Strategic Decision Making  
(A.K.A. Corporate Strategy)  

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Readings:  
Reading Packet

COURSE DESCRIPTION
How do executives make decisions? Scholars from many different disciplines have tried to answer this question for decades. How the question is answered has a significant impact upon how the organization makes strategic decisions and determines its position and direction. While classic economists assume a model of rational, comprehensive choice in which alternatives and situations are systematically and intensively analyzed, neo-classical economists assume bounded rationality where alternatives and situations can’t be completely understood and decisions are made on a satisfying, ‘good enough’, basis. Boundedly rational decisions often turn out to be good.

Perhaps the biggest challenge facing corporate executives is how to lay the foundation for future success while competing to prosper in the current situation. To this end both tactical and long-range planning are considered. The course is designed to integrate knowledge obtained from previous and concurrent courses with personal and corporate experiences to expose patterns than can be used in strategic planning. Emphasis will be given to the strategic management process; translating the products of strategic thinking into definitive plans that can be operationally implemented.

We will also examine the past, present, and future of corporate governance. We will focus upon those issues senior managers need to know about the system, the process, the participants, the legal environment, and the most important developments in the field over the last twenty years. To that end we will explore the debate over the shareholder Vs stakeholder view of the firm. We will look at the rise of the institutional investor and its impact on the shareholder-board-management relationship. We will also consider what role the SEC, the government, activists, and other regulatory agencies or influence groups play in the process.

This course is intended to provide a view of managerial strategy that integrates the knowledge of the functional areas of business taught in MBA curriculum. To get full value out of the course, you will have to read the material carefully. Think about the paradoxes and imperatives you find in corporate governance and come to class prepared to speak your mind.
OBJECTIVES

1. An acquaintance with selected literature, thinking and practice of business-unit and corporate strategy.

2. A conceptual framework that can be used to integrate specialized areas of management knowledge into a meaningful business plan.

3. The capability for identifying and classifying strategic, tactical, and operational issues.

4. A working knowledge of the best practices and theory underlying organizational governance.

5. An understanding of top-level planning and control processes as they exist in theory and in practice.

6. An understanding of the political, economic and legal dimensions of corporate governance, including the roles played by the various corporate stakeholders.

7. Develop an understanding of the current issues and developments in the corporate governance debate, including the changing role of investors, the CEO, and the board.

8. Examine current legislation and its impact upon managerial discretion, control and empowerment.

APPROXIMATE GRADE BREAKDOWN

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<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Case Analyses/ Class Participation</td>
<td>30%</td>
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<tr>
<td>Exam I</td>
<td>35%</td>
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<tr>
<td>Exam II</td>
<td>35%</td>
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COURSE OUTLINE

PART I Core Concepts of Corporate Strategy

Jan 12  Course Introduction

Strategic Planning State of the Art

Sustainability & the Future


Sorohan, Erica Gordon; Petrini, Catherine M. 1994. 'Unlearning' holds the key to competitive success Training & Development, 48, 12.


Jan 14  Mission, Vision, Values, Objectives and Myopic Corporations

~BRING MISSION STATEMENT~


CASE: Jaguar

Jan 19  Situational analysis in a changing environment

Sustainability Factors

Spolsky, J. 2008. I've read a ton of books on competition and strategy, and none of them are as useful as this one simple concept. Inc., Vol. 30 Issue 4, p71-72


CASE: Beverage Industry
Jan 21  Forecasting: The factors of success, sustainability


CASE: Food Industry

Jan 26  Execution and Tactics

Managing the Politics of implementation


CASE: Smithers

Jan 28  Exam 1

The Strategic Intelligence Paradox: Sustainable Strategies vs. Short Term Return Officer/Board Motivations and reward systems


Part II Core Concepts Of Corporate Governance

Feb 2  Corporate Governance I

Summary of Sarbanes

20 Questions Directors Should ask About Strategy. C. Bart. 2003

Feb 4  Corporate Governance II

Ten Ways To Manage Your Board of Directors. J. Verdonik

CASE: Sears

Feb 9  Corporate Governance III

Monsanto Board Charter. December 3, 2003


Part III Core Concepts of Strategic Sustainability

Feb 11  Sustainability I: The Strategist as a Futurist


Feb 16  Sustainability II: Environment and Energy


Feb 18  Sustainability III: Poverty, the Economic Pyramid and Underserved Demographics


Feb 23  Sustainability IV: Resources and Waste


Feb 26  Final Examination