Master of Science in Management

BUSINESS STRATEGY SYLLABUS

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COURSE OUTLINE

Strategy involves the coordination and integration of the efforts within the different functional areas of an organization for dealing with an uncertain future. This comprises formulating a business strategy for each individual unit of the firm, formulating a corporate strategy, and implementing these strategies. Strategy formulation involves understanding the business the firm is in, determining how to position the strategic unit within this business environment, and developing the capabilities to compete, but also to cooperate, in this environment. Therefore, strategy at the same time coordinates and integrates the individual functional strategies such as manufacturing, marketing, sales, and finance.

COURSE OBJECTIVES

1. Understand the nature of strategic competitiveness and develop the ability to analyze the competitive environment facing a firm, assess the attractiveness of the industry and isolate potential sources of competitive advantage and disadvantage.

2. Develop business level strategies by defining the type of advantage sought, scope of operations and activities required to deliver the chosen strategy. Assess the likely sustainability of firm strategies and competitive positions.

3. Discriminate among the types of data that general managers need to evaluate alternative scenarios. Make quantitative assessments of strategic alternatives and develop logical, coherent and persuasive analyses for a desired course of action.

4. Consider the actions of competitors and how that impacts your ability to reach your strategic goals. Develop courses of actions that incorporate the actions of multiple players in the marketplace.
5. Integrate knowledge and apply analytical techniques from various disciplines, including finance, accounting, marketing, operations, organization theory and organizational behavior, and particularly economics. The goal is to identify and analyze strategic issues and develop solutions in the form of actionable plans with the purpose of developing and sustaining competitive advantage.

6. Consider how to effectively implement plans within the constraints imposed by the complex behavior of individuals within organizations. Each student should be able to effectively communicate his or her conclusions in both oral and written form.

7. Assess differing styles of management and leadership and consider the essential role of personal values in leading an organization.

SKILLS EMPHASIZED

Thinking strategically is a difficult skill to master. The objective of this course is to push students to think strategically in different situations. The course introduces the students to a coherent framework of value creation and value capture and develops related concepts that are used to analyze the competitive environment of a firm and its internal strengths and weaknesses. We expect the students to be able to deal with the basic strategy concepts introduced. The ultimate objective is to be able to formulate but also to critically analyze various business strategies. At several points during the course we will also review existing research streams in the field of Strategic Management to familiarize the students with the current frontier knowledge of academic research in strategy.

The course presents the strategy frameworks and concepts through the analysis of concrete business situations in recent cases, practical exercises, and readings from academic journals and business press. Business strategy, as much as any business course, deals with the world of experience. The world of experience is not a world of certainty. Therefore, within the classroom, reasonable people (with different experiences) will view management differently. This is a healthy tension. Management, whether discussed in the classroom or discussed within a firm involves "making sense together." The very idea of making sense involves a creative process and is personal (subjective). Conjectures and (subjective) knowledge based on your personal experiences are highly valued within the conversation of this class. Creativity will be rewarded in your individual contribution grade, quizzes, and your group assignments. This course also rewards the hard worker who has the ability to listen and think critically. The course will provide a great deal of material and will require that you process the material.

The tentative outline follows, although we might be discussing other issues as they come up at the teacher’s discretion.
CONTENT:

I. Introduction
The purpose is to become familiar with a number of strategy concepts as well as to see how business strategy fits with broader dynamics in the society. We will also start the discussion about business sustainability and the potential limits to economic growth that will be continued through different parts of the course.

II. Industry value system
We focus on how the industry and the environment affect the performance of an individual business. The industry will shape the environment, determining the initial conditions within which the business will compete. Understanding the pressures of industry characteristics on the income statement of the business is a first step in formulating a strategy that attempts to isolate the business from these pressures in the future.

III. Strategy: the building blocks
Here we take a closer look at the business itself. We define the competitive position of a firm, analyze its activities and capabilities, and determine which combinations of positioning, activities, and capabilities result in a sustainable competitive advantage.

IV. Competitive dynamics
In this module, we turn our attention to the dynamic aspects of strategy formulation and specifically competitive interaction. Understanding competitors’ moves and reacting appropriately is important. However, making strategic decisions and anticipating competitors’ reactions is crucial for the viability of the business. Finally, strategic thinking does not exclude cooperation, and shared value creation is the long-term goal of sustainable business models.

V. Contemporary challenges and research questions
Change and uncertainty are always present when formulating a business strategy. In this module we explicitly discuss how some current challenges such as innovation, globalization, issues of sustainable business development, stakeholder value sharing, and corporate business responsibility affect strategy. We will also review what research questions are at the frontier of strategy research.
DELIVERABLES AND GRADES

A series of deliverables is assigned to develop different skills:

*Individual class contribution*

Strategic thinking is best learned through practice and use of strategic concepts. The cases we will study are about specific business situations; they are an opportunity to both apply the concepts we discuss in class as well as further develop our ability to think about competitive strategy. Discussions are an important part of the course, which makes it imperative that everyone attempts to regularly contribute to class discussions.

Active participation in the class is an essential part of the learning experience. We will be using cases as well as other readings and you must be prepared to discuss everything assigned for the particular session. Meaningful participation means making a contribution to our discussion, not merely talking, and it does not mean repeating case facts or simply agreeing with what others have already said. Case discussion demands that we listen carefully to the statements of others, ask them to explain or defend controversial points, and expect to defend our judgments as well. There are usually many valid ways of looking at any issue we study, so don’t worry about being “wrong”.

The grade will be based on such measures as quality (not quantity) of student contributions, attendance, and punctuality. I will score each student at the end of each case discussion session using a 2 if you are present that changes to 1 if you are late or leave early. For efforts above sitting in class, I upgrade to a 3, 4, or 5 depending on the quality of your participation.

*Group case presentation*

Students will participate in one case analysis presentation to the class as part of a group. You will will make your group presentations with the aid of visuals, and use your business communication skills to explain and defend your conclusions. Students will be assigned specific questions to guide the preparation and reports. The goals are to analyze a real problem in further depth, based on information available in each case. Presentations should last 15 minutes and will be judged by 3 criteria:

1. Informativeness – how well did students understand the case?
2. Analysis - application of insights from the class, evidence used to support argument, novel insights and use of information provided in the case.
3. Style - clarity, slide quality etc.

You should email the visual materials (your PowerPoint presentation) to me before the class.
**Group case challenge**

When a team is presenting its case analysis, I expect everyone in the class to be able to ask questions. In order to maintain a high level of interaction and discussion, a non-presenting group will be designated as a “Challenge Team.” This group will prepare questions for the Presenting Team. However, make sure that the questions that you ask the Presenting Team are those that you have an answer to yourself, as I may turn the question around and make you answer it. The role of “Challenge Team” rotates from one case to another so that all teams have opportunities to both present and challenge.

Your challenge team will be evaluated on the depth and relevance of your questions (and possible answers) during the presentation. The challenge team will generate a list of questions that they intend to ask the Presenting Team and circle those that they actually asked during the class. You may also add by hand any additional questions that are asked that were not anticipated. This list must be turned in to me by the end of the class period.

**Group case reports**

Students will have to prepare specific reports on the business cases we will study in their assigned groups, addressing questions that will be distributed in due time for each case. The case reports are to be sent by email the day before the class discussing that case. The discussion questions included for the case should provide the framework within which the case is to be analyzed. This does not preclude the inclusion of additional issues that a group wishes to discuss, but the questions provided should be answered. In the write-ups, be sure to combine the analysis of the case with the conceptual material in the course. The write-ups should be based on quantitative and qualitative information from the case and include a maximum of 10 pages of text, double-spaced.

**Class quizzes**

I will give short unannounced quizzes during the course, which may cover a case, assigned readings, or other material from previous classes. No make-up opportunities will be available if you are absent or late.

**Course project**

The course project replaces the final exam. The central theme of the course project is the analysis of the strategy of a specific business that you select. The precise content of the project is up to you, although it is expected that the conceptual material of the course will provide the basic structure for the analysis. The greater part of the resulting output should consist of the analysis of the situation, rather than a passive recounting of descriptive information. Class cases are not a good model for projects because they are deliberately purged of all analysis.
Course project rules:

1. The project is a group work with your assigned team.
2. Each team will email me a 1-page proposal about the company they would like to analyze. In the proposal you should explain why you think the company is interesting to analyze, how you will develop your analysis, and what data you have available, including contacts to interview.
3. The team work is handed in as a consulting presentation and report at the end of the term. You will have to email me your presentation the day before the session. The maximum length is 20 slides. Please use a separate Word document to write an explanatory report (maximum 15 pages double-spaced, excluding exhibits), including an executive summary as the first page. Remember that in your explanations, quality counts and quantity does not.
4. All teams will present their work during the last two sessions of the course and then participate in the discussion of each project. The presentations should last 20 minutes.
5. Your final grade for the project will be based on your presentation, the report, as well as how well you will handle the discussion after your group presentation.

The final course grade will be determined based on student contributions to all of these deliverables, weighted as follows:

- Individual class contribution: 20%
- Group case presentation: 15%
- Group challenge team: 10%
- Group case reports: 15%
- Individual quizzes during class: 10%
- Course project: 30%

Notes:

The failure to present assignments or take the quizzes without justified and properly accredited cause entails that “0” points will be given for that criterion.

Academic dishonesty is unacceptable and will not be tolerated. Cheating, forgery, plagiarism and collusion in dishonest acts undermine the college's educational mission and the students' personal and intellectual growth. BSM students are expected to bear individual responsibility for their work, to learn the rules and definitions that underlie the practice of academic integrity, and to uphold its ideals. Ignorance of the rules is not an acceptable excuse for disobeying them. Any student who attempts to compromise or devalue the academic process will be sanctioned.
Bibliography:

Our class will loosely follow the following textbook:


Further references include:

- Regular reading of *The Economist, Wall Street Journal, or The New York Times*