

**Boston College
Economics Department**

EC230- Industrial and Social Policy
Class Time: Tuesday (4:30 -7:00 P.M.)
Office Hours: Tues. 9:00-10:30; 2:00 - 4:00
 Thurs. 9:00 - 10:30

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Course Description:

When businesspeople are formulating and implementing potential “strategies” for their organizations, they need to deal with two environments,namely the internal and the external. In viewing their internal environment , managers need to evaluate the markets and economic structure of the markets in which their businesses compete. How businesspeople deal with this is the subject matter for what has traditionally been called by economists, Industrial Policy.

There is also an external environment, i.e., the political and social forces which play in formulating the strategy of the firm. These political and social forces shape a firm’s relationships with its various stakeholders which include all those individuals and institutions which have a vested interest in the performance of the firm both financially and socially. Usually, the stakeholders include the local community, regional community, Government (at all levels and branches) unions, stockholders, employees,etc..

The purpose of this course is to examine how the firm forms its strategy by looking at both its internal and external environments.The primary method which will be utilized in the course will be case analysis which will involve evaluating the strategy of a firm and how that firm dealt with both its internal and external environments. You will also be asked to do research on an industry and firms in that industry as part of your grade.This is a course which you allow you to put into practice the material that you learned in your theory courses. The material will be current and hopefully you will find it quite interesting as well as challenging in trying to put yourself as a consultant for a firm or industry.

Methodology:

Since variety is the spice of life and we have a 2 1/2 hours class, the class will consist of a combination of lecture, case analysis, films and guest speakers such as the spokesperson for the Red Sox (major league baseball), entrepreneurs and a banker. If you have any suggestions on issues, firms or industries which you would like to study, please let me know.

Evaluation:

25%- Class participation in the discussion of readings and case studies.

40% - Two Written Case Analysis(3 pages): one group(15%); one

15% - Group Oral Presentation of industry project.

20% - Final Project (Choose a firm from your group’s industry and evaluate its

Readings/Case:

1.) Text for the Course: Industry as A Player in the Political and Social Arena, Mahon and McGowan, Greenwood Press. (M&M)

2.) Packet of Readings and Cases

I will be handing out various cases and readings as we go along. Every week I will have an assignment sheet for you along with questions for the case or reading.

Date	Topics	Readings/Cases
Part I: Internal Environment: Industry Analysis		
Sept. 3	Introduction, Concept of Strategy	Case: Blockbuster Video
Sept. 10	Industry Analysis	Reading: Porter Article, Financial Analysis Case: Bill Gates and the Management of Microsoft
Sept. 17	The Large Corporation	Reading: Note on Competitive Case: Time Inc.'s Entry into the
Sept. 24	International Competition Strategic Alliances	Reading: Strategic Alliances Case: Xerox and Fuji Xerox
Oct. 1	The Conglomerate Corp.	1st Written Case Analysis Case: Sears, Roebuck & Co. (Group Analysis)
Oct. 8	The Entrepreneur	The Founder of LoJack, Mike Daly
Oct. 15	Transition Week	Case: The Baseball Industry in 1995

Part II: External Environment: Public Policy Process

Oct. 22	A Model of Social and Political	Reading: Chap.1 Mahon & McGowan
Oct. 29	Public Policy	Case: Beer Industry(M&M)
Nov. 5	Regulation	Case: Banking Industry(M&M)
Nov.12	International Business	2nd Written Case Analysis Case: Hoechst in the U.S.

Part III: Group Presentations of Industry Analysis

Nov. 19		Presentations
Dec. 3		Presentations
Dec. 10		Final Written Project Due