

Instructor's Manual

to accompany

Crafting & Executing

STRATEGY

THE QUEST FOR COMPETITIVE ADVANTAGE

Concepts and Cases
20e

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SECTION 1

Instructor Resources, Chapter
Features, and Case Overview



Instructor Resources

We strived to achieve four goals in preparing this package of Instructor Resources for the 20th Edition:

1. To equip you with all the resources and pedagogical tools you'll need to design and deliver a course that is on the cutting-edge and solidly in the mainstream of what students need to know about crafting and executing winning strategies.
2. To give you wide flexibility in putting together a course syllabus that you are comfortable with and proud of.
3. To give you a smorgasbord of options to draw from in keeping the nature of student assignments varied and interesting.
4. To help you deliver a course with upbeat tempo that wins enthusiastic applause from students.

We believe the contents of the package will be particularly informative and helpful to faculty members teaching the strategy course for the first time but we have also tried to embellish the content with ideas and suggestions that will prove valuable to experienced faculty looking for ways to refurbish their course offering and/or to keep student assignments varied and interesting.

A Quick Overview of the Entire Instructor Resource Package

The Instructor's Manual for *Crafting & Executing Strategy* contains:

- A quick look at the topical focus of the text's 12 chapters (Section 1).
- An overview of the 31 cases in the text, along with a grid profiling the strategic issues that come into play in each case (Section 1 and Section 3).
- A discussion of the reasons to use a strategy simulation as an integral part of your strategy course. The two web-based strategy simulations—*The Business Strategy Game* or *GLO-BUS*—that are companions to this text incorporate the very kinds of strategic thinking, strategic analysis, and strategic decision-making described in the text chapters and connect beautifully to the chapter content. The automated online nature of both simulations entails minimal administrative time and effort on the instructor's part. You will be pleasantly shocked (and pleased!!) at the minimal time it will take you to incorporate use of *GLO-BUS* or *The Business Strategy Game* and the added degree of student excitement and energy that either of these competition-based strategy simulations brings to the course—see Section 2 for more details.
- Tips and suggestions for effectively using either *GLO-BUS* or *The Business Strategy Game* in your course (covered in both Section 2 and Section 3).
- The merits of incorporating the use of the *Connect™ Management* Web-based assignment and assessment platform accompanying the 20th Edition, into your course requirements. Connect includes chapter quizzes, case assignment exercises for 17 of the 31 cases, and learning assurance exercises for all 12 chapters of the 20th Edition. Connect offers automatic grading for all chapter quizzes, and many of the case exercises and learning assurance exercises. Connect offers an easy-to-administer approach to testing and assessing individual-level student mastery of chapter concepts and case analysis (covered in Section 3).
- Ideas and suggestions on course design and course organization (Section 3 and Section 4).
- Recommendations for sequencing the case assignments and guidance about how to use the cases effectively (Section 3).
- Our recommendations regarding which cases are particularly appropriate for written case assignments and oral team presentations (Section 3).

- Two sample course syllabi (Section 4).
- Five sample schedules of class activities and daily assignments for 15-week terms; 3 sample schedules of class activities for 10-week terms; 1 sample schedule of activities for a 7-week term; and 2 sample daily course schedules for 5-week terms. (Section 4).
- A set of Lecture Notes for each of the 12 chapters (Section 5).
- A comprehensive teaching note for each of the 31 cases in *Crafting & Executing Strategy* (Section 6).

In addition to the Instructor's Manual, the support package for adopters also includes several important features that should be of interest.

Connect™ Management Web-based Assignment and Assessment Platform The 20th Edition package includes a robust collection of chapter quizzes, chapter learning assurance exercises, and case preparation exercises that should prove to ease instructors' grading and assessment obligations. Student understanding of chapter concepts can be assessed at the individual-level through chapter quizzes and applied learning assurance exercises that record each student's grade in a Web-based grade book. *All chapter quizzes are automatically graded and more than one-half of the Assurance of Learning exercises for the 12 chapters are automatically graded.*

The *Connect Management* platform also includes fully autograded interactive application exercises for 17 of the 31 cases in this edition. The exercises require students to work through tutorials based upon the analysis set forth in the assignment questions for the case; these exercises have multiple components such as resource and capability analysis, financial ratio analysis, identification of a company's strategy, or analysis of the five competitive forces. The content of these case exercises is tailored to match the circumstances presented in each case, calling upon students to do whatever strategic thinking and strategic analysis is called for to arrive at pragmatic, analysis-based action recommendations for improving company performance. The entire exercise is autograded, allowing instructors to focus on grading only the students' strategic recommendations.

All students who purchase a new copy of the text are automatically provided access to Connect at no additional charge (those who have a used copy can obtain access by paying a modest fee--\$20 at the time of this writing).

An Online Learning Center (OLC) The instructor section of www.mhhe.com/thompson includes the Instructor's Manual and other instructional resources. Your McGraw-Hill representative can arrange delivery of instructor support materials in a format-ready Standard Cartridge for Blackboard, WebCT and other web-based educational platforms.

PowerPoint Slides To facilitate delivery preparation of your lectures and to serve as chapter outlines, you'll have access to comprehensive PowerPoint presentations for each of the 12 chapters that the authors have developed for their own classes. The collection includes 500+ professional-looking slides displaying core concepts, analytical procedures, key points, and all the figures in the text chapters.

Accompanying Case Videos Twenty-three of the 31 cases (Billcutterz.com, Papa John's International, Whole Foods Market in 2014; Under Armour's Strategy in 2014, lululemon athletica in 2014, Lagunitas Brewing Company, Panera Bread Company in 2014, Chipotle Mexican Grill in 2014, Sirius XM, Sony Music Entertainment, J. Crew in 2014, Nucor Corporation in 2014, Tesla Motors, Tata Motors in 2014, Deere & Company in 2014, Walmart in Africa, PepsiCo's Diversification Strategy in 2014, The Walt Disney Company: Its Diversification Strategy in 2014, Southwest Airlines in 2014, Nordstrom, Amazon's Big Data Strategy, NCAA Athletics, and TOMS Shoes) have accompanying video segments that can be shown in conjunction with the case discussions. These videos can be sourced via links to YouTube postings.

A Comprehensive Test Bank and EZ Test Software There is a 1100+-question test bank, consisting of both multiple choice questions and short answer/essay questions that you can use in conjunction with McGraw-Hill's EZ Test electronic testing software to create tests from chapter- or topic-specific lists. The EZ Test software enables allows instructors to add their own questions to those that appear in the test bank. The EZ Test program gives you the capability to create and print multiple versions of the test and to administer the test via the Web at www.eztestonline.com. Tests can also be exported into a course management system such as WebCT, BlackBoard, PageOut, and Apple's iQuiz.

What to Expect in the 20th Edition

The distinguishing mark of the 20th edition is its enriched and enlivened presentation of the material in each of the 12 chapters, providing an as up-to-date and engrossing discussion of the core concepts and analytical tools as you will find anywhere. As with each of our new editions, there is an accompanying lineup of exciting new cases that bring the content to life and are sure to provoke interesting classroom discussions, deepening students' understanding of the material in the process.

While this 20th edition retains the 12-chapter structure of the prior edition, every chapter—indeed every paragraph and every line—has been reexamined, refined, and refreshed. New content has been added to keep the material in line with the latest developments in the theory and practice of strategic management. In other areas, coverage has been trimmed to keep the book at a more manageable size. Scores of new examples have been added, along with 15 new Illustration Capsules, to enrich understanding of the content and to provide students with a ringside view of strategy in action. The result is a text that cuts straight to the chase in terms of what students really need to know and gives instructors a leg up on teaching that material effectively. It remains, as always, solidly mainstream and balanced, mirroring *both* the penetrating insight of academic thought and the pragmatism of real-world strategic management.

A standout feature of this text has always been the tight linkage between the content of the chapters and the cases. The lineup of cases that accompany the 20th edition is outstanding in this respect—a truly appealing mix of strategically relevant and thoughtfully crafted cases, certain to engage students and sharpen their skills in applying the concepts and tools of strategic analysis. Many involve high-profile companies that the students will immediately recognize and relate to; all are framed around key strategic issues and serve to add depth and context to the topical content of the chapters. We are confident you will be impressed with how well these cases work in the classroom and the amount of student interest they will spark.

Organization, Content, and Features of the Text Chapters

Our objective in undertaking a major revision of this text was to ensure that its content was current, with respect to both scholarship and managerial practice, and presented in as clear and compelling a fashion as possible. We established five criteria for meeting this objective, namely that the final product must:

- Explain core concepts in language that students can grasp and provide first-rate examples of their relevance and use by actual companies.
- Thoroughly describe the tools of strategic analysis, how they are used, and where they fit into the managerial process of crafting and executing strategy.
- Incorporate the latest developments in the theory and practice of strategic management in every chapter to keep the content solidly in the mainstream of contemporary strategic thinking.
- Focus squarely on what every student needs to know about crafting, implementing, and executing business strategies in today's market environments.
- Provide an attractive set of contemporary cases that involve headline strategic issues and give students ample opportunity to apply what they've learned from the chapters.

We believe this 20th edition measures up on all five criteria and that you'll be amply convinced that *no other leading text does a better job of setting forth the principles of strategic management and linking these principles to both sound theory and best practices.*

Six standout features strongly differentiate this text and the accompanying instructional package from others in the field:

1. *Our integrated coverage of the two most popular perspectives on strategic management—positioning theory and resource-based theory—is unsurpassed by any other leading strategy text.* Principles and concepts from both the positioning perspective and the resource-based perspective are prominently and comprehensively integrated into our coverage of crafting both single-business and multibusiness strategies. By highlighting the relationship between a firm's resources and capabilities to the activities it conducts along its value chain, we show explicitly how these two perspectives relate to one another. Moreover, in Chapters 3 through 8 it is emphasized repeatedly that a company's strategy must be matched *not only* to its external market circumstances *but also* to its internal resources and competitive capabilities.
2. *Our coverage of cooperative strategies and the role that interorganizational activity can play in the pursuit of competitive advantage, is similarly distinguished.* The topics of strategic alliances, licensing, joint ventures, and other types of collaborative relationships are featured prominently in a number of chapters and are integrated into other material throughout the text. We show how strategies of this nature can contribute to the success of single-business companies as well as multibusiness enterprises, whether with respect to firms operating in domestic markets or those operating in the international realm.
3. *With a stand-alone chapter devoted to this topic, our coverage of business ethics, corporate social responsibility, and environmental sustainability goes well beyond that offered by any other leading strategy text.* This chapter, "Ethics, Corporate Social Responsibility, Environmental Sustainability, and Strategy" fulfills the important functions of (1) alerting students to the role and importance of ethical and socially responsible decision making and (2) addressing the accreditation requirement of the AACSB International that business ethics be visibly and thoroughly embedded in the core curriculum. Moreover, discussions of the roles of values and ethics are integrated into portions of other chapters to further reinforce why and how considerations relating to ethics, values, social responsibility, and sustainability should figure prominently into the managerial task of crafting and executing company strategies.
4. *Long known as an important differentiator of this text, the case collection in the 20th edition is truly unrivaled* from the standpoints of student appeal, teachability, and suitability for drilling students in the use of the concepts and analytical treatments in Chapters 1 through 12. The 31 cases included in this edition are the very latest, the best, and the most on target that we could find. The ample information about the cases in the Instructor's Manual makes it effortless to select a set of cases each term that will capture the interest of students from start to finish.
5. *The text is now more tightly linked to the publisher's trailblazing web-based assignment and assessment platform called Connect.™* This will enable professors to gauge class members' prowess in accurately completing (a) selected chapter-end exercises, (b) chapter-end quizzes, and (c) the creative author-developed exercises for 17 of the cases in this edition.
6. *Two cutting-edge and widely used strategy simulations—The Business Strategy Game and GLO-BUS—are optional companions to the 20th edition.* These give you an unmatched capability to employ a text-case-simulation model of course delivery.

The following rundown summarizes the noteworthy features and topical emphasis in this new edition:

- Chapter 1 serves as a brief, general introduction to the topic of strategy, focusing on the central questions of "What is strategy?" and "Why is it important?" As such, it serves as the perfect accompaniment for your opening-day lecture on what the course is all about and why it matters. Using the newly added example of Star-bucks to drive home the concepts in this chapter, we introduce students to what we mean by "competitive advantage" and the key features of business-level strategy. Describing strategy making as a process, we

explain why a company's strategy is partly planned and partly reactive and why a strategy tends to co-evolve with its environment over time. We show that a viable business model must provide both an attractive value proposition for the company's customers and a formula for making profits for the company. New to this chapter is a depiction of how the Value-Price-Cost Framework can be used to frame this discussion. We show how the mark of a winning strategy is its ability to pass three tests: (1) the *fit test* (for internal and external fit), (2) the *competitive advantage test*, and (3) the *performance test*. And we explain why good company performance depends not only upon a sound strategy but upon solid strategy execution as well.

- Chapter 2 presents a more complete overview of the strategic management process, covering topics ranging from the role of vision, mission, and values to what constitutes good corporate governance. It makes a great assignment for the second day of class and provides a smooth transition into the heart of the course. It introduces students to such core concepts as strategic versus financial objectives, the balanced scorecard, strategic intent, and business-level versus corporate-level strategies. It explains why *all managers are on a company's strategy-making, strategy-executing team* and why a company's strategic plan is a collection of strategies devised by different managers at different levels in the organizational hierarchy. The chapter concludes with a section on the role of the board of directors in the strategy-making, strategy-executing process and examines the conditions that led to recent high-profile corporate governance failures.
- The next two chapters introduce students to the two most fundamental perspectives on strategy making: the positioning view, exemplified by Michael Porter's "five forces model of competition"; and the resource-based view. Chapter 3 provides *what has long been the clearest, most straightforward discussion of the five forces framework to be found in any text on strategic management*. It also offers a set of complementary analytical tools for conducting competitive analysis and demonstrates the importance of tailoring strategy to fit the circumstances of a company's industry and competitive environment. What's new in this edition is the inclusion of the value net framework for conducting analysis of how cooperative as well as competitive moves by various parties contribute to the creation and capture of value in an industry.
- Chapter 4 presents the resource-based view of the firm, showing why resource and capability analysis is such a powerful tool for sizing up a company's competitive assets. It offers a simple framework for identifying a company's resources and capabilities and explains how the VRIN framework can be used to determine whether they can provide the company with a sustainable competitive advantage over its competitors. Other topics covered in this chapter include dynamic capabilities, SWOT analysis, value chain analysis, benchmarking, and competitive strength assessments, thus enabling a solid appraisal of a company's relative cost position and customer value proposition vis-à-vis its rivals. *An important feature of this chapter is a table showing how key financial and operating ratios are calculated and how to interpret them*. Students will find this table handy in doing the number crunching needed to evaluate whether a company's strategy is delivering good financial performance.
- Chapter 5 sets forth the basic approaches available for competing and winning in the marketplace in terms of the five generic competitive strategies—low-cost leadership, differentiation, best-cost provider, focused differentiation, and focused low cost. It describes when each of these approaches works best and what pitfalls to avoid. It explains the role of *cost drivers* and *uniqueness drivers* in reducing a company's costs and enhancing its differentiation, respectively.
- Chapter 6 focuses on *other strategic actions* a company can take to complement its competitive approach and maximize the power of its overall strategy. These include a variety of offensive or defensive competitive moves, and their timing, such as blue-ocean strategies and first-mover advantages and disadvantages. It also includes choices concerning the breadth of a company's activities (or its *scope* of operations along an industry's entire value chain), ranging from horizontal mergers and acquisitions, to vertical integration, outsourcing, and strategic alliances. This material serves to segue into the scope issues covered in the next two chapters on international and diversification strategies.
- Chapter 7 takes up the topic of how to compete in international markets. It begins with a discussion of why differing market conditions across countries must necessarily influence a company's strategic choices about how to enter and compete in foreign markets. It presents five major strategic options for expanding

a company's geographic scope and competing in foreign markets: export strategies, licensing, franchising, establishing a wholly owned subsidiary via acquisition or "greenfield" venture, and alliance strategies. It includes coverage of topics such as Porter's Diamond of National Competitive Advantage, profit sanctuaries, and the choice between multidomestic, global, and transnational strategies. This chapter explains the impetus for sharing, transferring, or accessing valuable resources and capabilities across national borders in the quest for competitive advantage, connecting the material to that on the resource-based view from Chapter 4. The chapter concludes with a discussion of the unique characteristics of competing in developing-country markets.

- Chapter 8 concerns strategy making in the multibusiness company, introducing the topic of corporate-level strategy with its special focus on diversification. The first portion of this chapter describes when and why diversification makes good strategic sense, the different means of diversifying a company's business lineup, and the pros and cons of related versus unrelated diversification strategies. The second part of the chapter looks at how to evaluate the attractiveness of a diversified company's business lineup, how to decide whether it has a good diversification strategy, and what the strategic options are for improving a diversified company's future performance. The evaluative technique integrates material concerning both industry analysis and the resource-based view, in that it considers the relative attractiveness of the various industries the company has diversified into, the company's competitive strength in each of its lines of business, and the extent to which its different businesses exhibit both *strategic fit* and *resource fit*.
- Although the topic of ethics and values comes up at various points in this text- book, Chapter 9 brings more direct attention to such issues and may be used as a stand-alone assignment in either the early, middle, or late part of a course. It concerns the themes of ethical standards in business, approaches to ensuring consistent ethical standards for companies with international operations, corporate social responsibility, and environmental sustainability. The contents of this chapter are sure to give students some things to ponder, rouse lively discussion, and help to make students more *ethically aware* and conscious of *why all companies should conduct their business in a socially responsible and sustainable manner*
- The next three chapters (Chapters 10, 11, and 12) comprise a module on strategy execution that is presented in terms of a 10-step framework. Chapter 10 provides an overview of this framework and then explores the first three of these tasks: (1) staffing the organization with people capable of executing the strategy well, (2) building the organizational capabilities needed for successful strategy execution, and (3) creating an organizational structure supportive of the strategy execution process.
- Chapter 11 discusses five additional managerial actions that advance the cause of good strategy execution: (1) *allocating resources* to enable the strategy execution process, (2) ensuring that *policies and procedures* facilitate rather than impede strategy execution, (3) using *process management tools* and *best practices* to drive continuous improvement in the performance of value chain activities, (4) installing *information and operating systems* that help company personnel carry out their strategic roles, and (5) using *rewards and incentives* to encourage good strategy execution and the achievement of performance targets.
- Chapter 12 completes the framework with a consideration of the roles of corporate culture and leadership in promoting good strategy execution. The recur- ring theme throughout the final three chapters is that executing strategy involves deciding on the specific actions, behaviors, and conditions needed for a smooth strategy-supportive operation and then following through to get things done and deliver results. The goal here is to ensure that students understand that the strategy-executing phase is a *make-things-happen and make-them-happen-right* kind of managerial exercise—one that is critical for achieving operating excellence and reaching the goal of strong company performance.

In this latest edition, we have put our utmost effort into ensuring that the 12 chapters are consistent with the latest and best thinking of academics and practitioners in the field of strategic management and provide the topical coverage required for both undergraduate and MBA-level strategy courses. The ultimate test of the text, of course, is the positive pedagogical impact it has in the classroom. If this edition sets a more effective stage for your lectures and does a better job of helping you persuade students that the discipline of strategy merits their rapt attention, then it will have fulfilled its purpose.

The Case Collection in the 20th Edition

The 31-case line-up in this edition is flush with interesting companies and valuable lessons for students in the art and science of crafting and executing strategy.

- There's a good blend of cases from a length perspective—21 of the 31 cases are under 15 pages, yet offer plenty for students to chew on; 5 are medium-length cases; and the remainder are detail-rich cases that call for more sweeping analysis.
- At least 28 of the 31 cases involve companies, products, or people that students will have heard of, know about from personal experience, or can easily identify with.
- The lineup includes at least 15 cases that will provide students with insight into the special demands of competing in industry environments where technological developments are an everyday event, product life cycles are short, and competitive maneuvering among rivals comes fast and furious.
- Twenty-four of the cases involve situations where company resources and competitive capabilities play as large a role in the strategy-making, strategy-executing scheme of things as industry and competitive conditions do.
- Scattered throughout the lineup are 12 cases concerning non-U.S. companies, globally competitive industries, and/or cross-cultural situations; these cases, in conjunction with the globalized content of the text chapters, provide abundant material for linking the study of strategic management tightly to the ongoing globalization of the world economy.
- Five cases deal with the strategic problems of family-owned or relatively small entrepreneurial businesses.
- Twenty-five cases involve public companies, thus allowing students to do further research on the Internet regarding recent developments at these companies.
- Twenty-three of the 31 cases (Billcutterz.com, Papa John's International, Whole Foods Market in 2014; Under Armour's Strategy in 2014, lululemon athletica in 2014, Lagunitas Brewing Company, Panera Bread Company in 2014, Chipotle Mexican Grill in 2014, Sirius XM, Sony Music Entertainment, J. Crew in 2014, Nucor Corporation in 2014, Tesla Motors, Tata Motors in 2014, Deere & Company in 2014, Walmart in Africa, PepsiCo's Diversification Strategy in 2014, The Walt Disney Company: Its Diversification Strategy in 2014, Southwest Airlines in 2014, Nordstrom, Amazon's Big Data Strategy, NCAA Athletics, and TOMS Shoes) have accompanying video segments that can be shown in conjunction with the case discussions. These videos can be sourced via links to YouTube postings, postings in the Instructor portion of the Online Learning Center for the 20th Edition (at www.mhhe.com/Thompson) or a DVD available from your McGraw-Hill sales representative. The links to the relevant YouTube videos are included in the teaching notes for the applicable cases.
- Seventeen of the 31 cases have accompanying Connect-based case preparation exercises. All of the exercises are based on the recommended assignment questions for the respective case and call upon a student to develop thoughtful, analysis-based answers (as opposed to stating seat-of-the-pants opinions). Each exercise is different, depending both on the circumstances of the case and the content of the chapters to which it is closely linked. *All of the case assignment questions related to the proper analysis of the case are automatically graded, leaving only students' strategic recommendations to be graded manually by the instructor.*

A grid showing the issues that are prominent in each of the 31 cases in this edition is presented in Table 1.

Suggestions for sequencing the case assignments can be found in Section 3 of this IM. The 11 sample course outlines and daily schedules of class activities in Section 4 provide further suggestions about the sequencing of case assignments and how to integrate your coverage of the 12 chapters, the various case assignments, and use of a strategy simulation.

Specific details about how to utilize each case (including recommended assignment questions and recommended oral team presentation assignments are contained in the teaching notes for each of the cases (the TNs appear in Section 7).

TABLE 1. A Quick Profile of the Cases in the 20th Edition of Crafting and Executing Strategy

		Accompanying video (Y = yes; N = no)	Connect Case Exercise (Y = yes; N = No)	Size: Small (S), Medium (M), Large (L)	The manager's role in crafting strategy	The manager's role in executing strategy	Vision, mission, and objectives	Crafting strategy in single-business companies	Industry and competitive analysis	Company resources and capabilities	Global or multinational strategy	E-business strategy issues	Diversification strategies and the analysis of multi-business corporations	Financial conditions and financial analysis	Staffing, people management, incentives and rewards	Organizational structure, core competencies, competitive capabilities, staffing	Policies, procedures, operating systems, best practices, continuous improvement	Corporate culture issues	Ethics, values, social responsibility	Exercising strategic leadership	Making action recommendations
Case 1	Mystic Monk Coffee	N	Y	S	X		X	X	X	X		X		X	X			X		X	X
Case 2	BillCutterz.com: Business Model, Strategy, and the Challenges of Exponential Growth	Y	Y	S	X	X	X	X		X		X		X	X	X					X
Case 3	Whole Foods Market in 2014: Vision, Core Values, and Strategy	Y	Y	M	X		X	X	X	X				X	X		X	X	X	X	X
Case 4	Papa John's International, Inc.: Its Strategy in the Pizza Restaurant Industry	Y	N	M	X	X	X	X	X	X	X	X		X	X						X
Case 5	Under Armour's Strategy in 2014: Potent Enough to Win Market Share from Nike and Adidas?	Y	Y	M	X			X	X	X	X			X							X
Case 6	Lululemon Athletica, Inc. in 2014: Can the Company Get Back on Track?	Y	Y	M	X		X	X	X	X	X			X							X
Case 7	Lagunitas Brewing Company, Inc. – 2013	Y	N	S	X		X	X	X	X				X							X
Case 8	Cooper Tire & Rubber Company in 2014: Competing in a Highly Competitive Market for Replacement Tires	N	N	L	X			X	X	X				X							X
Case 9	Panera Bread Company in 2014: Can a Slowdown in the Company's Growth Be Avoided?	Y	Y	M	X	X	X	X	X	X	X			X					X		X
Case 10	Chipotle Mexican Grill in 2014: Will Its Strategy Become the Model for Reinventing the Fast Food Industry?	Y	Y	M	X		X	X	X	X				X							X
Case 11	Sirius XM Radio Inc. in 2014: On Track to Succeed after a Near-Death Experience?	Y	Y	M	X			X	X	X				X							X
Case 12	Sony Music Entertainment and the Evolution of the Music Industry	Y	N	M	X			X	X	X	X			X					X		X
Case 13	Vera Bradley in 2014: Will the Company's Strategy Reverse Its Downward Trend?	N	Y	M	X		X	X	X	X		X		X							X
Case 14	J. Crew in 2014: Will Its Turnaround Strategy Improve Its Competitiveness?	Y	N	M	X		X	X	X	X		X		X							X
Case 15	The United Methodist Church: Challenges to its Ministerial Mission in 2014	N	N	S	X		X	X	X	X	X			X							X
Case 16	Nucor Corporation in 2014: Combatting Low-Cost Foreign Imports and Depressed Market Demand for Steel Products	Y	Y	L	X	X		X	X	X	X			X							X
Case 17	Tesla Motors' Strategy to Revolutionize the Global Automotive Industry	Y	Y	M	X		X	X	X	X	X			X							X
Case 18	Tata Motors in 2014: Its Multibrand Approach to Competing in the Global Automobile Industry	Y	Y	L	X			X	X	X	X			X							X
Case 19	Deere & Company in 2014: Its International Strategy in the Agricultural, Construction, and Forestry Equipment Industry	Y	Y	L	X			X	X	X	X			X							X
Case 20	Walmart in Africa	Y	N	L	X			X	X	X	X			X							X
Case 21	PepsiCo's Diversification Strategy in 2014	Y	Y	L	X				X	X	X		X	X							X
Case 22	The Walt Disney Company: Its Diversification Strategy in 2014	Y	Y	L	X		X		X	X	X		X	X							X
Case 23	Robin Hood	N	Y	S	X	X	X		X	X					X	X	X	X	X	X	X
Case 24	Dilemma at Devil's Den	N	N	S		X									X	X	X	X	X		X
Case 25	Southwest Airlines in 2014: Culture, Values, and Operating Practices	Y	Y	L	X	X	X	X	X	X	X			X	X	X	X	X		X	X
Case 26	Nordstrom: Focusing on a Culture of Service	Y	N	M		X		X		X				X	X	X	X	X			X
Case 27	Employee Training & Development at Ritz-Carlton: Fostering an Exceptional Customer Service Culture	N	N	M		X		X						X	X		X	X			X
Case 28	Amazon's Big Data Strategy	Y	N	M		X						X		X			X				X
Case 29	NCAA Athletics: Are Its Amateurism and Financial Assistance Policies Ethical?	Y	N	S	X		X							X			X		X		X
Case 30	TOMS Shoes: A Dedication to Social Responsibility	Y	N	S	X	X	X	X	X	X				X			X	X	X	X	X
Case 31	Samsung's Environmental Responsibility: Striking the Right Note for Corporate Survival	N	N	L	X				X	X							X	X			X

Sample course syllabi displaying possible case sequencing and suggested case assignments are presented in Section 4 of this volume of the IM.

It is worth mentioning at this juncture that there is a comprehensive table of financial ratios in Chapter 4 that provides the formulas and brief explanations of what each ratio reveals. Adopters of prior editions have told us that students find this table extremely helpful in guiding their analyses of the financial statements contained in the cases. You will probably want to call this table to the attention of class members and urge that they make full use of the information it contains.

Moreover, we have included a Guide to Case Analysis that appears at the end of the book, after Case 31. This brief guide—designed especially for students unfamiliar with the case method of teaching/learning—explains what a case is, why cases are a standard part of courses in strategy, how to prepare for a class discussion of a case, how to prepare a written case analysis, what is expected in an oral presentation, and the financial ratio calculations that are used to assess a company’s financial condition. We suggest having students read this Guide prior to the first class discussion of a case. We believe you will find the collection of 31 cases quite appealing, eminently teachable, and very suitable for drilling students in the use of the concepts and analytical treatments in Chapters 1 through 12. With this case lineup, you should have no difficulty whatsoever assigning cases that will capture the interest of students from start to finish.

Value-Adding Student Support Materials for the 20th Edition of Crafting & Executing Strategy

The text and text website include several kinds of support materials to help students grasp the material.

Key Points Summaries At the end of each chapter is a synopsis of the core concepts, analytical tools and other key points discussed in the chapter. These chapter-end synopses help students focus on basic strategy principles, digest the messages of each chapter, and prepare for tests.

Two Sets of Chapter-End Exercises Each chapter concludes with two sets of exercises. The *Assurance of Learning Exercises* can be used as the basis for class discussion, oral presentation assignments, short written reports, and substitutes for case assignments. The *Exercises for Simulation Participants* are designed expressly for use by adopters who have incorporated use of a simulation and want to go a step further in tightly and explicitly connecting the chapter content to the simulation company their students are running. The questions in both sets of exercises (along with those Illustration Capsules that qualify as “mini-cases”) can be used to round out the rest of a 75-minute class period should your lecture on a chapter last for only 50 minutes.

Online Learning Center (OLC) The following helpful aids are available to students via the publisher’s OLC at www.mhhe.com/thompson:

- **Self-Graded Chapter Quizzes** The OLC contains 10-question quizzes for each chapter to allow students to measure their grasp of the material presented in each of the 12 chapters.
- **Study Questions for Assigned Cases** A set of PDF files containing study questions for each of the 31 cases in this edition are posted; the ready accessibility of these files to class members eliminates the need for you to provide study questions for assigned cases. The study questions provided to students match those appearing in the teaching notes for these cases.
- **PowerPoint Slides** There is a selection of PowerPoint slides for each of the 12 chapters.

Connect™ Management Web-based Assignment and Assessment Platform Connect chapter quizzes, learning assurance exercises, and case exercises can be used as a graded component of the course, an assessment mechanism, or as an effective way to prepare students for chapter exams, in-class discussions of cases, written case assignments or oral case presentations. Whether Connect assignments are calculated into students’ grades for the course or not, our robust collection of chapter quizzes, chapter learning assurance exercises, and case preparation exercises will give students valid and timely feedback about their mastery of the concepts and analytical tools presented in the text.

The progress-tracking function built into the *Connect Management* system enables you to:

- View scored work immediately and track individual or group performance with assignment and grade reports.
- Access an instant view of student or class performance relative to learning objectives.
- Collect data and generate reports required by many accreditation organizations, such as AACSB.

All students who purchase a new copy of the text are automatically provided access to Connect at no additional charge (those who have a used copy can obtain access by paying a modest fee--\$20 at the time of this writing).

LearnSmart and SmartBook™ LearnSmart is an adaptive study tool proven to strengthen memory recall, increase class retention, and boost grades. Students are able to study more efficiently because they are made aware of what they know and don't know. Real-time reports quickly identify the concepts that require more attention from individual students—or the entire class. SmartBook is the first and only adaptive reading experience designed to change the way students read and learn. It creates a personalized reading experience by highlighting the most impactful concepts a student needs to learn at that moment in time. As a student engages with SmartBook, the reading experience continuously adapts by highlighting content based on what the student knows and doesn't know. This ensures that the focus is on the content he or she needs to learn, while simultaneously promoting long-term retention of material. Use SmartBook's real-time reports to quickly identify the concepts that require more attention from individual students—or the entire class. The end result? Students are more engaged with course content, can better prioritize their time, and come to class ready to participate.

The Business Strategy Game and GLO-BUS Online Simulations Using one of the two companion strategy simulations is a powerful and constructive way of emotionally connecting students to the subject matter of the course. We know of no more effective and interesting way to stimulate the competitive energy of students and prepare them for the rigors of real-world business decision-making than to have them match strategic wits with classmates in running a company in head-to-head competition for global market leadership. In Section 2 of this IM, we outline why using a competition-based strategy simulation as a course centerpiece makes great sense and provide you with detailed suggestions for successfully incorporating either *The Business Strategy Game* or *GLO-BUS* in your strategic management course.

Should you decide to incorporate use one of the two simulations in your course, the simplest (and usually the cheapest) way for students to obtain the simulation is via a credit card purchase at www.bsg-online.com (if you opt to use *The Business Strategy Game*) or at www.glo-bus.com (if you opt to use *GLO-BUS*). Purchasing the simulation direct at the web site allows students to bypass paying sometimes hefty bookstore markups (a savings that can amount to \$10-\$15). The second way for students to register for the simulation is by using a pre-paid access code that comes bundled with the 20th Edition when you order the text-simulation package through your bookstore—this requires use of a separate ISBN (the 20th Edition bundled with either simulation has a different ISBN number than just the 20th Edition ordered alone. Your McGraw-Hill rep can provide you with the correct ISBN for ordering the combination text-simulation package through your bookstore(s).

SECTION 2

Using a Strategy Simulation
in Your Course: What's Involved,
The Compelling Benefits,
and How to Proceed

