IB375 STRATEGIC MANAGEMENT

IES Abroad Milan

DESCRIPTION

This course focuses on the application of Strategic Management tools for rational decision-making in firm settings, specifically addressing Strategy at the Business and Corporate levels. To be effective, business leaders and strategists must understand the factors responsible for a firm's past performance and be able to identify those changes (occurring inside or outside the firm) that are most likely to improve or deteriorate future firm performance. This course addresses this reality by examining the fundamental conditions that enable a firm to conceive, formulate, and sustain a superior strategic position in a competitive environment, and how to create new markets by pre-emptying competition.

During the course, students will touch upon a variety of strategy-related themes, including 1) the various external and environmental factors that impact firm activities; 2) firms' internal sources of competitive advantage at a Business Strategy level; 3) Strategic approaches at the Corporate Level; 4) Strategy execution: business planning, business modeling, and value proposition; 5) Strategy and innovation; and 5) Emerging themes in the strategic world (e.g., agile management and strategic entrepreneurship, strategy for platforms, sustainability and circular businesses). Students will learn main strategic analysis tools, including models and frameworks to help them diagnose organizational issues and make recommendations to sustain or improve corporate performance.

The objective of the course is to equip students with real-world skills that can be applied in organizational settings and provide them with an appreciation for the complexity of strategic decision-making in large firms or startups. On a more general level, the course aims to improve students' critical thinking skills and ability to tackle challenging organizational problems in various settings.

CREDITS: 3

CONTACT HOURS: 45

LANGUAGE OF INSTRUCTION: English

PREREQUISITES: None

METHOD OF PRESENTATION:

- Lectures,
- Class discussion,
- Case analysis,
- Articles,
- Group exercises,
- Guest lectures.

REQUIRED WORK AND FORM OF ASSESSMENT:

- Class Participation - 15%
- Group assignments - 25%
- Midterm exam - 30%
- Final exam - 30%

Course Participation

A significant amount of class time will involve discussion of cases, as well as individual and group exercises that introduce and reinforce student understanding of key topics. Therefore, students' participation in class is essential, and it will be assessed. Students are expected to have an active role in the class, participating in class discussions and fulfilling the required work for each session.

Group assignments
Group presentations will require small teams to work outside of class to develop real-world cases. The group will then present its analysis and recommendations to the class and answer questions. The group will also submit a strategic memorandum or a PowerPoint/Keynote slide presentation that summarizes its work (please refer to the specific assignment's instructions and rules the course starts).

Midterm and Final Exams
Both midterm and final exams will be taken in-class and consist of 5 questions in short answer or short essay format.
Final exam will cover all material (slides, readings, etc.) presented throughout the course.
The final exam will take place during Finals week. You will receive official notice of the exact date and time of the final exam as soon as all possible overlaps have been identified after the add/drop deadline.

LEARNING OUTCOMES:
By the end of the course, students will be able to:

- Define important terms and concepts associated with strategic management
- Analyze and understand the key environmental and external variables that influence strategic decision-making at a Business Strategy level
- Analyze and understand the key internal factors that influence a firm's strategic decision-making at a Business Strategy level
- Formulate and assess a firm's portfolio strategy at a Corporate Strategy level
- Assess how strategy execution and innovation can be performed
- Formulate and assess a strategy for a new venture or startup
- Determine difference in strategic approaches between traditional businesses and platforms
- Recognize strategic approaches for creation of sustainable or circular business models

ATTENDANCE POLICY:
Students are expected to be responsible for their own class attendance and to give academic responsibilities priority over other activities. Regular class attendance is mandatory. For physical and mental health reasons, IES Abroad Milano allows a maximum of THREE (3) absences in each Italian language course, **TWO (2) absences in each Area Studies course**, and ONE (1) absence in each Seminar course. Every absence beyond this allowance will automatically result in a penalty of 2 percentage points off the final grade. SEVEN (7) absences will result in a failing grade in Italian language and Area Studies courses. FOUR (4) absences will result in a failing grade in Seminar courses. **Failure to attend a scheduled exam, test, quiz, or presentation will automatically result in an F grade on that assessment**.

CONTENT:

SESSION	CONTENT	ASSIGNMENTS
Week 1 *Session 1*	**Introduction to Class** • Syllabus & Course Overview • Introduction to Strategy	
Session 2	**External Analysis (1)** • PESTLE Analysis	• CIPD (2013). "PESTLE Analysis".
Week 2 *Session 1*	**External Analysis (2)** • Five Forces Analysis	• Porter, M. E. (2008). "The five competitive forces that shape strategy". Harvard Business Review, 86(1), 25-40.

Session 2	**Internal Strategy Analysis & Competitive Advantage (1)** • Value Chain	• Porter. M. (2001). "The Value Chain and Competitive Advantage". In Barnes, D. (2001), "Understanding Business Processes", Psychology Press – Chapter 5, pp. 50-66.
Week 3 *Session 1*	**Internal Strategy Analysis & Competitive Advantage (2)** • Competitive Advantage	• Prahalad, C.K. And Hamel, G. (1990) "The Core Competence of the Corporation", Harvard Business Review, Vol 68, n.3, pp. 79-91.
Session 2	**Strategic Approaches & SWOT Analysis** • Differentiation vs. Cost Leadership	
Week 4 *Session 1*	**Ocean Strategies** • Red and Blue Ocean Strategies	• Kim, W. C., & Mauborgne, R. (2005). How to create uncontested market space and make the competition irrelevant. Harvard Business Review, 4, 13.
Session 2	**Corporate Strategy & Portfolio Analysis (1)** • Vertical Integration	
Week 5 *Session 1*	**Corporate Strategy & Portfolio Analysis (2)** • Diversification	
Session 2	**Wrap-up** • Course wrap-up • Assignment check-up	
Week 6 *Session 1*	**Midterm Exam**	
Session 2	**Strategic Execution: The Business Model (1)** • Business Model Canvas	• Osterwalder A. & Pigneur, Y. (2010). "The Business Model Canvas". Poster. • Osterwalder, A. (2013). "A Better Way to Think About Your Business Model".
Week 7 *Session 1*	**Strategic Execution: The Business Model (2)** • Business Model Canvas • Different types of Business Models	
Session 2	**Strategic Execution: The Business Model (3)** • Value Proposition Canvas	• Cespedes, F. V. (2015) "Any value proposition hinges on the answer to one question".
Week 8 *Session 1*	**Group Assignment Presentation (1)**	

Session 2	**Innovation & Strategy** • Innovation Management	• "Tesla´s Not as Disruptive as You Might Think", *Harvard Business Review Online* (2015).
Week 9 *Session 1*	**Guest Lecture** • Big Bang Disruption	
Week 10 *Session 2*	**Emerging themes: Strategy in Platform Markets** • Traditional Businesses vs. Platforms	
Session 1	**Emerging themes: Strategy & Sustainability** • Sustainability • Circular Business Models	• Hellweg, E., (2013), "Is your company ready for the circular economy?"
Week 11 *Session 2*	**Emerging themes: Strategic Entrepreneurship** • Agile • Lean Startup Approach	• Blank, S. (2013). "Why the lean start-up changes everything." *Harvard Business Review*, 91(5), 63-72
Session 1	**Group assignment presentations (2)**	Guidelines on Moodle.
Week 12 *Session 2*	**Course Wrap-up**	
	Final Exam	

REQUIRED READINGS:

Original course content (slides), in addition to (in order of appearance in the course):

- CIPD (2013). "PESTLE Analysis".
- Porter, M. E. (2008). "The five competitive forces that shape strategy". Harvard Business Review, 86(1), 25-40.
- Porter. M. (2001). "The Value Chain and Competitive Advantage". In Barnes, D. (2001), "Understanding Business Processes", Psychology Press - Chapter 5, pp. 50-66.
- Prahalad, C.K. And Hamel, G. (1990) "The Core Competence of the Corporation", Harvard Business Review, Vol 68, n.3, pp. 79-91
- Kim, W. C., & Mauborgne, R. (2005). How to create uncontested market space and make the competition irrelevant. Harvard Business Review, 4, 13
- Osterwalder A. & Pigneur, Y. (2010). "The Business Model Canvas". Poster.
- Osterwalder, A. (2013). "A Better Way to Think About Your Business Model".
- Cespedes, F. V. (2015) "Any value proposition hinges on the answer to one question".
- "Tesla is Not as Disruptive as You Might Think", Harvard Business Review Online (2015).
- Hellweg, E., (2013), Is your company ready for the circular economy?
- Blank, S. (2013). Why the lean start-up changes everything. Harvard Business Review, 91(5), 63-72

RECOMMENDED READINGS:

- Grant, R. (2016) Contemporary Strategy Analysis, Texts and Cases (9th Edition). New York: John Wiley & Sons.