

STRATEGY TERM PROJECT



The HP Running Case, a related activity for each strategy term project module, is available in Connect.

//// Project Overview

The goal of the strategy term project is to give you practical experience with the elements of strategic management. The strategy term project comprises 12 modules—one module per chapter. Each assignment requires data collection about, and analysis of, the firm you select for this study, and relating that research to the concepts discussed in each chapter. By the end of the final module of this project, you will have gained practice in using key strategic management concepts and processes, increased your understanding of the material, and developed real experience in conducting a complete strategic management analysis of a company.

//// Module 1: Initial Firm Selection and Review

Select one company you are interested in learning more about, or a company from an industry that intrigues you; this will be the company you will strategically analyze at the end of each chapter. Be sure to choose a company that makes its details (for example, annual reports, number of employees, management structure, business model, and so forth) easily available to the public. Since much of what you'll be doing for each assignment is obtaining and analyzing data about the firm, available access to firm's details is especially important.

Approach 1: Selecting a Publicly Held Firm

The primary approach to this project is to select a publicly held firm. Many large firms (for example, Apple, Google, and GE) have been widely reported on in the business and popular press, and a wealth of information is available on them. Other medium-sized public firms, such as Tesla, Netflix, and BlackBerry, can be used as example firms for this project. One cautionary note: For firms that are less than three years public or in industries that are not well-defined, it will take extra

effort to properly identify such items as competitors and suppliers. But if it is a firm you are truly motivated to study, the effort can be quite rewarding.

Relevant data on all public firms can be freely obtained using web services such as Edgar (www.sec.gov/edgar.shtml). (For guidance on how to pull data from the Securities and Exchange Commission website, ask your instructor to download instructions from the Instructor's Resources tab in Connect for the fourth edition. Annual reports for firms also are a treasure trove of information. These reports and other quarterly update materials are often available from the firm's own website (look for "about us" or "investor relations" tabs, often located at the bottom of the company's website). Additionally, most university and public libraries have access to large databases of articles from many trade publications. (Factiva and ABI/Proquest are two examples.) Company profiles of a variety of publicly listed firms are available at reliable websites such as Hoovers.com and finance.yahoo.com. Many industries have quite active trade associations that will have websites and publications that can also be useful in this process. Your local librarian can likely provide you with additional resources that may be licensed for library use or that are otherwise not available online. Examples of these are Value Line Ratings & Reports and Datamonitor.

Approach 2: Selecting a Smaller Firm

A second approach to this project is to select a smaller firm in your area of interest. Smaller firms may have coverage in the local press. However, if the firm is not public, you will need to ensure you have access to a wide variety of data about the firm. If this is a firm for which you have worked or where you know people, please check in advance to be sure the firm is willing to share its information with you. This approach can work well, especially if the firm is interested in a detailed analysis of its strategic position. But to be successful with this project, be sure you will have access to a broad range of data and information (perhaps including interviews of key managers at the firm).

CHAPTER 1 What Is Strategy?

If you are in doubt on how to select a firm, check with your instructor before proceeding. In some instances, your instructor will assign a firm to you or your study group.

For this module, complete or answer the following:

1. Provide a brief history of the company.
2. List the top management of the firm and note what experience and leadership skills the executives bring to the firm. If it is a larger conglomerate, list both the corporate and business managers.
3. What is the principal business model of the firm? (How does the firm make most of its profits?)
4. Search for a vision, mission statement, and statement of values for your chosen firm. Note that not all organizations publish these statements, so you may need to make inferences from the available information. Relevant information is often available at the firm's website (though it may take some searching) or is contained in its annual reports. You may also interview a manager of the firm or contact investor relations. You may also be able to compare the official statement with the business press coverage of the firm.