

COURSE SYLLABUS

MOR 559: STRATEGIC RENEWAL

MOR 559: STRATEGIC RENEWAL PROFESSOR MICHAEL MISCHE

Table of Contents

- 1.0 INTRODUCTION
 - 1.1 Course Description
 - 1.2 Professor Introduction
- 2.0 COURSE DESIGN & CONTENT
- 3.0 LEARNING OBJECTIVES & OUTCOMES
- 4.0 COURSE COMPONENTS
 - 4.1 Academic Component
 - 4.2 Mentoring & Coaching Component
- 5.0 REQUIRED MATERIALS
- 6.0 COURSE EXPECTATIONS
- 7.0 COURSE NOTES & POSTINGS
- 8.0 GRADING & PERFORMANCE ASSESSMENT
- 9.0 TEAM PROJECT
- 10.0 ASSIGNMENTS
- 11.0 ADDITIONAL INFORMATION
- 12.0 COURSE CALENDAR & ASSIGNMENTS BY CLASS

Date: August 20, 2017
(Updated & revised)

Section: 16696

Semester: FALL 2017

Class Meets: Tuesday & Thursday

Class Dates: First Class: 08/22/17

Last Class: 11/30/17

Class Time: 8:00 to 9:50 AM

Class Room: JKP 202

Final Exam: 12/6/17; 8 - 10 AM
(per USC Schedule)

Professor: MICHAEL A. MISCHE

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Office Hours: *As Posted on Black Board and:*
Tuesday & Thursday

Coffee w Mische 7:30 – 8:00 AM

JFKP/JFF Café/Courtyard

MBA's Only – 5:00 to 6:00 PM

HOH 415

Monday, Tues, Wed, & Thur.

10:30 to 12:30.

Friday:

By appointment only.

Any time after class & by appointment.

Please feel free to email or text me at any time with any questions, ideas, comments or needs (Text is better).

Email: mische@marshall.usc.edu

Mobile: Provided in the class

“How companies anticipate and navigate change in their environments, markets, competitors, and operations, define, to a large extent, how successful those companies will be.”

1.0 INTRODUCTION TO MOR 559

1.1 Course Description

Welcome to MOR 559: Strategic Renewal & Transformation! Irrespective of industry dynamics and the level or strength of competition, great products and superior financial performance are the *results* of how a company operates and how well it is led. Sales growth and profitability are manifestations of how a company is managed, formulates its strategies, and utilizes its resources. More importantly, they are the end products of extraordinarily complex interactions among a number of different variables occurring within organizations and between them and their external environments on a continuous basis.

Winning the competitive battles of today is not just about competing better, or having strategies, or using continuous quality and performance improvement programs. It is about competing to be the best and, most importantly, competing differently, faster, and more efficiently.

However, the ability to anticipate change does not necessarily imply that the key to strategic leadership and lasting competitive advantage is to consistently predict the future. Such soothsaying is better left to others and as Peter Drucker noted "...it's pointless to try to predict the future." That's because for many organizations much of the future has already happened and they simply haven't realized it, or is happening and they simply can't see it.

Fraught with intrigue and drama, and enormously challenging, declines and turnarounds are complex. In MOR 559 we explore the complexities and challenges of decline and turnarounds. Emphasis is placed on assessment of situation, resources and capabilities in the early portion of the course and in the latter sessions, leadership and effective utilization of resources and capabilities for turnaround and renewal.

In MOR 559, we ask and address some of the seminal management and investor questions such as:

- (1) Why and how do companies fail?
- (2) What happened to the once invincible and stalwart companies of Sears, Bausch & Lomb, Enron, Kodak, Chrysler, and Compaq?
- (3) What are the causes of company failure and can failure be predicted and avoided?
- (4) What intervention strategies and methods are most effective at helping companies either avoid failure, or use to turn certain defeat into sustainable viability, and long term competitiveness?
- (5) How do great companies, stay great?
- (6) How did companies such as Harley Davidson and IBM come roaring back from the brink of the corporate abyss, and how do companies like Toyota and Samsung manage to stay on top?

MOR 559: STRATEGIC RENEWAL PROFESSOR MICHAEL MISCHE

KEY TOPICS & SUBJECTS

Company decline, distress, duress & demise

Predicting decline & demise

Stages of decline & demise

Analytical methods & frameworks

Lifecycle stages as related to decline & demise

Intervention techniques & methods

Leadership & decline

Organizational behavior & dynamics in decline

Turnaround plans & measurements

Psychology of decline & failure

Group & cultural factors in decline, failure & turnarounds

Resources & capacities of the firm in decline, failure & turnaround

Social consequences of decline & failure

Cases & simulations

- (7) What is the role of leadership in failure & turnaround?
- (8) How do organizational dynamics change during failure & turnaround?
- (9) What change processes are most sustainable?
- (10) What are the social consequences of failure?
- (11) Is any organization “Too big to fail?”

1.2 Professor Introduction

As an educator and mentor, there is nothing more satisfying to me than to see you highly successful in this class, and in your career. As a former consulting partner in KPMG, principal in AT Kearney, and CEO of a consulting firm, I teach MOR 559 from a pragmatic perspective that stresses analysis of the strategic and tactical position of the firm at a point in time, and resources and capabilities of the firm in declines and turnarounds. Using a *Socratic* method, I teach the material necessary to function successfully as a turnaround executive. My teaching style is direct, fluid, and purposeful. I am open and welcome the rigorous interrogation of data and facts, constructive debate, challenging questions, lots of discussion, and collaborative learning. My primary professional objectives and personal obligations for this course include:

- (1) Transferring the knowledge and skills necessary for leading and effecting successful turnarounds,
- (2) Helping prepare you for a career in the C-suite,
- (3) Helping position you for success as a leader,
- (4) Ensuring, through formal and informal assessment processes, that you demonstrate the competencies, knowledge and critical thinking skills emphasized and taught in 559.
- (5) Contributing to USC Marshall’s reputation as one of best B-schools in the nation.

The material in this course originates from and incorporates academic research/literature, my 30 plus years of management consulting experience, ELC-simulations, and a specialized project performed by students in MOR 559. As USC’s practicing consulting professor, I also have an active portfolio of current consulting clients which helps to ensure that the course design, pedagogy, materials, and subject matter are all relevant.

2.0 COURSE DESIGN, CONTENT & SUBJECT MATTER

MOR 559 is organized into four modules...each module builds on prior work to form an integrated course design, and a progressive exposure and application of course concepts, frameworks, analytical methods and turnaround techniques. Specifically:



Complementing the concepts of course is a specialized project involving the research, diagnosis, analysis and formulation of recommendations for a company that is in distress. Prior 559 classes have distinguished their work by accurately forecasting the demise of companies such as, Lehman Brothers, General Motors, Enron, WorldCom, Chrysler, Borders Books, Sears and Yahoo, *years before* their actual failures, acquisitions, or restructurings.

Specific course content by module includes, but is not limited to:

- In **Module 1**, we begin with building an understanding of the factors of company stress, indicators of decline and harbingers of demise. In this module, we explore and discuss a number of readings related to:
 - (1) Differences and definitions for strategic stress, decline, duress & demise,
 - (2) Behavioral characteristics of strategic decline & failure,
 - (3) Indicators of strategic stress, decline, duress & demise,
 - (4) Industry & company lifecycle positions,
 - (5) Competitive strategic dynamics between incumbents versus entrants,
 - (6) Understanding and identifying the consequences of strategic failure,
 - (7) Understanding the nature and root causes of strategic failure,
 - (8) Resources and capabilities of the firm.

- In **Module 2**, we learn a series of methods and frameworks for predicting decline, assessing the severity of decline and developing various prognosis for troubled companies. In this module, we explore and discuss a number of readings related to:
 - (1) Diagnosing failure,
 - (2) Kotter's Assessment,
 - (3) Altman's Z-score methodology,
 - (4) Managerial fallacies,
 - (5) Mische's 10 Warning Signs of Decay,
 - (6) Role of resiliency in strategic failure,
 - (7) Restructuring issues,
 - (8) Understanding group and cultural dynamics in strategic failure.

- In **Module 3**, we learn the essentials of leading turnarounds, including:
 - (1) Leadership behaviors and tactics,
 - (2) Developing a turnaround prognosis,
 - (3) Developing and implementing turnaround plans,
 - (4) 90-Day Action Plan,
 - (5) Professional ethics in turnarounds,
 - (6) Incremental versus episodic change,
 - (7) The role of the leader in strategic renewal,
 - (8) Understanding & assessing vulnerabilities.

- In **Module 4**, we explore specific methods and tactics for initiating and implementing strategic change and turnarounds, including:
 - (1) Understanding and managing the psychological aspects of turnarounds,
 - (2) Identifying key assets and human resources in affecting change,
 - (3) Measuring strategic change,
 - (4) Managing change,
 - (5) Leading leaders,
 - (6) Understanding the social implications of turnarounds and failure.

- **Team Project.** Running concurrently with all four course modules is a team project. For 559 we conduct a team project designed to identify a company in distress. Each team selects a public company that is some stage of decline and then performs an analysis of that company to identify its, problems, issues, limitations, capabilities, etc., and then designs a turnaround plan for the company. The results of the project are presented in class at the end of the semester. (See Section 9.0.)

3.0 LEARNING OBJECTIVES & EXPECTED OUTCOMES

MOR 559 is oriented to practical business matters of growth and demise. In MOR 559, students are **expected and required to participate in class**. Learning teams, videos, cases, client projects, individual assignments, formal cases, and a course reader may all be used in various forms to facilitate your development and transfer the appropriate knowledge.

This course will help you develop skills and thought processes related to strategic change, turnarounds, M&As, company restructurings, and the causes of company and industry decline. At the completion of the course, you should be able to:

1. Demonstrate your knowledge of identifying and assessing the symptoms of decline.
2. Demonstrate your knowledge of the causes of decline and business failure.
3. Enable you to demonstrate your proficiency with the tools and methods available to initiate strategic renewal.
4. Enable you to express and present the skills for managing effective and successful strategic renewal efforts.
5. Demonstrate your critical thinking and analytical skills as applied to course concepts and content.
6. Enable you to demonstrate an understanding the basic concepts related to turnarounds.
7. Position you to better demonstrate your understanding of strategy and management thinking.

At the conclusion of the course you will have a better understanding of the symptoms of decline, how-to assess company performance, and how to turnaround a deteriorating company.

4.0 COURSE COMPONENTS

4.1 Academic Components

MOR 559 is composed of 5 major academic components. Each component is designed to provide you with a specific learning experience that supports a particular set of objectives, needs, skills, tools, analytical framework and knowledge essential to your development as a Marshall student and MOR 559. Specifically:

1. Classroom Component

This is a highly interactive class that provides you with a great opportunity to learn, challenge yourself and others and develop your critical thinking, analytical skills, management *acumen* and communication talents. Come to class ready to work, participate, contribute, compete and have *fun*. Classes are similar to any business or boardroom, they are direct and facilitative and provide a forum to challenge the professor, your classmates and most importantly, yourself...***BE ENGAGED***.

Lectures are important...most of what you will learn is lecture based, collaborative *and* reading, case or project related. The readings either “set the stage,” reinforce concepts, or provide a different perspective to the lectures. Come to class prepared to contribute, challenge and be challenged and take every advantage to challenge me, learn, explore and extend your knowledge.

- **WARNING! DO NOT RELY** on PowerPoint posting and BB...I rarely use slides and I rarely post lecture notes. I do not need, nor do I rely on slides. I lecture and *teach* in the classroom and most of what you will learn will be from

the lectures my 30+ years of experience, as well as our collective interactions in the classroom...not BB and PPTs.

2. Readings & Cases Component

The readings for this course have been carefully selected and represent a broad spectrum of ideas, concepts, research, and professional perspective. We will discuss assigned readings and or aspects of the individual projects during designated classes. The readings and discussions provide us the opportunity to learn, practice, hone our perceptions, advance our analytical abilities, and to learn directly and vicariously from others' situations and each other. It is essential that you procure the proper course reader and do the readings.

3. Team Participation & Contribution Component

Teamwork in management consulting is *essential*. Learning how to function as an effective team member and leader are prerequisites to management level positions in any consulting firm. Your functioning and contributions to the efforts of your team are essential components of your development as a future leader of organizations. Participation on a team provides you with an opportunity to lead, be an individual contributor, and function as an effective team member. More importantly, learning how to create, manage, and sustain collaborative teams are important management and consulting skills. Your active participation and contribution to your team project is critical to the success of your consulting project and is included in your final grade,

4. Intellectual Component

This component focuses your cognitive and decision making abilities. The intellectual component includes reading, learning models of behavior, design, and leadership, discussing ideas from the readings and from other sources. As indicated, in this class we will focus on 4 dimensions of learning, knowledge transfer and skill development:

- a. ***Factual Knowledge*** is knowledge that is basic to specific disciplines. This dimension refers to essential facts, terminology, details or elements students must know or be familiar with in order to understand a discipline or solve a problem in it.
- b. ***Conceptual Knowledge*** is knowledge of classifications, principles, generalizations, theories, models, or structures pertinent to a particular disciplinary area.
- c. ***Procedural Knowledge*** refers to information or knowledge that helps students to do something specific to a discipline, subject and area of study. It also refers to methods of inquiry, very specific or finite skills, algorithms, techniques, and particular methodologies.
- d. ***Metacognitive Knowledge*** is the awareness of one's own cognition and particular cognitive processes. It is strategic or reflective knowledge about how to go about solving problems, cognitive tasks, to include contextual and conditional knowledge and knowledge of self.

5. Office Hours & Support Component

I love teaching and 'creating' management consultants...nothing is more rewarding than to see my students successful. I'm here to support your efforts, assist you in understanding course content, and facilitate your success in this class.

- My office is located in Hoffman Hall (HOH) Room 415.
- I am here to help make you successful and I take that responsibility and commitment seriously. Please feel free to come forward at any time with any questions, needs,

suggestions, or ideas to make your learning experience more meaningful. I'll do my best to be responsive, communicative and facilitative and to help you succeed in this course and in securing employment or your career. Always feel free to text or call on my cell at any time.

- I'm here (on campus) over 40 hours a week. I've published both my office hours and teaching schedule on BB for you...always feel free to come to one of classes.

4.2 Mentoring & Coaching Component

Reach out to me at any time! Come visit me during office hours or “Coffee with Mische.” I am readily accessible via text messaging. I prefer texting to emails simply due to the volume of emails that I receive. I usually respond to texts in relatively short order. I'm here to help position you for success...so no excuses if you don't take advantage of it!

5.0 REQUIRED MATERIALS

MOR 559 uses a **Harvard Coursepack**. I have selected readings and organized the Coursepack to support the concepts and key themes of MOR 559.

The **Harvard Coursepack** contains the formal business cases, readings and articles that we will use throughout the semester. The Coursepack is **MANDATORY**. I update the coursepack each semester for new articles and readings that are more “on point” and or more appropriate for the evolving needs of the course. The Coursepack can be purchased and downloaded via the link below:

COURSEPACK URL:
<http://cb.hbsp.harvard.edu/cbmp/access/57931695>

Note: This is a new and updated coursepack. It contains additional readings and cases.

I will also post an occasional ad-hoc reading on BB. The intent of these ad-hoc materials is not to increase course loads, but to embellish and advance the learning process and improve your educational experience at Marshall...therefore...read them!

Other resources used or referred to in this course include, but are not limited to:

- **USC'S 5-Step Critical Thinking Initiative**
<http://info.marshall.usc.edu/faculty/critthink/Supplemental%20Material/5%20Step%20USC-CT%20Problem%20Solving%20Process.pdf>
- **USC's Statement of Ethics**
https://about.usc.edu/files/2011/07/USC_Code_of_Ethics_2004.pdf
- **USC's Final Examination Schedule**
<http://classes.usc.edu/term-20173/finals/>
- Mische, Michael A. *Strategic Renewal: Organizational Change for Competitive Advantage*. Prentice-Hall. (2000). ISBN-0-13-021919-3.

6.0 COURSE EXPECTATIONS

6.1 Summary of My Expectations

Do the work! No excuses. Please let me be clear, *come to class prepared, stay focused in class, and engage in class discussions*. I expect Marshall students to stay current with business issues by accessing CNBC, Bloomberg and other business news services. Also, please take a few minutes to reflect on my **4 P's of success**:

PREPARE for class. Preparation is essential to client service & professionalism. Concentrate on learning and not your grade! *"Great grades follow great learning."*

PARTICIPATE in class. Consulting is communication based and the most successful consultants are also exceptional communicators.

PUNCTUAL. USC costs lots of money...be on time & maximize your value.

PROFESSIONAL. Be a professional learner...your job is to learn.

6.2 Simple Rules to Help You Succeed in My Class!

Here's a few tips on how to be successful in this class:

1. **Texting & Emailing**. Please don't text or email in class. It's incredibly distracting to faculty and to others and frankly it's...rude. If you must text, kindly remove yourself from the classroom and do so outside. If I find that the texting or emailing is a distraction to our collective efforts, I will ask you to leave....no negotiation necessary. *Stay focused!*
2. **Preparation**. Preparation is essential to success. I expect you to be prepared for each class and come prepared to participate, contribute and learn. Furthermore, as Marshall degree candidates you are expected to meet and satisfy all due dates and deadlines. *Do the work...take the initiative.*
3. **Participation**. This is a highly interactive course, which is reflective of the realities and the demands of management consulting. Consultants must communicate with their clients. Given the nature of the course and my teaching style, it will be relatively easy to participate.
 - You are encouraged to explore various ways to express yourself, engage in discussions, and present and argue your ideas. Participate, debate, contribute, learn and be engaged...your grade is partially based on it! Inevitably, some students will not agree with you, and you may be asked to defend your argument. That's great! This is the place to learn and take some chances, However, let's all try to endeavor to direct criticism and comments to the substance of the topic and argument, and not at individuals.
 - The quality of your learning experience during our class discussions will be directly determined by three factors: (1) your degree of preparation, active listening, and participation, (2) your classmates' preparation, listening, and participation, and (3) my teaching effectiveness. Let's do our best to ensure that effective learning has been achieved and that the relevant knowledge has been transferred.
 - If, for some reason you are not inclined to engage in class discussions, then write your thoughts and contributions in the form of a memo to me. Your memo

doesn't have to a novel or dissertation...just short, to the point and expressive of your participation and learning.

- Each of us is different in how we express our participation, so a wide range of participation activities is acceptable, but performance must be demonstrated individually, within the teams, and in the class. Each person will be subjectively evaluated by the team and by me as to his or her preparation for the sessions in addition to his or her contribution to the team performance. *This is world-class, elite university, so use and seek every opportunity to get better here, at Marshall, so you can perform better in the C-suite later!*

4. **Professionalism.** Being a professional is a lifelong commitment to excellence. Be on time. Be respectful and supportive one another. Do your work, be prepared. Take pride in your work. Come to class ready to learn, contribute and have some fun. Make every second count for something meaningful. Make every second count for something meaningful. Get involved, debate, challenge, argue, take sides, be passionate and be resolute and always *COMPETE*...but remember that each of us is part of USC and therefore members of the Trojan Family and Trojans are *winners!!!*
5. **Focus.** During class time and during your team meetings and research, it is critical to be focused on the task, topic, case, etc., that is assigned. This would include not reading the DT, engaging in side conversations, working on another class, checking your texts, etc. Focusing requires energy, concentration, and your intention to carry your share of the responsibility to make your team and the class effective for everyone. *Stay in the moment!*
6. **Punctual.** Everyone at some time might be a little late or miss a class. As Marshall degree candidates, USC expects you to be responsible and let faculty know in advance when you will miss a class wherever possible, or to follow-up when it is not possible. As lectures are important, excessive absences (more than three) could adversely affect your final grade in the course. *You worked hard to get to USC...come to class on time and ready to work!*
7. **Attendance.** Be engaged in the class. Class attendance is absolutely essential. All missed classes will be noted. The policy on missed classes is to allow each student **three (3) absences**, no questions asked, no penalty. All further absences over this limit will reduce the student's course contribution grade and final course grade, no questions asked, no excuses of any kind accepted. **Students with an excessive number of absences are at risk of failing the course.** Only official university engagements, such as officially scheduled USC Marshall sponsored case competitions and sports events, will be accepted as exceptions to this policy. Job interviews, etc., are not excused, so choose your absences carefully. Habitual lateness and leaving class early, for whatever reason, will be noted as evidence of low course commitment and penalized. *You cannot learn from our class discussions, and your classmates cannot learn from you, if you are not present.*
8. **Relax.** You've worked hard to get here, so enjoy the learning experience that is unique to Marshall and USC. Put effort into your learning, take the class seriously, and do the work. If you achieve those objectives, then you should do well in the class. More importantly, the material that you learn in this class is valuable to your career and professional development.

9. **Hey Mische!** I want you to know that I take your commitment to USC, your degree and your professional and personal development very seriously. *I want you to succeed!* I want you to excel and just absolutely shred the class and the material. The results of my work are measured in years after you take the class. Please know that I am available to help you in any way that I can.
- If you need career advice, or would like me to review your resume, or help prep you for an interview...*come see me!*
 - If need a recommendation and have done the work in the class...*come see me!*
 - If you are having problems with the material or grades...*come see me!*
 - If you are having issues with me, or my teaching style... *come see me!*
 - *My door is always open.* I've been around, been through it and I am here to help.
 - If I not available or around, or if you feel the need to discuss matters related to the course, your learning, or my teaching confidentially, then please feel free to contact either Professor Voigt (MOR), or Professor Fiss, Chair of the MOR Dept. We are team and we are here to teach and help you be successful.

7.0 COURSE NOTES & POSTINGS

Announcements, key dates, shared information, general feedback, commentary, lecture documents, notes, articles, supplemental course documents are posted on Blackboard (BB).

- It is your responsibility and *solely* your responsibility to frequently check Blackboard for updates and materials and to also check your email for communications from me.
- **WARNING!** Do not rely on BB or Power Points...the material and learning are in the live lectures! I rarely post PPTs and notes! Come to class and learn.

8.0 GRADING & PERFORMANCE ASSESSMENT

8.1 Grading Composition

Please be assured that I take grading very seriously and will work hard to grade you as thoroughly, fairly and as accurately as I possibly can.

I recognize that your work and grade are reflective of many factors. For this course, your grade will be based on a combination of **three** grading events: (1) Midterm, (2) Comprehensive Final, and (3) Project Team performance (presentation(s)). Your final grade will be reflective of your individual and team performance in the grading events **and** your relative ranking in terms of total grade points earned/scored in those events as compared to the other students. Thus, your final grade is a reflection of your work and where you work ranks in comparison to other students, and the grade splits (A to A- to B+ to B, etc.) from highest to lowest established for your class. Grading for exams and papers is done by USC Student ID only.

Your final grade is not based on a mandated GPA curve or target, but on your individual performance, the performance of the class as a whole, and your relative ranking as compared to the other students. Historically, the average grade for this class is about a “B+.”

Below is the grading composition for this class.

MOR 559 - GRADING EVENT & COMPOSITION	
<u>Grade Event</u>	<u>Weighting/Composition</u>
1. Mid-Term Exam	35% (Individual based grade)
2. Team Research Project	25% (Team based grade)
3. Final Exam -Comprehensive	40% (Individual based grade)
Total:	<u>100%</u>

(Please note that I reserve the right to change the composition and/or weightings based on class performance **and** subject to our collective agreement and vote.)

As this is a professional competency course, grading will be competitive and rigorous. Not everyone will get an “A” and effort, although appreciated and encouraged, may not always be indicative of the final grade and or your effort. Do your best! Compete hard and fairly for the best grade that you can possibly earn. Don’t worry about the other students...concentrate on your own learning and contributions to the class.

8.2 General Grading Standards & Criteria

8.2.1 General

Do the work! You are here to learn and gain the necessary knowledge and skills to be successful in business...do the work to get better! Marshall degree candidates are expected to perform at the highest levels. I take grading and your grade seriously! Your work will be evaluated based on the objectives of MOR 559 and the criteria described herein. As a general guideline, when assessing and grading your work and contributions, I use a number of criteria and dimensions. As a guideline, below please some examples including, but not limited to:

1. **Causality** – Have you demonstrated a correlation between the data, analysis and conclusion/comments?
2. **Perspective** – Did you establish a context & did you provide perspective for your finding, thought or conclusion...does that context reflect contemplative thinking and does it ‘paint a picture’ (going above & beyond the obvious correct answer)?
3. **Application** – Have you applied the appropriate course materials and concepts correctly and have you demonstrated linkage to the course materials?
4. **Relevance** -- Does your work or comment bear on the subject at hand? (Comments that do not link up with what the discussion is focusing on can actually detract from the learning experience.)
5. **Associative Thinking/Linkage** – To what extent are your work and comments logical antecedents or consequences of a particular argument traced out? To what extent are you successfully linking other concepts, readings, events, and precedent and reflect the “*Medici Effect*” in your thinking.
6. **Responsiveness** – To what extent does your work or comment react in an important way to what someone else has said, the issue or problem at hand, or scope and objectives of the assignment or project?
7. **Analysis** – Have you employed the proper set of frameworks and analytical methods?
8. **Evidence** - Have you effectively used data from the case, from personal experience, from citable third-parties, from general knowledge to support the assertions made and or conclusions?

9. **Importance** - Does your work or comment contribute further to our understanding of the issues at hand? Is a connection made with other cases we have analyzed?
10. **Critical Thinking** – Are you thinking critically? Are you interrogating issues and facts? Does your thinking reflect the attributes of USC’s 5-step USC-CT? Have you applied and demonstrated USC-CT in your analysis and formulations? (See posting on BB).
11. **Engaged** – Did you come to class ON TIME and did you CONTRIBUTE?
12. **Compliance** – Is your work responsive to the requirements and scope and objectives of the assignment?

I will do its best to make my expectations for the various assignments clear and to evaluate them as fairly and objectively as they can. Also, I usually publish grading criteria and expectations for exams, presentations and reports ahead of time to help you better prepare.

If you feel that an error has occurred in the grading of any assignment, you may, within one week of the date the assignment is returned to you, write a memo to me and request an explanation and re-evaluation of the assignment. Attach the original assignment to the memo and explain fully and carefully why you think the assignment should be re-graded. Be advised that as in business and life, the re-evaluation process can result in three types of grade adjustments: positive, none, or negative.

8.2.2 Team/Peer Evaluations

Each of you will have the opportunity to complete a peer evaluation of the members of your team with respect to the team final project. A copy of the peer evaluation form will be posted on BB. Please note:

- If you are experiencing any group-related problem (e.g. conflict, free-rider, known-it-all, confrontational or demeaning behavior, etc.), please let me know immediately. Do not wait until the end of the semester. If you report this problem too late, there is not much I can do.
- If you experiencing any academic problems or personal issues (e.g. illness, injury, hardships, conflicts, etc.) that might influence your academic performance, please let me know immediately. Do not wait until the end of the semester. If you report this problem too late, there is not much I can do.

8.2.3 Examination Design & Procedures

I view exams as positive experiences for both the student and professor. My exams are designed to allow you to express and demonstrate your mastery of the subject material. As with all of my exams, each exam is crafted by me, is intended to be pragmatic, and is designed to test the most important subject concepts and topics. The exams are intended to allow to showcase your knowledge, and provide you with the opportunity to demonstrate how you use, adapt, and apply important course concepts and topics to a series of questions, situations, and management decisions and choices. Generally, my exams are organized into three, or four sections:

- (1) Course Concepts & Theory,
- (2) Cases & Readings,
- (3) Applied Reasoning & Critical Thinking,
- (4) Essay or Short Answer.

Important! I do not grade by name. You are to use only the last four digits of your USC ID on your exam paper. This helps maintain the confidentiality and privacy of each student.

8.2.4 Final Examination: A Summation of Your Learning Experience

There will be a final exam for this class. The final examination for this course will be conducted on the date, at the time and in the location **as scheduled** by USC. I do not schedule final exams. No exceptions shall be granted unless previously approved, in writing, by the appropriate USC academic unit. You are completely responsible for attending the final examination on the date published by USC...please do not ask me for any special consideration unless you specifically satisfy the conditions described below for: scheduling conflicts, religious observance conflicts and documented emergencies. The following is USC's stated policy for final examinations.

“All undergraduate and graduate courses scheduled in the standard sessions of the fall and spring semesters have a published final examination schedule. In accordance with the policies of the United States Department of Education, the last scheduled day of class is required instructional time. Either a final examination or other final summative experience must take place during the published final examination period.”

Final examinations or other final summative experiences may not be scheduled during the Study Days period.

No deviations from the published examination period are permitted for courses scheduled in a standard session during the fall and spring semesters, unless faculty have authorization in advance from the Committee on Academic Policies and Procedures (CAPP). CAPP will not consider any faculty request for rescheduling a final examination without unanimous written consent of all students in the class. Contact the Registrar's Office (213-740-4623 or registrar@usc.edu) for the request form and procedures.

USC's final exam schedule and policy can be viewed at:

<http://classes.usc.edu/term-20173/finals/>

8.2.5 Student Scheduling Conflicts

No student is permitted to omit or anticipate a final examination and no instructor is authorized to permit a student to do so.

Students should plan in advance to avoid scheduling conflicts in their final examinations. If a student is scheduled for two final examinations at the same time, the student should request to take one of the examinations on a different day or time. If a student is scheduled for more than two final examinations in one day, the student may request to take one of the exams on a different day or time. In either situation, the student must contact the professors involved no later than two weeks prior to the scheduled examination date and request an accommodation. If an accommodation cannot be arranged, the student should contact the USC Testing Services (213-740-7166 or testing@usc.edu) for assistance.

Faculty are reminded that grades are due 96 hours after the University-scheduled final examination day and time. Therefore, it might not be possible to accommodate late student requests for an alternate, makeup final examination after the published examination period.

8.2.6 Religious Observance Conflicts

When a final examination is scheduled at a time that conflicts with a student's observance of a holy day, faculty members should accommodate a request for an alternate examination date and time. A

student must discuss a final examination conflict with the professor no later than two weeks prior to the scheduled examination date to arrange an acceptable alternate examination date and time. The student and/or professor may reach out to the Office of Religious Life (213-740-6110 or vasoni@usc.edu, Dean of Religious Life) for guidance.

8.2.7 Documented Emergency

In the case of a documented emergency that occurs after the withdrawal date and/or during the final exam period, students should consult the professor about receiving a grade of Incomplete (IN) for the semester. Faculty and students alike should refer to the rules regarding the mark of Incomplete at the time of the request. The **Registrar's recommended definition of emergency**: "An unforeseeable situation or event beyond the student's control that prevents her from taking the final examination or final summative experience." Based on this definition, a student may not request an IN before the withdrawal deadline. The rationale is that the student has the option to drop the course until the withdrawal date. The grade of IN exists so there is a remedy for illness or emergency which occurs after the deadline to withdraw.

9.0 559 SPECIAL RESEARCH PROJECT

9.1 Description

One of the major activities associated with the learning objectives in MOR 559 is analyzing an existing company that is in "distress" or is "failing" and designing strategies to help it turnaround. Historically, MOR 559 has identified and predicted major collapses/events, related to companies such as, GM, Tribune Companies, Yahoo, American Airlines, Borders, Sears, and Circuit City. Turnarounds have included such companies as, Audi, Ford, Best Buy and Gap.

For MOR 559, each team selects a public company early in the semester and follows it for the duration of the semester. Teams report on their companies twice: as a grading events during the semester and as part of the final grade usually on the last day of class. We use this format because it allows us to study several different companies in multiple industries and thus, we cover lots of ground. Plus, its more interesting than 40 people studying the same company and answering the same questions.

9.2 Objectives & Design

This assignment is designed to link course concepts to a contemporary business that is experiencing distress, duress, or failure or has/currently is going through a transformation. It is highly integrative and provides you with significant MBA/Executive latitude in applying course concepts and those concepts from other classes to a real-life company, while providing the structure necessary for effective learning through the application of MOR 559 course material and objectives. The assignment is composed of the following **three components**:

1. **Teams.** Organize yourselves into teams of 5-7 students. Choose your teams wisely because this will be learning team for the entire semester and you and your teammates will be sharing grades for this part of the assignment.
 - a. Please give your team a name...like "Trojans" or something like that. Naming the team aids in branding you and your team.
 - b. Please provide me with a list of all team members.
 - c. Please elect or select a team leader who I can coordinate with.

2. **Company.** Select a publicly traded company that is either in distress, or clearly headed for distress.
 - a. Must be publicly traded.

- b. Must have press coverage (the more the better as info is tough)
 - c. Should be *relevant* & interesting...a coal mine is not interesting for a Marshall MBA, but if linked to social and political policy, it just might be!
3. **Analysis.** You and your team will analyze the company using course concepts, tools and methodologies to become turnaround experts and develop meaningful strategic insights and ultimately, a turnaround strategy for that company (if, indeed, it is a candidate for turnaround).

9.3 Requirements

There are four primary requirements for this part of the course.

1. **High-Level Analysis & Statement of Work.**
 - a. Provide a Statement of Work with a work plan for analyzing the company...tasks & responsibilities and the possible models and frameworks that you believe will be most useful in your analysis of the company and its environment & situation:
 - b. Critical Thinking- Demonstrate:
 - i. Describe how you will go about analyzing the company.
 - ii. Describe what you believe to be the big issues of critical importance and how these issues relate to strategy and the competitive position of the company.
 - iii. Describe the Top 10 critical questions that you are going to ask about this company's strategy?
 1. Why are these questions critical?
 2. Where's causality between your questions and the assignment?
 3. Where are the points of integration between the critical thinking and the basic ideas and concepts discussed in MOR 559?
 - iv. Identify and discuss your research and data collection methods.
 - c. Provide an initial Assessment as to why this company is a good candidate to study...that is, what are its problems and issues and how to the problems relate to strategy & the course? (Note: You'll want to relate this part to the 10 questions above)
 - d. Required Format: PPT & In-class Discussion.
2. **Requirement- 2:** Provide a Status Report on your efforts summarizing the strategic position of the company.
 - a. Provide an Analysis-Environment: Describe the current economic and business status of your company.
 - i. What changed or what is expected to change in the environment that will either help or hinder the company?
 - ii. What drove the changes?
 - b. Provide an Analysis-Industry: Describe the industry in terms of buyers, suppliers, substitutes, entrants and rivalries.
 - c. Provide an Analysis-The Strategic Position
 - i. What is the company's position relative to the 5-Stage Company & Industry life cycle.
 - d. Provide an initial Analysis-Situational Assessment:
 - i. To what extent is your company in trouble?
 - ii. If the company is in trouble, then how deep?
 - iii. What caused the problems?
 - iv. How does the company relate to Kotter's indicators of decline & failure?

- v. What are some of the major resource & capability issues and considerations confronting the company?
 - e. Required Format: PPT & In-class Discussion.
3. **Requirement 3:** Interim Update.
- a. Provide a Status Report on your progress
 - i. What's completed
 - ii. What needs to be completed
 - iii. Major accomplishments
 - iv. Major issues or problems
 - v. Assessment of Team Performance- 1 (See BB for details).
 - b. Required Format: Memo to MAM (See example on BB).
4. **Requirement 4:** Final Report.
- In Class Presentations.
- a. Provide a formal strategic assessment of the company.
 - b. Describe the strategy of the company in the context of the industry and assess:
 - i. Competitors
 - ii. Disruptive Influences
 - iii. Resources, Capabilities & Constraints
 - iv. Develop conclusions about the strategy & future of the company
 - 1. Worth saving?
 - 2. Divestiture?
 - 3. Carve offs?
 - 4. Merger?
 - 5. Bankruptcy Protection?
 - c. Develop a new *transformational* strategy for the company.
 - i. What are the transformational strategies available to it?
 - ii. How will these strategies (or strategy) benefit the company?
 - iii. What are the resource requirements to execute the strategic?
 - iv. What should the first 100-days of the transformation involve?
 - v. What are the suggested KPIs?
 - d. Assessment of Team Performance- 2 (See BB for details).
 - e. Required Format: PPT with 3-page Executive Summary PLUS In-class Presentation.

10.0 ASSIGNMENTS

10.1 General

The assignments for this class may involve a combination of readings, cases, videos, ELC exercises, simulations and a team project.

- **For readings and cases:** please see **Section 3.0, “Course Calendar”** for a description of class session topics, reading assignments and other information (Excel spreadsheet).
- **Team Performance:** Please organize yourselves into teams of 5- 7 students. This will be your “learning team” for the entire semester, so select wisely and carefully. The team performance component is **25%** of your final grade and will include peer reviews. You may regard your team performance and each of your submissions as an “exam” in which you apply what you’ve learned according to the assignment.

10.1 Assignment Submission Policy

Be professional. Assignments must be turned in on the due date/time. Specifically:

- All formal assignments are due as specified and must be submitted in **HARD COPY** form ONLY. Due to the number of students, I cannot accept electronic copies unless prior approved (way too much downloading and printing, so help me out!).
- For all assignments please make sure that you specify your course number and DAY and TIME of course...that's really helpful to me!
- Any assignment turned in late *may* be subject to an automatic grade deduction (for example, if your work is a B+ grade, you will be given a C+ grade).
- If you are unable to attend class on that day, make arrangements for your assignment to be delivered to the classroom or to my mailbox in the MOR Dept. at **400 Hoffman Hall** by the start of class. You may also slide your work under my door at **415 Hoffman Hall** or fax your work to me at 213.740.3582 (To Professor Mische). Late or not, you must complete all required assignments or your grade will suffer.

11.0 ADDITIONAL INFORMATION

11.1 Retention of Graded Coursework

Final exams and all other graded work, which affected the course grade, will be retained for one year after the end of the course *if* the graded work has not been returned to the student (i.e., if I returned a graded paper to you, it is your responsibility to retain it).

11.2 Technology Policy and In-class Use of Laptops and Other Devices

Laptops, cell phones, and iPads are **not** to be used during lectures.

11.3 Internet, Cell Phones, Tablets, Etc.

Internet usage is not permitted during academic or professional sessions unless otherwise stated. Use of other personal communication devices, such as cell phones, is considered unprofessional and is not permitted during academic or professional sessions. ANY e-devices (cell phones, PDAs, I-Phones, Blackberries, other texting devices, laptops, I-pods) must be completely turned off during class time.

- If you are texting I will politely ask you to stop; thereafter I will ask you to leave.
- During all quizzes, tests, and examinations, you must place your devices away and out of sight and in the 'off' mode. During the exam, any use of cell phones or other device without my express consent is subject to dismissal from the exam.
- Videotaping my lectures is not permitted due to copyright infringement regulations.
- Audiotaping my lectures is not permitted unless prior approved by me. Use of any recorded or distributed material is reserved exclusively for the USC students registered in this class.
- No student may record, tape, transmit, or video any lecture, class discussion, or meeting with me without my prior express written permission. The word "record" or the act of recording includes, but is not limited to, any and all means by which sound or visual

images can be stored, duplicated or retransmitted whether by an electro-mechanical, analog, digital, wire, electronic or other device or any other means of signal encoding.

- I reserve all rights, including copyright, to my course syllabi, lectures, Power Points, exams, answer keys, and all supplementary course materials available to the students enrolled in my class whether posted on Blackboard or otherwise. They may not be reproduced, distributed, copied, or disseminated in any media or in any form, including but not limited to all course note-sharing websites.

11.4 Statement for Students with Disabilities

USC is committed to making reasonable accommodations to assist individuals with disabilities in reaching their academic potential. If you have a disability which may impact your performance, attendance, or grades in this course and require accommodations, you must first register with the Office of Disability Services and Programs (www.usc.edu/disability). DSP provides certification for students with disabilities and helps arrange the relevant accommodations. Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me (or to your TA) as early in the semester as possible. DSP is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. Email: ability@usc.edu.

11.5 Statement on Academic Integrity

USC seeks to maintain an optimal learning environment and the highest academic standards. **I will not tolerate cheating of any kind.** Any cheating will result in the automatic dismissal from my class and a referral to USC's Office of Student Judicial Affairs and Community Standards for immediate consideration. Any allegation of cheating will be referred to the USC's the Office of Student Judicial Affairs and Community Standards.

General principles of academic honesty include the concept of respect for the intellectual property of others, the expectation that individual work will be submitted unless otherwise allowed by an instructor, and the obligations both to protect one's own academic work from misuse by others as well as to avoid using another's work as one's own. All students are expected to understand and abide by these principles. *SCampus*, the Student Guidebook, (www.usc.edu/scampus or <http://scampus.usc.edu>) contains the University Student Conduct Code (see University Governance, Section 11.00), while the recommended sanctions are located in Appendix A of that document.

Plagiarism – presenting someone else's ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Part B, Section 11, "Behavior Violating University Standards" <https://policy.usc.edu/scampus-part-b/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct>.

Students will be referred to the Office of Student Judicial Affairs and Community Standards for further review, should there be any suspicion of academic dishonesty. The Review process can be found at: <http://www.usc.edu/student-affairs/SJACS/>.

Failure to adhere to the academic conduct standards set forth by these guidelines and our programs will not be tolerated by the USC Marshall community and can lead to actions, including dismissal.

11.6 Emergency Preparedness/Course Continuity

In case of a declared emergency if travel to campus is not feasible, USC executive leadership will announce an electronic way for instructors to teach students in their residence halls or homes using a combination of Blackboard (BB), teleconferencing, and other technologies. Please activate your course in Blackboard with access to the course syllabus. Whether or not you use Blackboard regularly, these preparations will be crucial in an emergency. USC's Blackboard learning management system and support information is available at blackboard.usc.edu.

11.7 Support Systems

11.7.1 Discrimination, sexual assault, and harassment are not tolerated by USC

Any form of discrimination, harassment, profiling, bullying, etc. will not be tolerated by me, or any other member of the USC community. You are encouraged to report any incidents to the proper authorities and utilize USC's extensive support and counseling resources.

Diversity at USC

<https://diversity.usc.edu/>. Tabs for Events, Programs and Training, Task Force (including representatives for each school), Chronology, Participate, Resources for Students.

Bias Assessment Response and Support

Incidents of bias, hate crimes and microaggressions need to be reported allowing for appropriate investigation and response. <https://studentaffairs.usc.edu/bias-assessment-response-support/>

Relationship & Sexual Violence Prevention Services (RSVP)

(213) 740-4900 - 24/7 on call

Free and confidential therapy services, workshops, and training for situations related to gender-based harm. <https://engemannshc.usc.edu/rsvp/>

Sexual Assault Resource Center

For more information about how to get help or help a survivor, rights, reporting options, and additional resources, visit the website: <http://sarc.usc.edu/>

Office of Equity and Diversity (OED)/Title IX compliance – (213) 740-5086

Works with faculty, staff, visitors, applicants, and students around issues of protected class. <https://equity.usc.edu/>

11.7.2 Personal Support Systems

The following personal support resources are available:

Student Support & Advocacy – (213) 821-4710

Assists students and families in resolving complex issues adversely affecting their success as a student EX: personal, financial, and academic. <https://studentaffairs.usc.edu/ssa/>

Student Counseling Services (SCS) - (213) 740-7711 – 24/7 on call

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention. <https://engemannshc.usc.edu/counseling/>

National Suicide Prevention Lifeline - 1-800-273-8255

Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week. <http://www.suicidepreventionlifeline.org>

11.7.3 Disruptive Classroom Behavior

I will not tolerate disruptive or abusive behavior in my classroom. Fortunately, I have never had any instance of disruptive or abusive behavior. Disruptive classroom behavior can take many forms. It can involve a student talking constantly while the professor is delivering a lecture or a student who loudly and regularly interrupts the flow of class with questions or interjections. Such behavior is unacceptable to the University and will not be tolerated because it interferes with the learning process for other students and hinders the professor's ability to teach effectively. Further information can be found at

http://www.usc.edu/student-affairs/SJACS/pages/faculty/disruptive_behavior.html

12.0 COURSE CALENDAR & ASSIGNMENTS BY CLASS SESSION

MOR 559 COURSE CALENDAR, TOPICS, ASSIGNMENTS & READINGS ARE POSTED SEPARATELY AS AN EXCEL FILE ON BLACKBOARD UNDER:

"SYLLABUS > WEEKLY READINGS"

THANK YOU!

FIGHT ON!

Date	Session	
8/22	1	INTRODUCTION TO MOR 559
8/24	2	Basic Concepts of Stress, Distress, Duress & Demise
8/29	3	Performance: The Halo Effect and Other Business Delusions Philip M. Rosenzweig Why Good Companies Go Bad (HBR OnPoint Enhanced Edition) Donald N. Sull
8/31	4	Strategic Decline David J. Collis; Jan W. Rivkin The Rise and Fall of Lehman Brothers Stuart C. Gilson; Kristin Mugford; Sarah L. Abbott Form Your Project Teams
9/5	5	Strategies for Learning from Failure Amy C. Edmondson Doug Rauch; Linda Rottenberg; Anthony K. Tjan; Roger McNamee; Wayne Pacelle; Peter Guber; Whitney Johnson; Dave Strubler
9/7	6	Enron Scandal & Ethical Behaviors Select Your Company
9/12	7	Profile of Enron: The Rise & Fall
Date	Session	
9/14	8	Rapidly Changing Organizations Clinton O. Longenecker; Mitchell J. Neubert; Laurence S. Fink The Fall of Circuit City Stores, Inc. John R. Wells; Galen Danskin
9/19	9	Restructuring the U.S. Steel Industry William E. Fruhan Restructuring the U.S. Steel Industry, Spreadsheet Supplement William E. Fruhan
9/21	10	Quest for Resilience William W. George; James M. Sharpe; Andrew N. McLean
9/26	11	Harley-Davidson, Inc.--1987 W. Carl Kester; Julia Morley
9/28	12	Renewal Nancy F. Koehn; Kelly McNamara; Nora N. Khan; Elizabeth Legris
10/3	13	Leading Change: Why Transformation Efforts Fail (HBR Bestseller) John P. Kotter Leadership and the Psychology of Turnarounds Rosabeth Moss Kanter
10/5	14	Achieving Successful Strategic Transformation Gerry Johnson; George S. Yip; Manuel Hensmans Model Overview: The 90 Days Transformation Model Behnam Tabrizi
10/10	15	Customers Neal J. Roese; Mohan Kompella
10/10	15	Mid Term Review Session- In Class
10/12	16	Customers Neal J. Roese; Mohan Kompella
10/17	17	Mid Term Exam Review Session

Date	Session	
10/24	19	The Chicago Blackhawks: Greatest Sports Business Turnaround Ever? James Shein; Scott Kannry
		Retaining Top Performers During Change Judith Ross
10/26	20	Executive Turnover and Postmerger Performance Jeffrey A. Krug
		Retaining Top Performers During Change Judith Ross
10/31	21	Best Buy's Turn-Around Strategy (2013) Marne L. Arthaud-Day; Frank T. Rothaermel
		Coming from Behind: The Chicago Cubs' Resurgence as a 100-Year-Old Startup. James Shein; Evan Meagher
11/2	22	Picking the Right Transition Strategy Michael D. Watkins
		Raffaella Sadun; Hanoch Feit; Vaibhav Gujral; Gerard Zouein
		Review Mid Term Exam Results
Date	Session	
11/7	23	Blue Ocean Strategy W. Chan Kim; Renee A. Mauborgne
		How Acquisitions Can Revitalize Companies Freek Vermeulen
11/7	23	Acquisition of Gillette. David P. Stowell; Christopher D Grogan
		Growth Lynda M. Applegate; Elizabeth Collins
11/9	24	Sprint: Turnaround in the U.S. Telecom Industry Won-Yong Oh; Duane Myer
		Alvarez & Marsal Sankar Krishnan; Claudia Zeisberger; Anne-Marie Carrick; Nikhil Shah
11/14	25	Maram Srikanth; Palanisamy Saravanan; Tara Shankar Shaw
		JOURNEY (A) Shlomo Ben-Hur; Jamie Anderson
11/16	26	Reinventing Best Buy John R. Wells; Gabriel Ellsworth
11/21	27	JCPenney: Back in Business Elie Ofek; K. Shelette Stewart; Christine Snively
		The Marvel Way: Restoring a Blue Ocean W. Chan Kim; Renee Mauborgne; Michael Olenick
11/23	28	THANKSGIVING- NO CLASS
11/28	29	Projects Due
2/2 - 12/5	-	Study Days & Final Exam Study Guide Issued
TBD	-	Study Session: Optional Study Session for Final Exam
12/6	to 10 AM	FINAL EXAM: In-Class Multiple Choice= 40% of Final Grade