



STRATEGIC MANAGEMENT I

Course Description and Objectives

Strategic management is about running *the total business enterprise*. It seeks to understand the challenges and the environment in which the business operates, the direction the management intends to head, the strategic plans to for getting the enterprise moving in the intended direction and the tasks of implementing the chosen strategy successfully. This course aims to equip you with the core concepts, frameworks, and techniques of strategic management, which will allow you to understand what managers must do to make an organization – be it a for-profit or a non-profit one – to achieve superior performance.

Rather than focusing narrowly on a particular function of an enterprise, we will build on what you have learnt in other business courses and try to put the pieces together throughout this big-picture course. To achieve these purposes, the course will evolve around a theoretical and a practical base simultaneously. While the theoretical part concentrates upon the fundamental factors that determine business success, the practical part is all about acquiring deep insights into the determinants of business success from specific cases. The participants of this course, hence, are expected to wear a bird's-eye-view glass and yet pay intent attention to both the theoretical and practical parts of the course.

Course Content and Outline

Various components of strategic management, such as tools of strategy analysis, sources of competitive advantage, strategies in different industry contents and the fundamentals of corporate strategy are to be discussed throughout the course. The breakdown of the basic structure is as follows:

1. Introduction

2. Strategic Management Concepts
3. Industry Analysis: An Overview of the External Environment and the Internal Environment, Competitive Positioning via Cost Leadership versus Differentiation, Value Chain Analysis
4. Game Theory Approach to Competitive Dynamics
5. Business Strategies in Different Industry Contexts: Technology-Based versus Mature Industries
6. Corporate-Level Strategy: Scope of the Firm and Vertical Integration, Multinational Corporations. Diversification
7. Current Trends and New Challenges in Strategic Management
8. Wrap-up

Materials

Recommended text book

- Grant, R.M. (2005) *Contemporary Strategy Analysis*, 5th ed., Blackwell Publishing
- Hitt, M., Ireland, D., Hoskisson, R. (2004) *Competitive Strategy: Competitiveness and Globalization*, 6th ed., Cengage Learning.

The course material is accompanied by the teaching cases, which will be used to understand how the topics that we are reviewing affect real-world problems.

Course Delivery

The classes will be delivered through presentations. Following the completion of the discussion of main concepts, one/two sessions will be devoted to a case analysis. The purpose of the chosen cases is not to cover all the issues covered in class, but to illustrate how various strategic management concepts shape the decisions on real-world problems.

Attendance And Participation:

Experience shows that the student's success in this course highly correlated with regular attendance. Therefore, I recommend you to attend all class sessions, and, when applicable, to catch up with the class(es) missed before the next session. Students are responsible for any assignment announced in class and/or through Aula.

Students are also expected to be prepared and participate actively in class discussions. Therefore, for each class session, you should familiarize yourself with the

topics covered in the relevant chapters of the suggested textbooks or with the cases to be discussed in class.

Assignments, Case Reports and Quizzes:

Students will be asked to hand in brief case analyses before or after the case discussion takes place in class. Potential issues one may raise in a case report are: the main problem of the case, the alternative ways to approach it, a discussion of the exhibits or any matter that you may find interesting in the case. You may also provide suggestive solutions. Your response is to be prepared *prior* to class to provide evidence that you were ready for the case analysis that day. The emphasis here is on EFFORT and not result. Working toward the “correct” answer is not the point; working to understand the case and the underlying issues is what it’s all about. The grading of the case write-ups will be based on how far the student goes beyond providing the basic facts of the case.

Additionally, I reserve the right to give quizzes at any time, without prior notice. No make-up quizzes will be given in case of absence or bad performance.

TENTATIVE COURSE SCHEDULE 2008-2009 (Group I)

23.09.2008	Course Overview: What is Strategy? 25.09.2008	Industry Analysis – Porter's Five Forces 26.09.2008
Case: CORAL DIVERS RESORT (REVISED) 30.09.2008	Competitive Dynamics: Game Theory Approach 02.10.2008	Competitive Dynamics: Game Theory Approach II 03.10.2008
Reading: GOOGLE INC. 07.10.2008	Analyzing Resources and Capabilities 09.10.2008	Nature and Sources of Competitive Advantage 10.10.2008
Case: WALMART INC. 14.10.2008	Competitive Positioning Through Cost Leadership 16.10.2008	Case: HONDA (A) 17.10.2008
Competitive Positioning Through Differentiation 21.10.2008	Case: NEW CENTURY BREWING 23.10.2008	Industry Evolution 24.10.2008
Case: KODAK AND THE DIGITAL REVOLUTION 28.10.2008	Innovation & Competitiveness: Technology Based Industries 30.10.2008	Case: APPLE 2008 31.10.2008
Case: APPLE (2008) cont'd Mature Industries 04.11.2008	Corporate Strategy I: Vertical Integration/Scope of the Firm 06.11.2008	Case: ARAUCO (A): 07.11.2008
Corporate Strategy II: Diversification 11.11.2008	Corporate Strategy III: Mergers and Acquisitions 13.11.2008	International Strategy 14.11.2008
Case: WAL-MART STORES: 'Every Day Low Prices' In China' 18.11.2008	Current Challenges in Strategic Management 20.11.2008	Case: PROJECT IMPACT 21.11.2008
Back-up Session 25.11.2008	Student Presentations 27.11.2008	Student Presentations 28.11.2008
WRAP-UP 02.12.2008		

TENTATIVE COURSE SCHEDULE 2008-2009 (Group II)

23.09.2008	24.09.2008	Course Overview: What is Strategy? 25.09.2008
Industry Analysis – Porter’s Five Forces 30.09.2008	Case: CORAL DIVERS RESORT (REVISED) 01.10.2008	Competitive Dynamics: Game Theory Approach 02.10.2008
Competitive Dynamics: Game Theory Approach II 07.10.2008	Reading: GOOGLE INC. 08.10.2008	Analyzing Resources and Capabilities 09.10.2008
Nature and Sources of Competitive Advantage 14.10.2008	Case: WALMART INC. 15.10.2008	Competitive Positioning Through Cost Leadership 16.10.2008
Case: HONDA (A) 21.10.2008	Competitive Positioning Through Differentiation 22.10.2008	Case: NEW CENTURY BREWING 23.10.2008
Industry Evolution 28.10.2008	Case: KODAK & DIGITAL REVOLUTION 29.10.2008	Innovation & Competitiveness: Technology Based Industries 30.10.2008
Case: APPLE 2008 04.11.2008	Case: APPLE (2008) cont’d Mature Industries 05.11.2008	Corporate Strategy I: Vertical Integration/Scope of the Firm 06.11.2008
Case: ARAUCO (A): 11.11.2008	Corporate Strategy II: Diversification 12.11.2008	Corporate Strategy III: Mergers and Acquisitions 13.11.2008
International Strategy 18.11.2008	Case: WAL-MART STORES: <i>‘Every Day Low Prices’ In China’</i> 19.11.2008	Current Challenges in Strategic Management 20.11.2008
Case: PROJECT IMPACT 24.11.2008	Back-up Session 25.11.2008	Student Presentations 26.11.2008
Student Presentations 02.12.2008	WRAP-UP 03.12.2008	

STRATEGIC MANAGEMENT

GRADING POLICY

The course is graded from 0 to 10 points. Passing the course necessitates *a minimum grade of 4.0 point obtained in the final exam AND an average grade of 5.0 points in total.*

Evaluation at the ordinary term

At the ordinary term, the final grade for the course will be determined on the following basis:

Class Participation, quizzes, and assignments	25%
Final report and its presentation*	25%
Final exam	50%

(*) Specifications on the final report will be given when the course begins.

Evaluation in September

For students retaking the exam in September, the grading basis will be as follows:

Class participation, quizzes and assignments	10%
Final report and its presentation	10%
September exam	80%

Specifications on the Assignments

1. If two (or more) students (or groups) turn in same / very similar assignments or quizzes, both items will be graded as zero points.
2. If a student does not hand in any of the assignments throughout the course, he or she will receive zero points from the whole category of class participation, quizzes and assignments in the ordinary period (25%), and zero points from the whole category of participation, quizzes and assignments in the September exam (10%).