

**“Founder” movie**  
**Introductory Strategic Analysis**  
wayne.smith@csun.edu  
[ updated: Tuesday, September 27, 2022 ]

---

**Course:** BUS 497a  
**Title:** Capstone: Strategic Management (3 units)

“There are five managerial roles; they are to set objectives, organize, motivate and communicate, measure, and develop people.”

---Peter Drucker (1909-2005)

## **Purpose**

The purpose of this document is to help structure the discussion of the movie “The Founder” with respect to strategic management and related topics. The movie is about Ray Kroc, the founder of the McDonald’s franchise empire.

Partly because the movie is based on a true story, and partly because the movie is made well, the movie “Founder” is rich with detail regarding strategy and related business issues. The key task of the assignment is to relate a scene or concept from the movie to a specific theory, model, or framework from your business curriculum, either in this class or from a prior class. The key goal is to explain or predict a scene or concept from the movie by applying the most applicable theory, model, or framework.

For this assignment, you can answer the questions from the strategic perspective of the two brothers who owned the original McDonald’s in San Bernardino, or from the strategic perspective of Ray Kroc.

Try to relate each part of your curriculum to a scene from the movie. If you can’t do that for some reason, just skip that part. For your answer just write 1), the number, 2), the curricular idea, and 3), a summary of the scene or issue from the movie.

## **Part I. Prior Courses (Lower-division core)**

This part of this document is related to the central topics learned in the six lower-division core courses: Principles of Microeconomics, Principles of Macroeconomics, Principles of Financial Accounting, Principles of Managerial Accounting, Business Statistics, and Business Law. If you need help, recall that each of you passed the BUS302L Gateway Lab exams on these six topics:

<https://www.csun.edu/nazariancollegeadvisement/review-materials>

1. Identify at least one key strategy or strategy-related activity from the movie that is related to Principles of Microeconomics.
2. Identify at least one key strategy or strategy-related activity from the movie that is related to Principles of Macroeconomics.
3. Identify at least one key strategy or strategy-related activity from the movie that is related to Principles of Financial Accounting.
4. Identify at least one key strategy or strategy-related activity from the movie that is related to Principles of Managerial Accounting.
5. Identify at least one key strategy or strategy-related activity from the movie that is related to Principles of Business Statistics.
6. Identify at least one key strategy or strategy-related activity from the movie that is related to Principles of Business Law.

## **Part II. Prior Courses (Lower-division skills)**

This part of this document is related to the central topics learned in the three lower-division required courses: Business Math/Calculus, Business Communication, and Computing/Information Systems.

7. Identify at least one key strategy or strategy-related activity from the movie that is related to Business Math/Calculus, or Business Communication, or Computing/Information Systems.

## **Part III. Prior Courses (Upper-division core)**

This part of this document is related to the central topics learned in the four upper-division core courses: FIN 303, SOM 306, MKT 304, and MGT 360.

### ***Finance***

“Finance is the science or study of the management of funds, or the obtaining of funds or capital.”

8. Identify at least one key strategy or strategy-related activity from the movie that is related to finance.

### ***Operations***

“Operations are long-range decisions (such as product, service and process design, facility location and capacity planning), as well as operational decisions (such as project management, operations planning and scheduling, quality assurance, purchasing and inventory).”

9. Identify at least one key strategy or strategy-related activity from the movie that is related to operations.

### ***Marketing***

“Marketing is the act or process of selling or purchasing in a market, or the process or technique of promoting, selling, or distributing a product or service.”

10. Identify at least one key strategy or strategy-related activity from the movie that is related to marketing.

### ***Management***

“Management is the collective body of those who manage an enterprise, especially with respect to planning, leading, organizing, and controlling.”

11. Identify at least one key strategy or strategy-related activity from the movie that is related to management.

## **Part IV. Prior Courses (General Education)**

This part of this document is related to the central topics learned in various General Education (GE) classes. GE classes can be either lower-division or upper-division. For the sake of simplicity, we'll use the GE classifications at CSUN: English Language Communication and Critical Thinking, Scientific Inquiry and Quantitative Reasoning, Arts and Humanities, Social Sciences and U.S. History and Government, Lifelong Learning, and Comparative Cultural Studies/Gender, Race, Class, and Ethnicity Studies, and Foreign Languages.

12. Identify at least one key strategy or strategy-related activity from the movie that is related to General Education.

Broadly speaking, one of most important aspects of General Education that pertains to Business students is the development of skills, knowledge, and abilities related ethics. A brief overview of ethical decision-making is at:

<https://ocw.smithw.org/mgt360/ethical-thinking-ws-short.ppt>

13. Identify at least one key strategy or strategy-related activity from the movie that is related to Ethical Decision-making.

## **Part V. Textbook Chapter 1—Strategy, Business Models, Competitive Advantage**

This part of the document is related to the topics discussed in Chapter 1 of the textbook: Strategy, Business Models, and Competitive Advantage.

14. What is McDonald's strategy? How is it *distinctive*?
15. What is McDonald's business model? What is the relationship between McDonald's strategy and McDonald's business model?
16. How does McDonald's build capabilities? How does McDonald's sustain competitive advantage?
17. How does McDonald's strategy evolve over time?
18. What is the evidence that McDonald's does (or does not) pass the three tests of a winning strategy?
19. How, specifically, does McDonald's craft and execute strategy?

## **Part VI. Textbook Chapter 2—Strategy Formulation, Execution, and Governance**

This part of the document is related to the topics discussed in Chapter 2 of the textbook: Strategy Formulation, Execution, and Governance.

20. Does McDonald's have a strategic vision? If so, how does McDonald's communicate the strategic vision?
21. Does McDonald's have a mission statement? If so, what is it?
22. How does McDonald's link, if at all, the strategic vision both to the strategic mission and to the company values?
23. Does McDonald's use any "stretch objectives" or "stretch goals"?
24. How, specifically, does McDonald's implement and execute its chosen strategy?
25. How, specifically, does McDonald's make corrective adjustments?
26. What, if any, is the corporate governance structure of McDonald's?

## **Part VII. Library Readings (analogy)**

This part of the document is related to the several Library articles that were assigned for reading in class (such as the Sandberg article on Tardiness).

27. Draw an analogy between an idea from the movie and an idea from one of the assigned Library articles.