

**PESTEL LIVE:**

**Using the Strategic News Watchboard to Build Strategic Awareness**

Richard Linowes  
American University  
Washington, DC

**ABSTRACT**

This session introduces a teaching method that enables students to get up to speed on current events and market developments and then practice integrating that awareness into discussions of strategy. Mimicking the morning briefing of executive suites, this classroom news reporting routine bids students to post on the board world and market news at the start of each class in organized rotation. The resulting display becomes the template for the day's discussion, typically considering news stories, market movements and business initiatives of strategic import. Students watch PESTEL forces at work and practice thinking how firms adjust to unfolding world events. In the first 20 minutes of each class, they see opportunities and constraints emerge from external forces and get practice seeing the context where strategic decisions are made.

Keywords:

Current Events; Strategic Awareness; Experiential Activity

Submitted to

Eastern Academy of Management  
Conference in Providence, RI  
May 2018

Senior management teams of companies usually begin the day with a review of current events so they have a sense of developments occurring around them that are likely to have impact on their business.

Students summarize on the board in class the major stories in the business news. Proper preparation requires a regular reading of the news. Students are expected to study both world and business news carefully every day. News discussions are included in class participation grades.

Study group teams take responsibility for putting the news on the board before class begins. The topics listed on the attached table are assigned to different groups each week, rotating through the list from class to class. Students must be prepared to explain how their news items relate to business strategy and how current developments would likely be seen by the company that is the focus for the day's case discussion.

**STRATEGIC MANAGEMENT  
NEWS REPORTING ON THE CLASSROOM BLACKBOARD**

<b>WORLD NEWS</b>	<b>DOMESTIC NEWS</b>	<b>BUSINESS NEWS</b>	<b>MARKETING NEWS</b>	<b>TECHNOLOGY NEWS</b>	<b>STOCKS</b>	<i>Heard on the Street</i>	<b>INTEREST RATES</b>	<b>CURRENCIES</b>	<b>COMMODITIES</b>
News stories from <u>WSJ</u> page 1 or <u>Washington Post</u>	News stories from <u>WSJ</u> page 1 or <u>Washington Post</u>	News stories from <u>WSJ</u> page 1	News stories from <u>WSJ</u> Section B	News stories from <u>WSJ</u> Section B	Highlights from world stock markets:  US: <b>DJIA</b> <b>S&amp;P 500</b> <b>NASDAQ</b>  London: <b>FTSE</b>  Tokyo: <b>Nikkei</b>  Germany: <b>DAX</b>  Others: France, Singapore, Hong Kong, UAE, Sydney, or others of interest		Key interest rates, in order of time till maturity:  <b>Fed Funds</b>  <b>Treasury Bills</b>  <b>Prime Rate</b>  <b>Treasury Bonds</b>  <b>Corporate Bonds</b>	Key foreign currency exchange rates (forex):  <b>British Pound/\$</b>  <b>Euro/\$</b>  <b>Japanese Yen/\$</b>  Others:  Canadian \$, Mexican peso, Chinese yuan, or others of interest	Key commodity futures contract prices (futures):  <b>Oil</b>  <b>Gold</b>  <b>Wheat</b>  <b>Coffee</b>  Others: (agricultural) sugar, cotton, pork bellies, etc.  (index) stock index futures, etc.

For all financial indices, show week-to-week changes, as follows:

<u><b>This Week</b></u>	<u><b>Last Week</b></u>	<u><b>% Change</b></u>
A	B	(A-B) / B

# STRATEGIC NEWS WATCHBOARD

World News	Domestic News	Business News	Marketing News	Finance
<ul style="list-style-type: none"> <li>Microsoft warns foreigners to slow</li> <li>Download highlights OneDrive</li> <li>US budget battle in the House</li> <li>King celebrates New President</li> <li>Twitter's Privatization Cost a Long Struggle</li> <li>Johnnie Walker CEO says he wants to rebrand in Williams</li> <li>Amazon will launch a new Kindle</li> <li>Holiday season indicators to watch</li> <li>Google killed in Russia</li> <li>Facebook to report revenue in detail</li> </ul>	<ul style="list-style-type: none"> <li>President Obama will propose his own version of the budget next</li> <li>Obama to sign Social Security</li> <li>Obama to sign a new law</li> <li>Obama to sign a new law</li> <li>Obama to sign a new law</li> <li>Obama to sign a new law</li> <li>Obama to sign a new law</li> <li>Obama to sign a new law</li> <li>Obama to sign a new law</li> <li>Obama to sign a new law</li> </ul>	<ul style="list-style-type: none"> <li>Q3 sales to rise 10%</li> <li>US govt. will raise debt by 42%</li> <li>Q3 returns to old CEO to raise revenue</li> <li>No change in Amazon.com population</li> </ul>	<ul style="list-style-type: none"> <li>News Corp CEO is considering turning Fox TV to a pay-per-view channel to protect content from piracy</li> <li>Advertisers in Middle East band together to open regional advertising</li> <li>Apple may begin displaying national on Twitter</li> <li>Gap will begin advertising over Facebook</li> <li>Writers for Walt Disney Corp have excluded studios to formulate the new Disney process</li> </ul>	<ul style="list-style-type: none"> <li>Facebook</li> <li>Twitter</li> <li>Google</li> <li>Amazon</li> <li>Microsoft</li> <li>Apple</li> <li>IBM</li> <li>Oracle</li> <li>SAP</li> <li>LinkedIn</li> <li>Slack</li> <li>Dropbox</li> <li>Evernote</li> <li>Box</li> <li>OneDrive</li> <li>Google Drive</li> <li>Dropbox</li> <li>Evernote</li> <li>Box</li> <li>OneDrive</li> <li>Google Drive</li> </ul>

LEFT SIDE OF WHITE BOARD

Sign News	Stocks	Heard on the Street	Interest Rates	Currencies	Commodities																																																																																																																					
<ul style="list-style-type: none"> <li>Apple announces default</li> <li>Apple to integrate Facebook</li> <li>Apple of the phone user's experience</li> <li>Apple of personal computers</li> <li>Apple 14% from last quarter</li> <li>Apple fails to stem advance of iPad</li> <li>Apple mobile increased the</li> <li>Apple its proposed merger</li> <li>Apple errors by cutting</li> <li>Apple amount of transferred</li> <li>Apple and lowering interest</li> <li>Apple on that debt</li> <li>Apple plans to double its</li> <li>Apple of Chinese sales</li> <li>Apple over the next</li> <li>Apple three years</li> </ul>	<table border="1"> <tr> <td>DOW</td> <td>14,866.41</td> <td>↑ .43%</td> </tr> <tr> <td>S&amp;P</td> <td>1,596.82</td> <td>↑ .58%</td> </tr> <tr> <td>PIG</td> <td>\$79.88</td> <td>↑ .71%</td> </tr> <tr> <td>Exxon</td> <td>\$89.02</td> <td>↑</td> </tr> <tr> <td>JCP</td> <td>\$11.65</td> <td>↑</td> </tr> <tr> <td>MSF</td> <td></td> <td>↓</td> </tr> <tr> <td>AAPL</td> <td></td> <td>↓</td> </tr> <tr> <td>CMG</td> <td></td> <td>↓</td> </tr> </table>	DOW	14,866.41	↑ .43%	S&P	1,596.82	↑ .58%	PIG	\$79.88	↑ .71%	Exxon	\$89.02	↑	JCP	\$11.65	↑	MSF		↓	AAPL		↓	CMG		↓	<ul style="list-style-type: none"> <li>Google announced expansion of Google Fiber</li> <li>ultrafast internet &amp; video in Austin, TX, AHT to follow</li> <li>Shell Petroleum</li> <li>fire for weak performance, rift</li> <li>stream</li> <li>planning to</li> <li>Apple's iPhone +</li> <li>German car</li> </ul>	<table border="1"> <thead> <tr> <th>US Treasuries</th> <th>Yield</th> <th>%Δ</th> </tr> </thead> <tbody> <tr> <td>1month</td> <td>.03</td> <td>-.01</td> </tr> <tr> <td>3month</td> <td>.07</td> <td>-.02</td> </tr> <tr> <td>6month</td> <td>.10</td> <td>-.01</td> </tr> <tr> <td>2year</td> <td>.27</td> <td>+0.01</td> </tr> <tr> <td>5year</td> <td>.77</td> <td>-</td> </tr> <tr> <td>10year</td> <td>1.85</td> <td>+0.01</td> </tr> <tr> <td>30year</td> <td>3.04</td> <td>-</td> </tr> </tbody> </table>	US Treasuries	Yield	%Δ	1month	.03	-.01	3month	.07	-.02	6month	.10	-.01	2year	.27	+0.01	5year	.77	-	10year	1.85	+0.01	30year	3.04	-	<table border="1"> <thead> <tr> <th>Currency</th> <th>Last</th> <th>Prior Day</th> </tr> </thead> <tbody> <tr> <td>Yen</td> <td>99.61</td> <td>99.78</td> </tr> <tr> <td>Euro</td> <td>1.3051</td> <td>1.3071</td> </tr> <tr> <td>Pound</td> <td>1.5325</td> <td>1.5332</td> </tr> <tr> <td>Franc</td> <td>.7952</td> <td>.7926</td> </tr> <tr> <td>Can \$</td> <td>1.0153</td> <td>1.0143</td> </tr> <tr> <td>Real</td> <td>12.114</td> <td>12.106</td> </tr> <tr> <td>Aus \$</td> <td>1.0512</td> <td>1.0543</td> </tr> <tr> <td>HK \$</td> <td>7.7823</td> <td>7.7629</td> </tr> <tr> <td>HK \$</td> <td>54.76</td> <td>54.46</td> </tr> <tr> <td>Rupee</td> <td>30.887</td> <td>30.888</td> </tr> <tr> <td>Rubel</td> <td>69123</td> <td>6.2053</td> </tr> <tr> <td>Rand</td> <td></td> <td></td> </tr> </tbody> </table>	Currency	Last	Prior Day	Yen	99.61	99.78	Euro	1.3051	1.3071	Pound	1.5325	1.5332	Franc	.7952	.7926	Can \$	1.0153	1.0143	Real	12.114	12.106	Aus \$	1.0512	1.0543	HK \$	7.7823	7.7629	HK \$	54.76	54.46	Rupee	30.887	30.888	Rubel	69123	6.2053	Rand			<table border="1"> <thead> <tr> <th>Commodity</th> <th>Today</th> <th>Last</th> </tr> </thead> <tbody> <tr> <td>Oil</td> <td>44.15</td> <td>44.20</td> </tr> <tr> <td>natl gas</td> <td>4.12</td> <td>4.18</td> </tr> <tr> <td>unleaded</td> <td>2.84</td> <td>2.83</td> </tr> <tr> <td>gold</td> <td>1558</td> <td>1556</td> </tr> <tr> <td>Silver</td> <td>27.65</td> <td>27.65</td> </tr> <tr> <td>platinum</td> <td>1529</td> <td>1521</td> </tr> <tr> <td>Copper</td> <td>3.74</td> <td>3.35</td> </tr> <tr> <td>Corn</td> <td>6.375</td> <td>6.375</td> </tr> <tr> <td>Soybeans</td> <td>1374</td> <td>1370</td> </tr> </tbody> </table>	Commodity	Today	Last	Oil	44.15	44.20	natl gas	4.12	4.18	unleaded	2.84	2.83	gold	1558	1556	Silver	27.65	27.65	platinum	1529	1521	Copper	3.74	3.35	Corn	6.375	6.375	Soybeans	1374	1370
DOW	14,866.41	↑ .43%																																																																																																																								
S&P	1,596.82	↑ .58%																																																																																																																								
PIG	\$79.88	↑ .71%																																																																																																																								
Exxon	\$89.02	↑																																																																																																																								
JCP	\$11.65	↑																																																																																																																								
MSF		↓																																																																																																																								
AAPL		↓																																																																																																																								
CMG		↓																																																																																																																								
US Treasuries	Yield	%Δ																																																																																																																								
1month	.03	-.01																																																																																																																								
3month	.07	-.02																																																																																																																								
6month	.10	-.01																																																																																																																								
2year	.27	+0.01																																																																																																																								
5year	.77	-																																																																																																																								
10year	1.85	+0.01																																																																																																																								
30year	3.04	-																																																																																																																								
Currency	Last	Prior Day																																																																																																																								
Yen	99.61	99.78																																																																																																																								
Euro	1.3051	1.3071																																																																																																																								
Pound	1.5325	1.5332																																																																																																																								
Franc	.7952	.7926																																																																																																																								
Can \$	1.0153	1.0143																																																																																																																								
Real	12.114	12.106																																																																																																																								
Aus \$	1.0512	1.0543																																																																																																																								
HK \$	7.7823	7.7629																																																																																																																								
HK \$	54.76	54.46																																																																																																																								
Rupee	30.887	30.888																																																																																																																								
Rubel	69123	6.2053																																																																																																																								
Rand																																																																																																																										
Commodity	Today	Last																																																																																																																								
Oil	44.15	44.20																																																																																																																								
natl gas	4.12	4.18																																																																																																																								
unleaded	2.84	2.83																																																																																																																								
gold	1558	1556																																																																																																																								
Silver	27.65	27.65																																																																																																																								
platinum	1529	1521																																																																																																																								
Copper	3.74	3.35																																																																																																																								
Corn	6.375	6.375																																																																																																																								
Soybeans	1374	1370																																																																																																																								

RIGHT SIDE OF WHITE BOARD