workplace Motivation](#)
- vi. Homework: Listen to CAS podcast on using all three levels of leadership:

### **Day 15 - Cross Cultural Management (National Cultures)**

- vii. [North American Communication Styles](#)
- viii. [Beer Culture Code with Dr. Mark Meckler](#)
- ix. Homework:
  1. Imagine you are starting or taking over a business. What would be your most core expectations for how the firm and the employees conduct themselves and the business? Craft a 1 minute speech to employees and the press. **Due Class 14**
  2. Read [Crafting A Leadership Style](#) and Write a One Pager on Your Own Leadership Style, **Due Class 16.**

### Supplemental Materials

- Hall & Hall, CH 1
- *Simon Sinek Video, How Great Leaders Inspire Action (The Golden Circle)*
- [Craft is Global - Blog](#)
- *Search YouTube for Clotaire Rapaille and watch. Or read his book The Culture Code, 2006, Broadway Books, N.Y USA*
-  [Leadership 2 minute pitchFile](#)

Students give 2 minutes (max) "I'm your new boss" speech, role playing taking over as executive editor the student newspaper.

## Week 6

### **Day 16 & 17 - Organizational Strategy, Structure and Process**

- x. Leadership speeches
- xi. [Competitive Advantage Through Consistent Routines](#) (Paper and Video)
- xii. [Blog – Great Leaders Empower Others](#)
- xiii. Activity – [Magic Barrel Case Study](#) (Value Chain Highlighter – The Magic Barrel Way) Is this an Engineering, Entrepreneurial or Administrative Problem? What Strategic Type is Magic Barrel?
- xiv. Activity – [Magic Barrel Case Study](#) (Value Chain Highlighter – Product Line Extension into Cans) This is an Entrepreneurial Problem and an Engineering Problem that is VRI, how can they properly Organize around it?

### **Day 18 – The Scope of the Beer and Craft Beer Industry**

Craft Brew Alliance example of financials for [BREW](#)

Explore [Brewbound](#) website


Explore [Craft Brewer's Association](#) website

Some non-UP resource advice: [Cornell University](#)

We meet at the Library for industry research training

- xv. Homework: start to research the beer industry in general, the craft beer industry and gather any and all data you can about the industry as we prepare to meet our client.

### **Supplemental Materials**

- Miles, Snow Meyer & Coleman (1978)
- Porter, M. (1980). Industry evolution. In *Competitive strategy* (pp.156-274). New York, NY: The Free Press. Available from [Course Reserves](#).
- Porter, M. (1980). Competitive strategies in fragmented industries. In *Competitive strategy* (pp.191-214). New York, NY: The Free Press. Available from [Course Reserves](#).
-  [Timed Exercise: Discover the Craft Beer Industry](#)File

## **DISCOVER THE BEER INDUSTRY**

YOU HAVE UNTIL 6 PM TO CONDUCT AS MUCH OF AN ANALYSIS OF THE BEER INDUSTRY AS YOU CAN – WINNING GROUP GETS 3% BONUS ON GRADE CONSULTING PROJECT GRADE – SECOND PLACE GETS 2.5% – THIRD PLACE GETS 2% – FOURTH PLACE GETS 0% – BELOW MINIMUM NECESSARY QUALITY ENTRY -1%

### **REQUIREMENTS:**

- WHAT IS THE SIZE OF THE MARKET IN U\$D GLOBAL?
- DOMESTIC USA? WHAT COUNTRY IS THE WORLDS LARGEST MARKET FOR BEER?
- WHAT ARE THE TWO MAJOR STRATEGIC GROUPS WITHIN THE INDUSTRY?
- WHAT ARE THE GROWTH OR DECLINE RATES OF THE MARKET AS A WHOLE, AND OF EACH OF THE STRATEGIC GROUPS?
- WHAT IS THE THREE TIERED SYSTEM? WHY DOES IT MATTER? IS THIS UNIQUE TO THE USA?
- WHERE IS EACH GROUP IN THE LIFE CYCLE?
- WHAT IS THE RECENT HISTORY OF MAJOR CONSOLIDATIONS/ACQUISITIONS? IS THERE A TREND? WHAT WERE THE PRICES PAID?
- WHAT ARE THE TYPICAL PROFIT MARGINS FOR BEER? TRY TO FIND GROSS,CONTRIBUTION, NET, EBIDA
- WHAT COMPANIES CONTROL MOST OF THE MARKET? WHAT HAS BEEN THEIR RECENT TACTICAL BEHAVIOR?
- HOW MANY CRAFT BREWERIES ARE THERE IN THE USA? IN OREGON? IN WASHINGTON, IN PORTLAND METRO? IN OUTER SE OR NE PORTLAND?
- CONDUCT A 5 FORCES ANALYSIS OF BOTH STRATEGIC GROUPS – IS THIS INDUSTRY ATTRACTIVE? WHY OR WHY NOT?
- IF YOU WERE GOING TO ENTER THESE MARKETS, WHAT SHOULD YOUR GENERAL BUSINESS STRATEGY BE?
- IF YOU WERE ALREADY IN THESE MARKETS, WHAT SHOULD YOUR GENERAL BUSINESS STRATEGY BE?
- MAKE A SLIDE PRESENTATION: USE ONE SLIDE PER ISSUE ABOVE

## **Week 7**

### **Day 19: Meet the Client**

- Visit Client or Client comes to our class

### **Day 20: Client and Industry Research Focused Activities:**

- Research training session at the Library: Review of available databases and data sources, best practices

### **Day 21: Client and Industry Research Focused Activities:**

- Discuss the Client's Industry: go over all results of "Discover the Industry" exercise from last week (reveal winners).
  - Review and discussion and clarification of the client's issues/problems
  - Form project groups
- This week

## **Week 8**

### **Day 22**

1. Client Project Choice Pitch Exercise: Groups give 1 minute "pitch" for why they should get to work on one of the client's particular issues/problems versus the others.

### **Day 23 & 24 – Fragmentation vs. Consolidation**

1. [Fragmentation in the Craft Beer Industry](#) (video and white paper)
2. Blog - [AB/In-Bev's Apparent Strategy](#)
3. [Telling the Truth In Modern Organizational Culture](#)
4. Watch Bud 2015 Superbowl Ad, and Ninkasi response:
5. **Homework/flash project** – Groups, redesign the 2015 Budweiser Super Bowl Advertisement to be completely truthful, produce a draft of a 30 second TV spot.

#### Supplemental Material

- Fortune Magazine – [A Craft Beer Empire Is Being Built](#)
- Bloomberg.com [Can Craft Beer Survive AB/In-Bev](#) (Video)
- BusinessWeek.com [The Plot To Destroy America's Beer](#)
- Time.com: [The Frothy Backlash to Budweiser Ad Mocking Craft Beer](#)



## **Week 9**

BREAK - Think about the client and the client's industry.

## **Week 10**

### **Day 25 – Workday on Completely Truthful Advertisements**

1. Students work to develop a 30 second advertisement in Multi-media lab

### **Day 26 – Presentation Day – Truthful Advertising, Groups show their videos**

### **Day 27 - Catch Up**

#### **Supplemental Material**

- <https://www.truthinadvertising.org/blue-moon-beer/>
- <https://www.truthinadvertising.org/newwallofshame/>
- <http://nypost.com/2015/01/07/judge-orders-anheuser-busch-to-pay-50-to-customers-fooled-by-kirin-beer/>

## **Week 11**

### **Day 28 – Rhythm and Operations: Managing a Profitable Product Development Process**

1. [Management Criteria For Effective Innovation](#)
2. [Managing New Product Development](#)
3. Homework:

### **Day 29 – Managing A Profitable Product Development Process**

1. Blog – [Differentiation in Advertising](#)
2. Blog – [Give Me Profitability And Give Me Death](#)
3. Activity – How many beers should a craft brewery launch with?
4. Activity – Design a radio or television advertisement that hits on at least 2 of 3 sources of value?

### **Day 30 – 5-page initial written recommendation to the client due**

- [Submission Inbox: Initial proposal and ideas for Client, with industry research supportAssignment](#)

#### **Supplemental Material**

- White, G.R. (1978). [Management criteria for effective innovation](#). *Technology Review*, 80(4), 14-22.
- Moore, G.A. (2008). Crossing the chasm - and beyond. In R. Burgelman, C. Christensen, & S. Wheelwright (Eds.), *Strategic management of technology and innovation* (pp 429-435). New York, NY: McGraw-Hill/Irwin. Available from [Course Reserves](#).
- Christensen, C.M. & Raynor, M.E. (2003). [How can we beat our most powerful competitors?](#) In *The innovator's solution: Creating and sustaining successful growth* (pp 310-330). Boston, MA: Harvard Business Review Press.
- "We've got Rhythm" case study *Harvard Business Review (electronic reserve)*
- *Innovation* (pp. 730-738). New York, NY: McGraw-Hill/Irwin. Available from [Course Reserves](#).

### [Exam 3: Learning Goals Assessed: Strategic Leadership & Culture and Business Model Thinking Quiz](#)

**PLEASE REMEMBER** the following rules and suggestions for taking these online exams (They are the same rules and suggestions for Exam 1).

#### **Week 12**

**Day 31 - No Class, Day after Easter**

**Day 32 - Community Based Strategy**

- Blog – [Community Entrepreneurship: Paradigm Shift](#)
- Blog – [New Ways of Thinking Are Needed](#)
- Listen to CAS Podcast about the power of a clear mission: with Dr. Mike Russo

**Day 33 - Onsite at client or client visit the class.**

- Students present and Client reacts to initial recommendations and makes suggests adjustments.
  - Supplemental Material
    - McAlexander and Schouten (2002)

#### **Week 13**

**Day 34, 35, 36 – Project work week. All red flag status report issues resolved to yellow or green by end of week.**

## Week 14

### **Day 37 - Fundraising Basics**

- [Fundraising Basics – SEC Rule 504](#) and its implications for innovative fundraising.
- [Valuation Models for Craft Breweries](#)
- Public sources of funding for entrepreneurs/small business or exporters.

### **Day 38**

- Work shop activity – Each group develops two different valuation models (in Excel), and estimates as quickly as they can the value of a Craft Brewery

### **Day 39 - Project work day**

#### **Supplemental Material**

- External Link: [Untapped Potential: Craft Beer M&A](#)
- [Creating More Accurate Acquisition Valuations](#) (2014) MIT Sloan Management Review
- [Hidden from students: QuizExam 4: Learning Goals Assessed - Valuation, Adaptation, Ethical Strategy, Community Building Quiz](#)

## Week 15

### **Day 40 - Group work day**

### **Day 41 & 42 - "Summary of results" Presentations to Client**

### **Draft of written report to client due 10am end of week Saturday**

- [Submit your slides/media used for Client Presentation Assignment](#)

Submit here a digital copy of all slides and/or other media used for summary presentation to client.

- [Submit draft of final report for client here Assignment](#)

## Week 16

### **Final Exam and Final Client Report Due by Wednesday 9am.**