Version 17.2.09

MACQUARIE UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
UNIT OUTLINE

Year and Semester: Semester 1, 2009
Unit convenor: Associate Professor Stephen Chen
Prerequisites: BUS201 and BUS202

Students in this unit should read this unit outline carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult one of the teaching staff in the unit.

ABOUT THIS UNIT

• Unit description and credit points

Business policy is the study of the functions and responsibilities of senior management, the crucial problems that affect the success of the total enterprise and the decisions that determine the direction of the organisation and shape its future.

The purpose of this course is to introduce students to the critical business policy issues facing businesses today and to understand the practices and policies used by managers to cope with these issues.

This unit is worth 3 Credit points.

• Unit rationale

By examining cases of real firms and taking part in a strategy simulation exercise, students will learn a range of tools and frameworks for analysing strategic issues as well as learning how to integrate knowledge covered in other courses in the program.

TEACHING STAFF

• Convenor: Associate Professor Stephen Chen
Contact details: Room 639, Building E4A, tel. 9850 8459, email schen@efs.mq.edu.au
Consultation times: 11-12pm or 4-5pm on Mondays and other times by appointment

• Other staff to be advised
## CLASSES

- Number and length of classes: 1 x 1 hour lecture, 1 x 1 hour group activity and 1 x 1 hour tutorial
- The timetable for classes can be found on the University web site at: [http://www.timetables.mq.edu.au/](http://www.timetables.mq.edu.au/)
- Please note that owing to the integral nature of the group work and the limited capacity of the classrooms it is not possible to switch between classes and students must attend the class for which they have registered.
- Please also note that while there is no mark for attendance, students are expected to attend all sessions, in particular group work sessions, unless excused. Marks may be deducted for failure to participate fully in group work.

## REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

- Required text: *Strategic Management: Competitiveness and Globalisation* (Pacific Rim Third Edition) by Hanson, Dowling, Hitt, Ireland and Hoskisson, published by Thomson Publishing, 2008. This contains all the required chapter readings and case studies in addition to material posted on Blackboard.
- Required unit materials: Access to GLO-BUS strategy simulation. All students will need to purchase access to the simulation (at a cost of US$36) from the publishers McGraw Hill on their website at [www.glo-bus.com](http://www.glo-bus.com) in order to take part in the simulation.

## UNIT WEB PAGE

- There is no web page for this unit. Students enrolled in the course will be able to access additional information and materials on Blackboard.
**LEARNING OBJECTIVES AND OUTCOMES**

- The learning objectives of this unit are to introduce students to the critical business policy issues facing businesses today, the tools and techniques used to analyse such issues in businesses and the strategies and policies adopted by managers to deal with such issues.
- The learning outcomes of this unit are that students will be able to identify key strategic issues facing a business, apply relevant tools and techniques to analyse the problem, draw appropriate conclusions and, if required, make suggestions for improvement.
- In addition students will develop generic skills in critical analysis, problem-solving, creative thinking and communication.

**TEACHING AND LEARNING STRATEGY**

- Teaching methods will comprise a mix of lectures, case study discussions and a group strategy simulation exercise.
- Please note that this course emphasises application of strategic management theories to practical business situations and in order to pass it will not be sufficient to merely attend class and memorise the lecture notes. Lectures in this course are only one component of the course and are meant to supplement and clarify the assigned readings in the textbook and other activities. They are not a substitute for reading of the textbook and participating in the case study discussions and the simulation.
- Students are expected to do all assigned reading and prepare the case studies in advance of the class and to participate fully in the simulation exercise.
**RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES**

**NON-ASSESSED ASSIGNMENTS**

The purpose of these assignments is primarily to provide individual feedback to students on their understanding of the simulation and marks will not be included in the course assessment.

- **QUIZ 1**
  The purpose of this open-book quiz is to test your understanding of the Participant’s Guide to the simulation.

- **QUIZ 2**
  The purpose of this open-book quiz is to test your understanding of your Company’s Operations.

**ASSESSED ASSIGNMENTS**

**Case studies (27% of total course mark)**

Commencing in week 3 students will be required to submit an analysis of nine case studies in answer to questions on the case (posted on Blackboard). The maximum word limit for each assignment is 500 words. A penalty of 1% of the total available assignment marks will be deducted for every percent that the assignment exceeds the word limit e.g. 10% if the assignment exceeds the limit by 50 words. Assignments that greatly exceed the word limit will not be marked. Bullet points can be used to reduce the number of words if so desired. Due dates for each case study are shown in the course schedule at the end of this outline. Students are required to check assignments for plagiarism and submit all assignments using Turnitin. The deadline for all case study assignments is 23:59 hours on the day before your class i.e Sunday if you are in the Monday class and Monday if you are in the Tuesday class. A link to Turnitin and instructions on how to submit an assignment to Turnitin are provided on Blackboard. A hardcopy of the assignment should also be handed
in to the tutor at the beginning of the case study session together with the plagiarism report provided by Turnitin.

The case studies aim to forge the link between theories and concepts discussed in the textbook and lectures and application to real life cases. Some advice on preparing the case study assignments and discussions is given in appendix 4 of this outline. Feedback will be provided in the form of written comments on the assignment in the following week. Any queries regarding comments should be made to the tutor in charge of the case study session. Each case study will be worth 3% of the total course mark.

**Strategy Simulation (28% of total course mark)**

Commencing in week 2 the class will be divided into groups consisting of 4-5 members for the strategy simulation. Assessment will be based on the success of the decisions made in the simulation as well as justification of the strategy adopted. Marks for the simulation will be split as follows:

- Overall company performance in simulation (80%)

Each group will be required to take part in nine decision rounds between weeks 3 and week 13 (one practice round in week 3 and eight scored rounds). Deadlines for all decisions in the simulation will be 11.59pm on the day of the class unless otherwise stated. Performance will be scored automatically by the simulation software according to five measures as outlined in the Participant’s Guide: EPS, ROE, credit rating, image rating and stock price. Outcomes of the decisions will be provided by the simulation within 15-20 minutes following the deadline each week. Participants will be notified by email when results are ready.

- Performance against Strategic Plan (5%)
Groups will also be assessed on performance against a strategic plan for the next 3 years (due in week 10). Performance will be automatically scored and reported by the simulation following processing of the results that year.

- Company Presentation in class (10%)

At the end of the simulation exercise (in week 14) each group will make a 5-10 minute presentation outlining the strategy they pursued, results achieved and lessons learned. Details will be provided in the simulation package. Results will be provided in the following week.

- Peer evaluation (5%)

Finally to encourage full participation in the exercise, each student will be rated by his/her peers in the group at the end of the course. Evaluation criteria are listed in appendix 3 of this outline.

**Midterm Examination**

- **Date:** Week 7
- **Value:** 10% of total course mark
- **Length:** 45 minutes

The midterm examination will consist of 30 multiple-choice questions to test knowledge and understanding of theories and concepts covered in the course. The examination will be a closed book examination.

**Final Examination**

- **Date:** Examination Period
- **Value:** 35% of total course mark
- **Length:** 3 hours

The final examination will consist of a short case study analysis to test the ability to apply theories and concepts covered in the course and two essay questions to test
knowledge and understanding of strategic management theories and concepts. The examination will be a closed book examination.

Assessment policies

• General criteria for marking assessments are shown in appendix 2 of this outline.
• While there is no mark for attendance, students are expected to attend all sessions, in particular group work sessions, unless excused.
• It is expected that all group members will contribute equally to group assignments and presentations. Marks may be deducted for failure to participate fully in group work.
• Where outside sources of information have been used, full references should be provided in the assignment, including date, volume, page numbers of any journal articles, books or book chapters and URLs of any websites e.g.
• Book:
• Journal article:
• Book chapter:
• Conference proceedings:
• Online articles:
LATE SUBMISSION POLICIES

- Owing to the requirements of the simulation, decisions cannot be entered after the deadline. If no decision is entered the simulation will default to decisions made in the previous round.

- Late case study assignments will only be marked where an extension has been granted. A penalty of 20% of the assignment mark (i.e. 2 marks if the assignment is marked out of 10) will deducted for each day that the assignment is late, unless there are extraordinary circumstances such as documented illness or other unavoidable disruptions. In such event an ‘Advice of Absence or Other Circumstances’ form should be completed and submitted as soon as is practicable and in any case by the last day of class at the latest. The form may be obtained from the BESS office or downloaded from the Admin Central website: http://www.businessandeconomics.mq.edu.au/current/undergraduate/admin_central/absences. (Please note that work or family commitments will not normally be acceptable excuses. The circumstances must be extraordinary and something that could not have been reasonably predicted or avoided. Conditions are explained on the Admin Central website.)

- Work that is submitted late without prior written permission and without a completed advice of absence form will be not be marked. Students are advised to keep a copy of all permissions given in event of dispute.

- The date and time recorded by Turnitin shall be used for the purposes of determining late submission penalties. As there are sometimes delays with the system you are advised to submit early to avoid penalties.

FINAL EXAMINATION

- A 3 hour final examination for this unit will be held during the University Examination period. The University Examination period in First Half Year 2009 is from 10 June to 2 June, 2009.
You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

http://www.timetables.mq.edu.au/exam

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. Information about unavoidable disruption and the special consideration process is available at http://www.reg.mq.edu.au/Forms/APSCon.pdf

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period. You are advised that it is Macquarie University policy not to set early examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching semester, that is, the final day of the official examination period.

UNIVERSITY POLICY ON GRADE DISTRIBUTION

Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a standardized numerical grade (SNG). On occasion your raw mark for a unit (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the senate guidelines, results may be scaled to ensure that there is a degree of comparability across the university, so that units with the same past performance of their students should achieve similar results. The process of scaling does not change the order of marks among students.
GRADE APPEALS

- Appeals against marks awarded for assignments or examinations during the course must be made in writing within 2 weeks of the receipt of the mark to the course coordinator, stating grounds for the appeal.
- The procedure that should be followed for appeals against final grades and deadlines for appeals are explained in the Handbook of Undergraduate Studies and on the Faculty website at http://businessandeconomics.mq.edu.au/information_for/new_and_current_students/undergraduate/admin_central/grade_appeals
- Legitimate grounds for appeal that will be considered are outlined on the Faculty Website at http://businessandeconomics.mq.edu.au/business_economics_sydney/EFS_docs/Staff_Documents/InformationAboutGradeAppeals.pdf

PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one’s own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the Handbook of Undergraduate Studies or on the web at: http://www.student.mq.edu.au/plagiarism/
The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

STUDENT SUPPORT SERVICES

- Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at http://www.student.mq.edu.au.
- Advice on academic and administrative procedures is available to students of the Faculty of Business and Economics from BESS (Business and Economics Student Services) in room E4B 106.
• For administrative issues about the course or the degree program such as enrolments, transfers and access to Blackboard or other IT services, please contact one of the administrative staff in the Department of Business in person in Building E4A Level 6, by telephone on 9850-8583 or by email at business@efs.mq.edu.au.

• For matters regarding the course work or the assignments, please arrange a meeting with the course co-ordinator.
## APPENDIX 1. COURSE OUTLINE/SCHEDULE

<table>
<thead>
<tr>
<th>Week</th>
<th>Week Beginning</th>
<th>Lecture topic and reading</th>
<th>Case study</th>
<th>Strategy Simulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>23/2/2009</td>
<td>What is Strategy? Chapter 1</td>
<td>Case analysis</td>
<td>Introduction to simulation</td>
</tr>
<tr>
<td>3</td>
<td>9/3/2009</td>
<td>Internal environment Chapter 3</td>
<td>Discussion of Case 11: Whole Foods Market</td>
<td>Practice round; QUIZ 1</td>
</tr>
<tr>
<td>4</td>
<td>16/3/2009</td>
<td>Business Level Strategy Chapter 4</td>
<td>Case 5: Sydney Indie Music</td>
<td>Round 1 decision</td>
</tr>
<tr>
<td>5</td>
<td>23/3/2009</td>
<td>Competitive Dynamics Chapter 5</td>
<td>Case 7: Nucor</td>
<td>Round 2 decision</td>
</tr>
<tr>
<td>6</td>
<td>30/3/2009</td>
<td>Corporate level strategy Chapter 6</td>
<td>Ebay.com (posted on Blackboard):</td>
<td>Round 3 decision</td>
</tr>
<tr>
<td>7</td>
<td>6/4/2009</td>
<td>REVIEW SESSION MIDTERM EXAM</td>
<td></td>
<td>Round 4 decision; QUIZ 2</td>
</tr>
<tr>
<td>8</td>
<td>13/4/2009</td>
<td>BREAK</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>20/4/2009</td>
<td>BREAK</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>27/4/2009</td>
<td>Organisation structures Chapter 11</td>
<td>Sony Corporation (posted on Blackboard)</td>
<td>Round 5 decision; 3-year Strategic Plan</td>
</tr>
<tr>
<td>11</td>
<td>4/5/2009</td>
<td>Corporate governance Chapter 10</td>
<td>Case 8: Shanghai VW</td>
<td>Round 6 decision</td>
</tr>
<tr>
<td>12</td>
<td>11/5/2009</td>
<td>Merger and Acquisition strategies Chapter 7</td>
<td>Case 3: Daimler Chrysler</td>
<td>Round 7 decision</td>
</tr>
<tr>
<td>13</td>
<td>18/5/2009</td>
<td>Alliance strategies Chapter 9</td>
<td>Case 7: News Corp</td>
<td>Round 8 decision</td>
</tr>
<tr>
<td>14</td>
<td>25/5/2009</td>
<td>International strategies Chapter 8</td>
<td>Case 12: Walmart</td>
<td>Company Presentation</td>
</tr>
<tr>
<td>15</td>
<td>1/6/2009</td>
<td>REVIEW SESSION PRACTICE EXAM</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

N.B. Chapter and case study numbers refer to numbers in the textbook.
APPENDIX 2. ASSIGNMENT EVALUATION CRITERIA

These criteria are a general guide as to the standard expected at the various levels. It will not necessarily be the case that all these criteria will be met at a particular standard, as there may be a superior performance on one of the criteria and not so satisfactory performance on another.

*High Distinction Standard (85-100%)*
- The answer is very well written and clearly expressed.
- There is a demonstrated appreciation and understanding of the issues involved.
- The answer is well structured and logically organised.
- There is evidence of a comprehensive analysis of the issues.
- Conclusions are backed by well-reasoned arguments demonstrating a detailed insight and analysis of issues.
- Comprehensive coverage of all relevant issues.
- References are made to the appropriate theories and frameworks for particular issues.
- Issues are analysed and interpreted correctly.
- Theories and frameworks are applied to the particular fact situation in a competent manner.
- There may be consideration of issues not raised in the course.

*Distinction Standard (75-84%)*
- The answer is very well written and expressed.
- The answer is structured and logical.
- The issues have been reasonably well identified and appreciated.
- There is correct use of referencing.
- Issues have been analysed.
- Reference is made to all appropriate theories and frameworks, although the analysis and interpretation is not as detailed and reasoned as for the high distinction standard.
- There is a comprehensive coverage of the issues.
- Occasional errors of reasoning may still be present.

*Credit Standard (65-74%)*
- The answer is generally well written and expressed.
- The answer is structured and sequential.
- Issues are identified and addressed.
- There has been an attempt to analyse some of the issues.
- The coverage of issues is reasonably comprehensive often with a good treatment and analysis of particular points.
- Errors of theoretical application and incorrect reasoning may sometimes be present.
• Depth of treatment is often lacking in some of the issues.

**Pass Standard (50-64%)**
• The answer is able to be followed and understood.
• The answer could perhaps be better organised and structured.
• Issues may need to be identified and addressed in more depth.
• Analysis when present may be incorrect.
• Some familiarity with relevant theories and its application is demonstrated.
• Sometimes the conclusions reached are simple.
• There may be several errors of theoretical application or data interpretation
• There may be significant quantities of material of marginal relevance included in the answer.

**Pass Conceded (45-49%)**
• The answer fails in several of the criteria required for a clear Pass but shows some aspects that merit a mark higher than a Fail grade such as
  o Limited discussion of relevant issues
  o Some attempt to make use of available data
  o Some attempt to apply theories and concepts from the course

**Fail Standard (< 45%)**
• The answer may be significantly short of the required length.
• The written expression is poor and difficult to understand.
• The answer is poorly organised.
• There has been a failure to identify and address the issues in the question.
• There is a lack of familiarity with relevant theories and their appropriate application.
• The reasoning and application demonstrated is poor.
• Frequently there is much irrelevant material.
APPENDIX 3. PEER EVALUATION OF PERFORMANCE IN SIMULATION

Co-Manager Meetings

1. Attendance at co-managers' meetings (6 points)
   - Habitually absent
   - Missed close to 50% of our meetings
   - Missed about 20-30% of our meetings
   - Missed about 10-20% of our meetings
   - Very dependable; missed only one or two meetings
   - Always present

2. Promptness (6 points)
   - Habitually late
   - Late to about 50% of our meetings
   - Late to about 20-30% of our meeting
   - Late to about 10-20% of our meeting
   - Late to only one or two meetings
   - Never kept co-managers waiting

3. Caliber of preparation for meetings (was familiar with where things stood and latest results) (6 points)
   - Always behind rest of the team
   - Marginal; usually had to catch up during meeting
   - Adequate; about as well prepared as others
   - Good; somewhat better prepared than others
   - Excellent; usually well prepared
   - Exceptional; generally best prepared of all co-managers

Effectiveness in Helping Run the Company

4. Understanding of company operations; skills in interpreting and analyzing the numbers on the screens and in the company reports (12 points)
   - Quite weak
   - Marginal; sub-par
   - Adequate
   - Good
   - Excellent; very impressive
   - Exceptional; strongest of all co-managers
5. Skills in diagnosing our company’s problems, competitiveness, and standing vis-à-vis rivals (12 points)
   - Quite weak
   - Marginal; sub-par
   - Adequate
   - Good
   - Excellent; very impressive
   - Exceptional; strongest of all co-managers

6. Skills in proposing "what to do" and strategic approaches to take (12 points)
   - Quite weak
   - Marginal; sub-par
   - Adequate
   - Good
   - Excellent; very impressive
   - Exceptional; strongest of all co-managers

7. Caliber of contribution to decisions and to the company’s overall performance (12 points)
   - Quite weak; had almost no impact (or took actions which hurt performance)
   - Had little positive impact (or even a negative impact) in shaping company performance
   - Adequate; played a supporting role in shaping company performance
   - Good; played an important positive role in shaping company performance
   - Excellent; played a major and positive role in shaping company performance
   - Exceptional; highest positive impact of all co-managers

**Effectiveness as a Member of the Company’s Management Team**

8. Enthusiasm and commitment (6 points)
   - Almost none
   - Inadequate
   - Adequate; acceptable
   - Good enthusiasm and commitment
   - Very enthusiastic and committed
   - Exceptional; strongest of all co-managers
9. Teamwork and cooperativeness - worked well with co-managers (6 points)
   ☐ Quite weak; gave team many problems
   ☐ Marginal; prone to make decisions without telling anyone
   ☐ Adequate
   ☐ Good
   ☐ Excellent; very impressive
   ☐ Exceptional; strongest of all co-managers

10. Exercise of leadership within the group (6 points)
    ☐ Had little to say and little to offer
    ☐ Ineffective; had a hard time winning support for ideas
    ☐ Adequate ability to present views and make a case for proposed actions
    ☐ Good ability to present views and make a case for proposed actions
    ☐ Effective and persuasive in convincing others to go along with proposed actions
    ☐ Exceptional; the clear leader on our management team

11. Carried a fair share of the overall workload (6 points)
    ☐ Far less than a fair share
    ☐ Slightly below a fair share
    ☐ Roughly a fair share
    ☐ Slightly above a fair share
    ☐ Well above a fair share
    ☐ Far beyond what any other co-manager did

12. Overall Evaluation (10 points)
    ☐ Below 50  I would like to have fired this person as a co-manager
    ☐ 50-59  Very weak (I would definitely not want to be teamed with this person again)
    ☐ 60-64  Marginal; sub-par
    ☐ 65-69  Slightly below-average
    ☐ 70-74  Average
    ☐ 75-79  Slightly above-average
    ☐ 80-84  Good
    ☐ 85-89  Very good
    ☐ 90-95  Excellent; very impressive
    ☐ 96-100  Exceptional; strongest of all co-managers
APPENDIX 4. ADVICE FOR CASE ANALYSIS AND DISCUSSION

In your case analyses, you should refrain from simply summarising the case or repackaging the information already provided in the case. Instead you should try and propose alternative managerial views and action plans, and discuss the relevance and appropriateness of the frameworks proposed in the readings and lectures, making use of the information provided in the case. Marks will be awarded for evidence of thinking about the case, not merely repeating what is stated in the case study.

"Dos" for Case Discussions

• Keep an open mind
• Relate outside experience
• Be provocative and constructive
• Do listen to other people
• Do be brief
• Please turn off your mobile phones while you are in class and unless it is absolutely essential, please refrain from leaving the class in the middle of a discussion.

"Don'ts" for Case Discussions

• Do not make sudden topic changes; recognise the flow of discussion
• Do not repeat yourself and others
• Do not "cut" others to "score points"
• Do not hog the discussion

Further advice on case analysis is contained in the Introduction to Case Studies in the textbook.