

MGIMO University

School of Government and International Affairs

Syllabus approved

Dean, The MGIMO School of Government and
International Affairs

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Strategic Business Management

Undergraduate Course Syllabus

Instructor

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This syllabus is designed in accordance with the MGIMO Educational Standard
for the Bachelor Program in International Business Finance

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Course Description

This course is intended to be a challenging and exciting capstone course about strategy and about “managing for success”. The course centres around the idea that a company achieves sustained success if and only if it’s managers (1) have a timely though flexible strategic game plan for running the company, and (2) implement and execute the plan with proficiency. We shall stress how and why a well-conceived and well-executed strategy is likely to enhance a company’s long-term performance.

This course provides a framework for understanding the opportunities and challenges involved in formulating and implementing strategies by taking a “systems” view of organisations. This means that we examine multiple aspects of how managers navigate and shape their environments, organise internally, and maximise desired outcomes, as well as how managerial decisions made in these various domains interrelate.

This course will integrate the essential elements of OB. The cases chosen for study typically have a significant OB component and throughout the course care will be taken to consider the impact that a firm’s strategy will have on HRM and conversely how leadership and team dynamics impacts the strategy performance. Areas of Strategic Business Management with particular relevance to OB such as the importance of recognising the company’s intellectual assets; the role of organisation structure and design; ethical strategy and company implementation of strategy are covered in significant details.

This is a **big picture** course. In this course we try to develop within the student a conceptional skill or way of thinking, which he/she can use as a foundation to build upon as she/he gains experience in the business world. This analytical, decision-making ability is something that does not become obsolete over time but rather improves as they move from the classroom to the organisation.

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Learning Outcomes:

On successful completion of this course, students will be able to:

- Understand the strategic decisions that organisations make and have an ability to engage in strategic planning.
- Explain the basic concepts, principles and practices associated with strategy formulation and implementation
- Critically analyse the internal and external environments in which businesses operate and assess their significance for further initiatives
- Understand the crucially important role that managers play in setting and implementation of an organisation's strategy.
- Integrate and apply knowledge gained during the 1st year to the formulation and implementation of strategy from holistic and multi-functional perspectives.
- Participate constructively in team situations to complete shared tasks and meet agreed deadlines

Teaching Method

The students will attend lectures during which they will be introduced with the core concepts for the topic they are studying that week. Then they will have workshops designed to provide a deeper dive into those concepts by helping the students engage more directly with the material.

Class activities will include in-class exercises such as case studies, role-plays, team discussions and student presentations of projects or other form of experiential learning.

With this particular subject it is necessary to spend considerable time examining lessons learned from existing companies and the approaches they have taken to the setting and implementation of strategy. For this reason there is a number of case studies within the course. Additionally every workshop session will be added with an article from a newspaper or magazine as the basis for further class

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discussion. The purpose of this discussion and other class activities will be to explore an application of the course concepts in a real-world context. For the students' convenience discussion questions for each case analysis will be provided in the overview to every workshop session. These represent only a starting point, however; class discussions may often go beyond these questions.

Course Material

We use a variety of source materials, including classic and conspiracy readings, cases and exercises drawn from books, managerial publications, the popular press, and the academic journals. Lecture materials are designed to help the students better grasp the concepts that will be covered during the lecture, and to prompt the students' interest in the topic at hand. Workshop materials are typically shorter and often revolve around a case study. They serve to introduce a discussion about application of the concepts covered in the lecture.

The cases are problem-or-action oriented. They all involve use of more than one academic discipline. None have been chosen merely to illustrate a good or a poor handling of a situation.

Grading Policy/Course Requirements

The course grade will be based on the following components and point distribution:

Criterion

- | | |
|---------------------------------------|-----|
| 1. Class Discussion and Participation | 20% |
| 2. Quizzes | 20% |
| 3. Final Examination | 60% |

Class Preparation and Participation

Class activities include comprehensive preparation for oral discussion of all aspects of the material assigned for that day, be it text and/or case. The students

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will be evaluated on the quality (not quantity) of their participation, based on the quality of the analysis, the usefulness of recommendation, and their ability to communicate their thoughts to the class. Specifically, for case preparation, they should at minimum 1) clearly understand the facts of the case, 2) analyse the situation faced by the organisation, and 3) develop implementable recommendations for management. Since one cannot participate if he/she is not present in class, attendance is extremely important (however attendance is not equal to participation). Absences over three in the course will affect the grade.

Quiz:

To ensure that all students come to class prepared, be it lecture material or assigned cases, random quizzes will be administered regularly. There will be about four quizzes throughout the course and the best two scores will be used to assess quiz grade. All quizzes will be handed out at the beginning of the class. There will be absolutely no make-up on a quiz if a student was absent or showed up late to class.

Code of Professional Conduct

- Join us for class discussions: treat this class like you would an important client/customer. Try to avoid conflicts with class; much of the learning in the course occurs during our time in class.
- Arrive on time and stay for the duration. late arrivals and early departures are disruptive to the learning process for the whole class. Arriving late and leaving early can imply a lack of respect for others' time. Avoid going in and out of the room during class time. In a business setting it would be unusual to casually walk in and out of a conference room during meetings.
- Come prepared and ready to actively participate in class activities. Your perspectives are valuable for helping you and others learn. Plus, it's useful in business to be viewed as a contributor and leader, engaged in the enterprise, not a passive bystander.

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Course Outline

Session	Date	Brief description of the session	Required readings
Session 1	01.09.2022	<p>Course Introduction - What is strategic leadership?</p> <p>Managing the Strategy-Making Process for Competitive Advantage.</p> <p>Primary steps and common pitfalls of planning.</p> <p>Why are too many "strategies" produced by companies weak, lacking astute diagnosis and actions?</p>	<ol style="list-style-type: none"> Hill, Charles. W. L.; Schilling Melissa. A & Jones Gareth R. 2017. <i>Strategic Business Management: An Integrated Approach: Theory and Cases</i>, 12th Edition, Chapter 1 pp. 2-8 Rumelt R.P. 2022. <i>Build a strategy that addresses your gnarliest challenges</i>. Harvard Business Review (6 pages)
Session 2	01.09.2022	<p>Strategic roles of managers at different levels within an organisation.</p> <p>The key cognitive biases that might lead to poor strategic decisions and the ways to overcome them</p>	<ol style="list-style-type: none"> Hill, Charles. W. L.; Schilling Melissa. A & Jones Gareth R. 2017. <i>Strategic Business Management: An Integrated Approach: Theory and Cases</i>, 12th Edition, Chapter 1 pp. 29-34 Reeves Martin & O'Dea Annelies. June, 2022. <i>6 Factors Driving Changes to Today's Corporate Strategies</i>. Harvard Business Review (5 pages)

Session	Date	Brief description of the session	Required readings
Session 3	15.09.2022	<p>Analysing the External Environment of the Company. Michael Porter's Five Forces Model.</p> <p>Using industry life-cycle analysis for evaluating strategic opportunities. The effect of macroeconomic forces.</p> <p>How to deal with new trends: industries competing with other industries, business models competing with other business models - even within the same industry - and entirely new categories emerging.</p>	<p>1. Hill, Charles. W. L.; Schilling Melissa. A & Jones Gareth R. 2017. <i>Strategic Business Management: An Integrated Approach: Theory and Cases</i>, 12th Edition, Chapter 2 pp. 44-60</p>
Session 4	15.09.2022	<p>The concept of strategy spine and how it helps to communicate the strategy and translate it into specific flow or resources.</p> <p>Critical role that questions play in breakthroughs and how it helps re-frame the focus and possible solutions.</p>	<p>1. McGrath Rita.G. <i>Your Business model will be copied soon</i>. Translation from</p> <p>2. Case: Consolidating Dry Cleaning</p> <p>3. Case: Uber: Driving Global Disruption</p>
Session 5	29.09.2022	<p>Generalisation of models: pros and cons.</p> <p>Innovation as an approach for unfreezing and reshaping industry structure.</p> <p>How a company's individual resources and capabilities can create a competitive advantage and why it is not enough to be just in an attractive business or strategic group.</p>	<p>1. Hill, Charles. W. L.; Schilling Melissa. A & Jones Gareth R. 2017. <i>Strategic Business Management: An Integrated Approach: Theory and Cases</i>, 12th Edition, Chapter 2 pp. 64-70</p> <p>2. Holt Douglas. <i>Cultural Innovation</i>. HBR's 10 must reads 2022, pp 15-28</p>

Session	Date	Brief description of the session	Required readings
Session 6	29.09.2022	<p>The influence of high-technology on the choice of strategy.</p> <p>Different approaches to create a competitive advantage in the context of technical standards and format wars.</p> <p>Capturing first-mover advantages</p>	Case: Tesla Motors, 2015
Session 7	13.10.2022	<p>Internal resources as the base for creating competitive advantage.</p> <p>Distinctive competencies as socially complex critical factors which influence a company's long-term performance.</p> <p>Resource quality - The VRIO framework</p>	<ol style="list-style-type: none"> Hill, Charles. W. L.; Schilling Melissa. A & Jones Gareth R. 2017. <i>Strategic Business Management: An Integrated Approach: Theory and Cases</i>, 12th Edition, Chapter 3 pp. 80-96 Frei Frances & Morriss Anne. <i>Begin with Trust</i>. HBR's 10 must reads 2022, pp 1-14
Session 8	13.10.2022	<p>How the differences in the efficacy of organisational architecture influence performance.</p> <p>Corporate culture and inimitability as a tool to maximise both team and individual potential</p>	<ol style="list-style-type: none"> Lafley A.G., Martin R. & Riel J. <i>A playbook for strategy</i>. Rotman Magazine Winter 2013, pp 5-9 Kotter John.P. <i>Leading Change. Why Transformation Efforts fail</i>. HBR, January 2007 (9 pages)

Session	Date	Brief description of the session	Required readings
Session 9	27.10.2022	<p>Managing changes and basic drivers of human behaviour and the hidden dynamics of organisations.</p> <p>Why preventing a reversion to the prior state or status quo is particularly important for organizational change related to processes, culture, and strategies.</p>	Sull Donald N. <i>Why good companies go bad</i> . HBR, July-August 1999
Session 10	27.10.2022	<p>Coping strategies and key steps to ensure the change initiatives to be complete and successful.</p> <p>What forces make the changes necessary? How a defined strategy will help to establish communication with the team members and main stakeholders.</p> <p>While it's impossible to predict everything that might potentially go wrong, taking the time to anticipate potential barriers and devise mitigation strategies is a reasonable approach.</p>	Case: Strategies for survival during COVID-19
Session 11	10.11.2022	<p>Competitive advantage through functional strategies</p> <p>Efficiency, quality, innovation and customer responsiveness as building blocks for strategic development.</p> <p>Developing both product and process innovations as value creating activities</p>	1. Hill, Charles. W. L.; Schilling Melissa. A & Jones Gareth R. 2017. <i>Strategic Business Management: An Integrated Approach: Theory and Cases</i> , 12th Edition, Chapter 4 pp. 109-115; 123- 138

Session	Date	Brief description of the session	Required readings
Session 12	10.11.2022	Achieving efficiency through process innovation leading to cost reductions and needs balance between input and output	<ol style="list-style-type: none"> 1. Reeves Martin. <i>Now Business needs to react to everything otherwise it's over</i>. Translation from 2. Case: Amazon 3. Case: Toyota: Lean Production and the Rise of the world's largest automobile manufacturer
Session 13	24.11.2022	<p>Deciding what business-level strategy to pursue in order to attain a sustainable competitive advantage.</p> <p>Lowering costs and differentiating goods or services for reaching efficiency frontier and creating more value.</p> <p>The issue of customer choice and market segmentation</p> <p>The concept of Blue Ocean Strategy</p>	<ol style="list-style-type: none"> 1. Hill, Charles. W. L.; Schilling Melissa. A & Jones Gareth R. 2017. <i>Strategic Business Management: An Integrated Approach: Theory and Cases</i>, 12th Edition, Chapter 5 pp. 153-166
Session 14	24.11.2022	<p>How managers can think about formulating an innovative, business-level strategies that give their companies a unique and defendable position in the marketplace.</p> <p>Utilising general organisational competencies.</p> <p>Related and unrelated diversification</p>	<ol style="list-style-type: none"> 1. Hill, Charles. W. L.; Schilling Melissa. A & Jones Gareth R. 2017. <i>Strategic Business Management: An Integrated Approach: Theory and Cases</i>, 12th Edition, Chapter 10 pp. 308-326

Session	Date	Brief description of the session	Required readings
Session 15	08.12.2022	<p>Implementing strategy through combination of organisational structure, controls, incentives, process, culture and people</p> <p>The concept of organisational architecture and its influence on a strategy performance.</p> <p>Corporate entrepreneurship</p>	<p>1. Hill, Charles. W. L.; Schilling Melissa. A & Jones Gareth R. 2017. <i>Strategic Business Management: An Integrated Approach: Theory and Cases</i>, 12th Edition, Chapter 12 pp. 385-418</p> <p>2. Brandenburger Adam & Nalebuff Barry. <i>The rules of Co-opetition..</i> HBR's 10 must reads 2022, pp 29-41</p>
Session 16	08.12.2022	Developing a knowledge network for transmitting information within an organisation based on informal contacts between managers within an enterprise	Case: Google in 2015
Session 17	22.12.2022	<p>Strategy in global environment. How the globalisation of production and markets impacts competition within an industry.</p> <p>Think globally, act locally. Differences in Customer Tastes and Preferences as well as Infrastructure and Traditional</p> <p>Practices pressure for local responsiveness</p>	<p>1. Hill, Charles. W. L.; Schilling Melissa. A & Jones Gareth R. 2017. <i>Strategic Business Management: An Integrated Approach: Theory and Cases</i>, 12th Edition, Chapter 8 pp. 239-262</p> <p>2. Ely Robin J. & Thomas David A. Getting Serious About Diversity. HBR's 10 must reads 2022, pp 93-105</p>