

690 Strategic Management

Introduction

690 STRATEGIC MANAGEMENT provides students with the basic knowledge and tools necessary to conceptualise a firm's competitive environment and resources. The subject explains the importance of the creation and maintenance of a long-term strategic vision for the firm. Students are encouraged to consider the broader issues relating to the formulation and implementation of a competitive strategy. To understand how a firm develops and changes its strategic position, students are presented with a range of contemporary business strategy theories and issues.

Case studies

Real-life case studies are incorporated into the subject to provide opportunities for students to apply theory into practice in an authentic context. Examples of cases include

Casadesus-Masanell, R., D.B. Yoffie and S. Mattu
Intel Corp.: 1968-2003
 Case #9-703-427
 Harvard Business School Publishing
 22 November 2005

Collis, D.J. and T. Stuart
Kraft General Foods: The Merger (A)
 Case #9-391-139
 Harvard Business School Publishing
 31 May 1995

Montgomery, C.A. and J.M. Turner
Vivendi: Revitalizing a French Conglomerate (A)
 Case #9-799-019
 Harvard Business School Publishing
 16 May 2003

Who should attend

- Executives wishing to enhance their understanding of issues in contemporary business strategy
- Managers seeking to improve their strategic business and management skills
- Decision makers who need to formulate long-term business strategies based on resource planning and competitive analysis

Learning objectives

Upon completion of this subject, students should be able to

- evaluate the competitive situation of a firm
- understand the model of effective strategic leadership
- analyse the industry and business environments
- distinguish between business-level and corporate-level strategies
- understand corporate governance in an international setting

Delivery method

The subject is delivered online over a 12-week period, with an assigned Professor acting as your mentor. Your class will comprise students from different countries and industry backgrounds. Practical case studies and discussions help to stimulate learning and knowledge exchange, while an examination at the end of the subject will help you review and apply the knowledge and skills you have learnt.

Assessment

Case analyses (team and individual)	45%
Discussion board activities	30%
Final examination	25%

Prerequisites

601 Organisational Behaviour
 611 Financial Reporting and Statement Analysis or 612 Finance
 630 Marketing Management

Syllabus

Segment 1: Introduction

Students are introduced to the syllabus, the resources and communication tools available within the course.

Segment 2: Strategic Thinking

The segment provides the background to understanding how organisations achieve competitive advantage. Students are introduced to the industrial organisation model and resource-based model, which emphasise the importance of strategic analysis. Similarly, strategic management and leadership are highlighted as significant drivers in firm value creation to meet stakeholder requirements.

Segment 3: External Analysis

The segment introduces analytical tools and frameworks to evaluate the industry environment and business context. Porter's five forces model is explained, which addresses the key issues of profitability and competition across businesses and industries. Students learn how to collect and analyse data which can help to develop effective management strategies for enhanced business performance.

Segment 4: Internal Analysis

Students learn about sustained competitive advantage, building on the analysis of a firm's strengths, weaknesses, opportunities and threats. The firm's resources and capabilities are examined in detail, distinguishing between tangible and intangible resources. The use of value chain analysis to evaluate a firm's competitive advantage is described, with a focus on preventing core competencies developing into core rigidities. Outsourcing is also discussed.

Segment 5: Business-Level Strategy

The segment identifies the basic strategy trends commonly employed by businesses in today's global competitive economy. Business-level strategies target customer needs – who will be served and how these needs will be met. Competitive dynamics vary across slow-cycle, fast-cycle and standard-cycle markets. Students are encouraged to discuss the benefits and costs of each generic strategy presented in the segment.

Segment 6: Corporate-Level Strategy

The segment focuses on the importance of corporate-level strategies in developing and nurturing a firm's growth. The selection and management of a firm's business portfolio entails consideration of diversification and co-operation. Specifically, the segment discusses the different levels of diversification and its pros and cons. Value creation, incentives and managerial motives are some of the related issues. The risks and rewards of co-operative strategies and strategic alliances are also examined.

Segment 7: Mergers and Restructuring

Students are presented with a discussion on how acquisitions and mergers can create or destroy value. The benefits and risks of merger and acquisition activities are examined, as are the key challenges of integration and restructuring. Cross-border mergers, in particular, present unique problems and require special attention. Government privatisation and deregulation are some of the related issues explored in the segment.

Segment 8: International Strategy

The segment prepares students to formulate effective international business strategies that can help a firm exploit its core competencies. An understanding of the unique opportunities and threats that face a firm in a global environment is an important first step towards this goal. Students are encouraged to explore motives for global expansion, describe different international strategies and organisational structures, and analyse the implications for innovation, risk and performance.

Segment 9: Corporate Governance

The segment explores the different governance mechanisms and how managerial decisions are monitored and controlled. Students are encouraged to understand agency relationships and managerial opportunism, and their implications on business strategy. The segment also looks at what steps should be taken to reduce governance failure and how corporate governance varies across international borders.

Required textbook

Hoskisson, R.E., M.A. Hitt and R.D. Ireland. *Competing for Advantage*. Ohio: South-Western, 2003.

Global Faculty

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U21Global subjects are created by acknowledged experts in their field, usually senior academics who have strong understanding of postgraduate requirements. The subject content is further reviewed by academic specialists who appraise the subject from an independent perspective, ensuring a high-quality, professional product.

690 STRATEGIC MANAGEMENT was created for U21Global by **Robert Hoskisson**, Professor and W.P. Carey Chair in the Department of Management at Arizona State University. Dr Hoskisson has served on the editorial boards of publications such as the *Academy of Management Journal*, *Strategic Management Journal*, *Journal of Management* and *Organization Science*. He has co-authored several books and is a consulting editor on strategic management topics for Oxford University Press. He is a Fellow of the Academy of Management and a charter member of the Academy of Management Journal's Hall of Fame. He received his PhD from the University of California-Irvine.

The subject was reviewed by **Timothy Devinney**, Professor at the Australian Graduate School of Management and Director of the Centre for Corporate Change. He previously held faculty positions at the University of Chicago, Vanderbilt University and the University of California, Los Angeles. Dr Devinney has published six books and more than 50 articles. He is the Chair-elect of the International Management Division of the Academy of Management and Convenor of the Macademia Academic network in Human Judgment and Decision Making. Dr Devinney sits on the editorial boards of the *Journal of Management Science*, *Journal of International Business Studies* and *Journal of Product Innovation Management*. He received his PhD in Economics and MBA from the University of Chicago.

Professors

Students' progress will be guided by dedicated Professor Facilitators based around the world. They provide an international perspective and impart knowledge through a wealth of experience in their field of specialisation. Our Professor Facilitators will help students make sense of the information to enable students to transform the information into knowledge and creative solutions.



François THÉRIN

François Thérin is Associate Professor of Strategy and Technology Management at Grenoble Ecole de Management (GEM) in France since 1995. He was the founder of the Center for Technoentrepreneurship at GEM and headed the organisation from 1999 to 2002. He has extensive experience of online teaching in strategic management and technology and innovation management. His research interests are in the fields of innovation, knowledge and strategic management in high-tech companies. Dr Thérin received his DBA from University of Newcastle, UK and his DEA in Management from Institut d'Administration des Entreprises at Aix-Marseille University, Aix-en-Provence, France.



Yunus KATHAWALA

Yunus Kathawala is Professor at the School of Business, Eastern Illinois University, Charleston, Illinois, in the US, where he teaches Operations Management at the graduate and undergraduate level. Dr Kathawala served as Associate Chair of the School of Business (1997-1999) and Chair of the Department of Computer Science and Operations Management (1990-1997) at Eastern Illinois University. His research interests are responsive supply chains, knowledge management, quality issues in small business, and learning in the Internet economy. Dr Kathawala earned his PhD in Management Science/Operations Management from the University of Georgia.