**Limit the text to 3 pages (12 font, single-spaced, 1” (2.54cm) margin on all sides), excluding cover pages, tables, and exhibits.**

**Please go through the whole instruction!!**

**Key Issues** : (preferably 3-6 issues each in one bullet point;)

• Obvious and pressing issues, hidden problems, and long terms challenges facing the company. These issues set a direction regarding where your strategic alternatives should focus. Please describe them (and number them) in order of importance.

**External Assessment:** Top Three most important opportunities/threats in total, not three each. A table of external analysis (no need to include it in the report) will be highly helpful for you to identify good opportunities and threats.

Advice: focus on the strategic group of which the focal company is a member, NOT the case company.

• One sentence describing the strategic group (similar strategy and competitors)

• Opp/threat #1: One sentence that clearly specifies the opp/threat for the strategic group; 1-2

bullet points following the sentence to provide evidence for the opp/threat

• Opp/threat #2: ditto

• Opp/threat #3: ditto

**Internal Assessment.** Top Three most important strengths/weaknesses in total, not three each.

• Str/weakness #1: One sentence identifying the strength/weakness; 1 subpoint providing evidence;2-3 separate bullet point arguments explaining the V, R, I evaluation of the strength. If it is a weakness, 1-2 points to discuss whether it can be transformed into a strength in the future.

• Str/weakness #2: ditto

• Str/weakness #3: ditto

**Financial Diagnosis** – Exhibit 1 for this section

• 3-6 bullet points to interpret the ratios in Exhibit 1. Use various comparisons (e.g., temporal

changes) and financial ratios to diagnose the company’s financial situation. Remember to

comment on the company’s overall financial health and capacity to carry on future investments

that might be part of your strategic alternatives.

**Current Strategy**

Note: focus on what the company is currently doing; do NOT discuss what it can or should do in the future

• Business strategy (one sentence defining the strategy such as differentiation, followed by 1-3

bullet points of explanations)

• Functional strategy (2-3 separate points for major functional practices such as marketing

initiatives);

• Global strategy and corporate strategy, whenever the case provides information

**Implementable Strategic Alternatives** (a total of TWO alternatives; the most important section!)

Note: (1) Business-level strategies are expected, while corporate-level strategies are accepted. Please do not propose functional-level strategies (HR, marketing, etc.)

(2) Business strategies represent major moves in the way the company competes in the market. They often involve significant investments or divestments that carry a long-term impact on the company’s competitiveness. These strategies are externally oriented, often answering the question of what to serve, who to serve, where, and how to compete.

(3) Business-level strategic alternatives, often developed based on existing/potential strengths/weaknesses and available environmental opportunities/threats should deal with key issues (including the pressure for growth).

(4) Two alternatives need to be significantly distinctive, yet they all need to generate significant revenue or market growth for the company, which means that simply divesting (stop doing) something may not suffice.

(5) Both strategies should go beyond a general goal (e.g., going international or developing a new product) and discuss what the company needs to do exactly (e.g., which country to enter and in what ways? what kind of new product you are talking about exactly?). Remember you do NOT have to use generic strategy terms such as low cost or differentiation to describe your strategy. In fact, you can easily run into cliché ideas if you simply play around these terms rather than explaining specific strategy actions. For example, a strategy of Westjet building leadership in the tourism travel segment does not need to mention any of those generic terms.

(6) Both alternatives should be plausible and appealing, supported with solid reasoning and strong arguments. If your two alternative ideas can be easily combined, you probably need to combine them and develop a new alternative. In addition, both strategies should either depart significantly from the firm’s current strategy or add substantive value to the current strategy, showcasing your own contributions.

(7) Keep in mind that using the status quo or current strategy (that is, continue to do what has been done) as a strategy alternative demonstrates weak creativity; I need to see your OWN original ideas. Selling off the company is not an option of strategy in the exam. Lastly, good advice to review your proposed strategy: Do you think the CEO of the firm will find your strategy alternatives useful and implementable? If they do not make sense to the firm (such as asking McDonald's to sell luxury handbags), then you will want to go back and develop some new ones.

• Alternative #1: One sentence specifying the strategy, followed by 3-5 bullet points of

explanations of what it is exactly in terms of specific strategic actions expected from the firm,

with respect to the analysis in previous sections 8

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• Alternative #2: ditto

**Criteria and Evaluation of Alternatives by Criteria** (second most important section) – Exhibit 2-3 for this section

• One sentence to list 3 criteria (e.g., NPV), and 1-2 sentences to justify your choice of these

criteria (that is, why these, not others?)

• Then, separate points in correspondence to the three criteria, each point using one criterion to

compare the two alternatives with a clear conclusion (which one is better) and justifications (why).

**Recommendation and its Implementation**

• 1-2 points to summarize the evaluations and recommend one strategy based on the evaluations

• 1-2 points to discuss major issues/challenges regarding the implementation of the strategy

• 1-2 points to discuss the limitations of the recommended strategy with respect to the identified

key issues. Offer suggestions on possible solutions if you can.

**Exhibits (append all exhibits to the end of the paper in the following order)**

• Exhibit 1: Financial Analysis. A table that presents financial ratios of multiple categories, such as profitability, leverage, liquidity, etc., as well as any useful historical comparisons such as sales increase/decrease. No specific ratios are mandatory. It all depends on your analysis and needs.

• Exhibit 2-3: Two Exhibits of NPV corresponding to the two strategic alternatives respectively;

put key assumptions, with brief justifications, either at the bottom of the tables or on a separate

page. Please refer to the Westover Inn case in your case package for a template of NPV