



IB 375 STRATEGIC MANAGEMENT

IES Abroad Milan

DESCRIPTION:

Strategy is an all-embracing term which refers to decision making at both an Individual level (concerning how we make personal choices in various settings) and a Business level (focusing on how individuals grouped in organizations or companies make decisions about successfully running an entrepreneurial endeavor).

This course will start by discussing the elements of the Individual level of Strategy decision-making, and then focus on the Business level.

To be effective, business leaders and strategists operating in both well-established companies and startups must understand the factors responsible for their firm's past performance and be able to identify those changes (inside or outside the firm) that are most likely to help or hurt future performance. This course addresses this reality head-on by examining the fundamental conditions that enable a firm to conceive, formulate, and sustain a superior strategic position. In particular, we will focus on 1) the various external and environmental factors that impact the firm at an Individual Strategy as well as at a Business Strategy level; 2) a firm's internal source of competitive advantage at a Business Strategy level; 3) Strategy execution and innovation; 4) the strategic role of Information Technology (IT); and 5) Strategy and startups (e.g. lean startup approach; strategic entrepreneurship; business planning). Students will learn strategic analysis tools, including models and frameworks to help them diagnose organizational issues and make recommendations to improve or sustain performance.

The objective of the course is to equip students with real-world skills that can be applied in organizational settings, and to 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 tough organizational problems in a variety of settings.

CREDITS: 3

CONTACT HOURS: 45

LANGUAGE OF INSTRUCTION: English

PREREQUISITES: None

METHOD OF PRESENTATION:

Lecture, class discussion, case analysis, articles, individual and group exercises, guest lectures.

REQUIRED WORK AND FORM OF ASSESSMENT:

- Individual case memoranda – 10%
- Class participation – 10%
- Group case analysis and written memorandum – 20%
- 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. In order to successfully meet this requirement, students should be prepared to devote significant time outside of class to reading and critical thinking.

Midterm Exam

The mid-term exam will be taken in-class and may consist of questions in short answer or short essay format.



Individual Case Memoranda

Students will be asked to individually address specific cases and submit a short memorandum or .ppt slide presentation summarizing how they would approach the primary strategic issue(s) presented in the case (please refer to each assignment’s instructions and rules once the assignment is launched).

Group Case Analysis and written memoranda

The group presentation 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 each assignment’s instructions and rules once the assignment is launched).

Final Exam

The final term exam will be taken in-class and may consist of questions in short answer or short essay format.

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
- Assess and leverage the strategic role of IT
- Formulate and assess a strategy for a new venture or startup

ATTENDANCE POLICY:

Regular class attendance is mandatory. IES Abroad Milano allows a maximum of **THREE (3)** excused absences per course before the final course grade is penalized. This margin is specifically intended to cover any absences arising from unavoidable and unexpected events or emergencies related to health, family, and religion. Each absence beyond the three excused ones will automatically result in a penalty of 2 points off (2/100) the final grade. **SEVEN (7)** absences per course will result in a failing grade (the three excused absences included).

Please note that **this rule does not apply to exams: failure to attend your midterm and/or final exam will automatically result in an F grade on that exam.** Absence on the date of other scheduled tests, presentations, or quizzes does not entitle a student to recover/reschedule such tests. If using absences for travel, students must be aware that they may find themselves in a situation in which they have no excusable absences left in case of illness.

It is your responsibility to manage your absences during the term. If you are sick, you will need to apply your absence to the two excused absences allowed for the term. If you use up your two excused absences for personal travel and then are sick at the end of the semester, those sick days will not be excused. Please plan wisely!

CONTENT:

Week	Content	Assignments
Week 1 Session 1	Course Overview, Introduction to Strategy	

<i>Session 2</i>	The Strategic Planning Process and External Strategy Analysis (1)	<ul style="list-style-type: none"> • Original course content (slides) • Porter, M. E. (2008). "The five competitive forces that shape strategy". Harvard business review, 86(1), 25-40. CIPD (2013). "PESTLE Analysis". Available online at: http://www.cipd.co.uk/hr-resources/factsheets/pestle-analysis.aspx
Week 2 <i>Session 1</i>	External Strategy Analysis (2)	<ul style="list-style-type: none"> • Case: Smartphone industry in 2013: Samsung's dilemma
<i>Session 2</i>	Internal Strategy Analysis and Competitive Advantage (1)	<ul style="list-style-type: none"> • Original course content (slides) • Porter, M. (2001). "The Value Chain and Competitive Advantage". In Barnes, D. (2001) "Understanding Business Processes", Psychology Press – Chapter 5, pp. 50-66. Available online • Grant, R.M. (2010). Contemporary Strategy Analysis. 7th ed. John Wiley & Sons, p. 239-241
Week 3 <i>Session 1</i>	Internal Strategy Analysis and Competitive Advantage (2)	
<i>Session 2</i>	Corporate Strategy and Portfolio Analysis (1)	<ul style="list-style-type: none"> • Original course content (slides) • Strategic Management Insight (2013). "BCG growth-share matrix". • Grant, R.M. (2010). Contemporary Strategy Analysis. 7th ed. John Wiley & Sons, pp. 430-433
Week 4 <i>Session 1</i>	Corporate Strategy and Portfolio Analysis (2)	<ul style="list-style-type: none"> • Case: Virgin Group
<i>Session 2</i>	Teamwork session: External Analysis	
Week 5 <i>Session 1</i>	Group presentation: External Analysis	
<i>Session 2</i>	Midterm Exam	
Week 6 <i>Session 1</i>	Strategic Execution: the Business Model (1)	<ul style="list-style-type: none"> • Original course content (slides) • Osterwalder A. & Pigneur, Y. (2010). "The Business Model Canvas". Poster. • Osterwalder, A. (2013). "A Better Way to Think About Your Business Model". Available online

<i>Session 2</i>	Strategic Execution: the Business Model (2)	
Week 7 <i>Session 1</i>	Strategic Execution: the Business Model (3) - Finding your customers	
<i>Session 2</i>	Innovation and Strategy (1)	
Week 8 <i>Session 1</i>	Innovation and Strategy (2)	
<i>Session 2</i>	Guest Lecture - Big Bang Disruption	<ul style="list-style-type: none"> • Description: Uber, Airbnb, ... new business models that change the rules of the game and posit new challenges for managers. Will you will disrupt? Or be disrupted?
Week 9 <i>Session 1</i>	Strategic Innovation: Red Ocean vs Blue Ocean Strategy	<ul style="list-style-type: none"> • Kim, W. C., & Mauborgne, R. (2005). How to create uncontested market space and make the competition irrelevant. Harvard Business Review, 4, 13
<i>Session 2</i>	The Strategic Role of IT (1)	<ul style="list-style-type: none"> • Original course content (slides) • Carr, N. G. (2003). IT doesn't matter, Harvard Business Review 38, 24-38
Week 10 <i>Session 1</i>	The Strategic Role of IT (2)	<ul style="list-style-type: none"> • Case: MDCM Inc. (A): IT Strategy synchronization
<i>Session 2</i>	Strategic Entrepreneurship: The Lean Startup Approach	<ul style="list-style-type: none"> • Original course content (slides) • Blank, S. (2013). Why the lean start-up changes everything. Harvard Business Review, 91(5), 63-72
Week 11 <i>Session 1</i>	Teamwork session: Business Model Design	
<i>Session 2</i>	Group presentation: Business Model Design	
Week 12 <i>Session 1</i>	Final Exam	

REQUIRED READINGS:

- Original course content (slides).
- Grant, R.M. (2005). "Richard Branson and the Virgin Group of Companies in 2004". In: Contemporary Strategy Analysis – case 15.
- Ivey (2014). "Smartphone Industry in 2013: Samsung's Dilemma". Ivey Publishing.

- Jeffery, M. and Norton, J.F. (2006). MDCM, Inc.(A): IT Strategy Synchronization. Kellogg School of Management, Northwestern University, case KEL170.
- Schilling, M. and Kotha, S. (1997). "Starbucks Corporation". University of Washington, Business School of Administration.
- Blank, S. (2013). Why the lean start-up changes everything. Harvard Business Review, 91(5), 63-72.
- Carr, N. G. (2003). IT doesn't matter, Harvard Business Review 38, 24-38.
- CIPD (2013). "PESTLE Analysis". Available online here: <http://www.cipd.co.uk/hrresources/factsheets/pestle-analysis.aspx>
- Collis, D. J., & Montgomery, C. A. (2008). Competing on resources. Harvard Business Review.
- Grant, R.M. (2010). Contemporary Strategy Analysis. 7th ed. John Wiley & Sons, p. 239-241
- Grant, R.M. (2010). Contemporary Strategy Analysis. 7th ed. John Wiley & Sons, pp. 430-433.
- 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". Available online at: <https://hbr.org/2013/05/a-better-way-to-think-about-yo/>
- 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. Available online at:
- <http://books.google.it/books?hl=it&lr=&id=INEI9R4MWawC&oi=fnd&pg=PT54&dq=Porter+value+chain+analysis&ots=XCfc4FI-UK&sig=uku3v855VoCucT0mil5EUdBNzEg#v=onepage&q=Porter%20value%20chain%20analysis&f=true>
- Prahalad, C. K., & Hamel, G. (1990). The core competence of the corporation. Harvard Business Review, 68(3), 79-91.
- Strategic Management Insight (2013). "BCG growth-share matrix".

RECOMMENDED READINGS:

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