

Faculty of Commerce and Administration

VICTORIA UNIVERSITY OF WELLINGTON

Te Whare Wānanga o te Ūpoko o te Ika a Māui

International MBA Programme



**VICTORIA
MANAGEMENT SCHOOL**

Te Kura Whakahaere

2007

IMBA 534

Strategic Management

COURSE OUTLINE

Start Date: 27 October 2007

Format: 12 - two-hour sessions over two weekends.

Lecture Times: 27 October: 2:00 – 6:00 pm & 7:00 – 9:00 pm

28 October: 11:00 – 2:00 pm & 3:00 – 6:00 pm

1 December: 2:00 – 6:00 pm & 7:00 – 9:00 pm

2 December: 11:00 – 2:00 pm & 3:00 – 6:00 pm

Location: Room 803, William M. W. Mong Engineering Building, CUHK

Teaching Staff: Stephen Cummings, Ph.D.

Office: RH 930, PO Box 600, Wellington, NZ

Email: stephen.cummings@vuw.ac.nz

Telephone: 644-463-6931 Fax: 644-463-5084

Textbook: *The Strategy Pathfinder*. D. Angwin, S. Cummings, C. Smith (2007). Blackwell: Oxford.

Course Objectives

The aim of this course is to provide participants with a working understanding of classic frameworks in strategic management along with some of the latest thinking in this area.

At the end of the course, participants will have, and be able to apply, a toolkit that will enable them to approach and structure any business scenario and develop clear strategies for the organizations they work for. Skills will be developed by using frameworks and ideas to analyze real-world business cases from Asia, Oceania, Europe, Africa and the Americas.

However, the focus will not just be on designing strategy. The program will also emphasize developing participants' ability to effectively communicate strategies and involve others in the process of developing strategy and strategy processes.

Assessment

Individual Assignment (20%) – Each student must select one micro-case from chapters 1 to 5 of *The Strategy Pathfinder* textbook (apart from the cases for which a model answer is supplied in the book) and write a report answering the case questions in **less than 1000 words**.

Written assignment reports will be due at the beginning of the second week class on Saturday, 1 December 2007 and should be handed directly to the course lecturer.

Group Assignment (20%) – Each group of students must select one micro-case from chapters 6 to 11 of *The Strategy Pathfinder* textbook (apart from the cases for which a model answer is supplied in the book) and write a report answering the case questions in **less than 2000 words**.

Written assignment reports will be due on Monday, 10 December 2007 by mid-night. Reports should be emailed to the course lecturer and c.c. to APIB.

Final Examination (60%) - A final open-book examination will be held during which students will be expected to apply their knowledge to business cases described by means of case examples. In accordance with University policy, students must obtain a minimum of forty percent of the marks available on the final examination in order to pass the course.

COURSE TERMS OF REFERENCE

Late Assignments

Given the modular nature of the course delivery and relatively short time for marking and return, it is imperative that assignments are handed in on time. Late assignments will incur a 50% penalty on the assigned mark. Assignments more than two weeks late will not be accepted. In addition, late assignments will not be available by the agreed-to return date.

Obtaining Terms

To obtain terms to sit the final examination in this course, students are required to fully participate in both weekend modules and submit the written assignment report.

Passing the Course

In order to pass this course, students are required to obtain at least forty percent of the final examination marks available, and obtain at least fifty percent of the overall course marks available.

Appeals / Concerns / Statute on Conduct

If you have any concerns with your courses, you should first talk to the lecturer concerned and, if you are not satisfied with the result of that meeting, contact the Director of the IMBA. Victoria University has well developed, independent procedures for dealing with academic grievances and complaints. These procedures are set out in the Statute on Academic Grievances in the University Calendar.

More generally, the University is also concerned to ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an environment of safety and respect. To this end, it has put in place a comprehensive Statute on Student Conduct. This Statute is printed in the University Calendar and contains information about what conduct is prohibited and what steps can be taken if there is a complaint. Persons with a complaint or grievance may seek assistance or support from another member of the University community such as the Adviser on Grievance Resolution, Departmental Chairpersons, Counseling staff or Sexual Harassment Contact Support persons. They may also resolve disputes by making use of any of the other informal or formal procedures outlined in the Statute on Conduct.

Session Schedule - IMBA 534 - 2007

Session	Date	Topic	Reading
1	27 October 2:00 – 4:00pm	- Course introduction - Strategy defined	Angwin et al. (2007) — pg. v-xiii
2	27 October 4:00 – 6:00pm	- The macro environment	Chap. 1
3	27 October 7:00 - 9:00pm	- Stakeholders and governance	Chap. 2
4	28 October 11:00 – 1:00pm	- Industry environment	Chap. 3
5	28 October 1:00 – 2:00pm 3:00 – 4:00pm	- Corporate strategy	Chap. 4
6	28 October 4:00 – 6:00pm	- Positioning	Chap. 5
7	1 December 2:00 – 4:00pm	- Living strategy	Chap. 6
8	1 December 4:00 – 6.00pm	- Corporate character	Chap. 7
9	1 December 7:00 – 9:00pm	- Internationalizing strategies	Chap. 8
10	2 December 11:00 – 1:00pm	- Navigating strategic change	Chap. 9
11	2 December 1:00 – 2:00pm 3:00 – 4:00pm	- Sustainability/business ethics	Chap. 10
12	2 December 4.00 – 6.00pm	- Maverick strategies - Course review	Chap. 11

IMBA 534 – PART I

Session 1 – Teaching Objectives

Course Introduction/Strategy Defined

(Text - read pp. v-xiii *Strategy Pathfinder*)

Critical Learning Points:

- Understanding course objectives and expectations. (Review course outline).
- Discussing the assessment project.
- Defining *strategy*: conventional and unconventional views.
- The communication of strategy.
- 11 pathways to defining a strategy.

IMBA 534 – Session 2 – Teaching Objectives

The Macro-Environment

(Text - read Chapter 1 *Strategy Pathfinder*)

Critical Learning Points: By the end of the session students should have developed an understanding of the following frameworks and topics.

- The Icarus paradox.
- Structuring the external business environment.
- PEST and ESTEMPLE.
- SWOT analysis.
- “Fast failing” and corporate agility.

Cases (all cases are from *The Strategy Pathfinder*):

- *1.1 Ironclads versus canoes*
- *1.2 Shock and awe*
- *1.7 Chinese airlines*

IMBA 534 – Session 3 – Teaching Objectives

Stakeholders and Governance

(Text - read Chapter 2 *Strategy Pathfinder*)

Critical Learning Points: By the end of the session students should have developed an understanding of the following frameworks and topics.

- Strategy processes.
- Stakeholder analysis.
- Public versus private ownership.
- The power/interest matrix.
- When to use, and how to manage, consultants.

Cases (all cases are from *The Strategy Pathfinder*):

- **2.6 *Virgin***
- **2.7 *Fad Power***

Video Case:

- **“*The McKinsey Way*”. How McKinsey train their consultants.**

IMBA 534 – Session 4 – Teaching Objectives

The Industry Environment

(Text - read Chapter 3 *Strategy Pathfinder*)

Critical Learning Points: By the end of the session students should have developed an understanding of the following frameworks and topics.

- Perfect and imperfect competition.
- Industry margins.
- Five forces of industry.
- Industry life cycles.
- Value nets and co-optition.

Cases:

- *3.1 Power is money*
- *3.2 High-tech hell: IBM and Lenovo*
- *3.7 Barbershops and Reebok*

IMBA 534 – Session 5 – Teaching Objectives

Corporate Strategy

(Text - read Chapter 4 *Strategy Pathfinder*)

Critical Learning Points: By the end of the session students should have developed an understanding of the following frameworks and topics.

- The rise of the M-form organization.
- Portfolio strategies.
- Parenting advantage.
- BCG matrix.
- Diversification matrix.

Cases:

- *4.1 Cheng Song and Z Enterprises*
- *4.2 General Electric*
- *4.6 Royal Air Maroc*

IMBA 534 – Session 6 – Teaching Objectives

Strategic Positioning

(Text - read Chapter 5 *Strategy Pathfinder* + "Skil Saws" case)

Critical Learning Points: By the end of the session students should have developed an understanding of the following frameworks and topics.

- The value chain.
- Generic strategy matrix.
- Five types of competitive advantage.
- The strategy clock.
- The resource-based view of the firm.

Cases:

- *5.2 Amazon versus Ottakars*
- *5.6 Customers, those B*****!*
- *5.9 Catapillar versus Komatsu*

Video case:

- **Skil Saws**

IMBA 534 – PART II

IMBA 534 – Session 7 – Teaching Objectives

Living Strategy

(Text - read Chapter 6 *Strategy Pathfinder*)

Critical Learning Points: By the end of the session students should have developed an understanding of the following frameworks and topics.

- The learning organization.
- The knowledge society.
- Strategy through ‘stories’.
- Emergent strategies.
- The Balanced Scorecard.

Cases:

- *6.1 Schumaker’s Ferrari*
- *6.3 Bringing back the branch*
- *6.8 Honda in the USA*

IMBA 534 – Session 8 – Teaching Objectives

Corporate Character

(Text - read Chapter 7 *Strategy Pathfinder*)

Critical Learning Points: By the end of the session students should have developed an understanding of the following frameworks and topics.

- The impact of national culture.
- The Porter Diamond.
- The Seven-S frameworks.
- The Corporate Culture Web.
- Values, vision and mission.

Cases:

- *7.1 Pokemon*
- *7.6 NZ Police*
- *7.8 Channel 5 and the BBC*

IMBA 534 – Session 9 – Teaching Objectives

Internationalizing Strategies

(Text - read Chapter 8 *Strategy Pathfinder*)

Critical Learning Points: By the end of the session students should have developed an understanding of the following frameworks and topics.

- Globalization and localization.
- Absolute and comparative advantage.
- Strategic arbitrage.
- International product life-cycles.
- International business structures.

Cases:

- **8.3 *Barbie***
- **8.2 *Korean Airlines***
- **8.7 *HSBC***

Video case:

- ***HSBC – The world’s local bank***

IMBA 534 – Session 10 – Teaching Objectives

Guiding Strategic Change

(Text - read Chapter 9 *Strategy Pathfinder*)

Critical Learning Points: By the end of the session students should have developed an understanding of the following frameworks and topics.

- Kotter's 8 steps.
- Change management styles.
- Leadership locus.
- Modes of resistance.
- Blending change and continuity.

Video Case:

- *Pringle of Scotland*

IMBA 534 – Session 11 – Teaching Objectives

Sustainability and Business Ethics

(Text - read Chapter 10 *Strategy Pathfinder*)

Critical Learning Points: By the end of the session students should have developed an understanding of the following frameworks and topics.

- Sustainable competitive advantage
- Triple-bottom line
- Corporate social responsibility
- Business ethics

Cases:

- *10.3 Johnson & Johnson's Credo*
- *10.5 Handi Ghandi Curries*
- *10.7 Royal Mail and Postman Pat*

IMBA 534 – Session 12 – Teaching Objectives

Marverick Strategies/Course Review

(Text - read Chapter 11 *Strategy Pathfinder*)

Critical Learning Points: By the end of the session students should have developed an understanding of the following frameworks and topics.

- S-curves
- Value innovation
- ‘Blue-Ocean’ strategies
- Next practice
- Organigraphs and value-chimera

- Reviewing and reflecting upon the course.
- Discussing how to take what has been learnt into the workplace.
- Looking at how to prepare for the final exam.

Cases:

- *11.1 Syneer – From Chinese Dumplings to Villas*
- *11.2 Gray boxes*
- *11.3 21st Century cars*

Final Examination:

Date to be confirmed.

3 hours – Open Book

Business Case Study and Associated Questions

Stephen Cummings

Stephen Cummings is professor of strategic management at Victoria Management School and a visiting professor at Warwick Business School, United Kingdom; MIB, Ecole Nationale Center de Paris, France; and Ecole Hassania, Casablanca, Morocco. He obtained his doctorate from Warwick Business School. He is the author of *Recreating Strategy* (Sage, London, 2002), joint editor of *Images of Strategy* (Blackwell, Oxford, 2003) and co-author of *The Strategy Pathfinder* (Blackwell, Oxford, 2007) and has published papers on strategic management in journals such as *Academy of Management Executive*, *Long Range Planning*, *Organization*, *Deusto*, *Harvard Business Review*, *Organization Studies* and *Business Horizons*. He has developed and taught on executive programs for a number of leading corporations, including HSBC, GKN Westland, Philips, The Financial Times, Corus and Prudential.