

Competitive Strategy

UGRA_003383

Departments	Department of Strategy & General Management
Teaching Languages	English and Spanish
ECTS	4
Teacher responsible	Alberto Nuñez Fernandez - alberto.nunez3@esade.edu

Course Goals

The course's overall objective is to develop students' ability and skills in designing sound business-level strategies.

Specifically, at the end of the course students should:

- Have gained a global vision of the organization as a whole by integrating the knowledge learned in the course and in previous BBA courses.
- Be able to apply the most relevant frameworks and tools for analyzing a firm's general environment, industry, and internal organization.
- Understand and apply the strategy process (analysis, development, and implementation), the actors participating in it (top management, board of directors and others) as well as the need to adapt the process to different industry contexts.
 - Diagnose the reasons for good or bad performance and formulate strategies that lead to value creation and recommend organization designs to implement the strategies.
 - Have developed their strategic skills being able to:
 - Identify strategic issues.
 - Search for the necessary information
 - Generate strategic options and make a recommendation on which option to choose by using evidence-based arguments.
 - Understand the implications of a company's strategic choices on its different groups of stakeholders.
 - Have improved their teamwork skills

Previous knowledge

To undertake this course with some guarantee of success, students should have an idea of the functional areas of a company as well as its environment. They should therefore have studied the basic courses (not the advanced ones) on functional areas (Finance, Marketing, Human Resources, Operations, etc.), as well as courses on the business environment (Economics, Social Sciences, Law, etc.).

Prerequisites

Have successfully completed the previous BBA programme courses (see "Prior knowledge" section)

Teaching methodology

Management and strategy have a triple dimension, according to one of the leading authors in Management, Henry Mintzberg (2013). These dimensions are science, craft, and art.

The scientific dimension deals with the application of strategic models to a problem faced by the organization or a concrete situation. From a scientific approach, strategy is about using models and tools to address a specific decision, problem, situation etc.

The craft dimension is based on practice. Each artisan makes her own craft pieces, which are unique. In this sense, the strategist is an artisan who applies what she has learned by imitating the master, by repetition, by trial and error.

The third dimension is the art component. This means that a strategist should be able to imagine new scenarios and new combinations of resources. The strategist must be able to foresee the possible development of its environment that can be discontinuous.

The methodologies used for learning each of these dimensions of strategic management are radically different. The scientific dimension can be learned through lectures, books, articles and watching videos. This is possible due to the codified nature of knowledge, and as such, it can be incorporated through the study of it.

The craft and art dimensions are developed in a completely different way, mostly by practice in real business situations. Nonetheless, they can be partly developed through the active participation of students in activities such as: preparation of assignments in group, class discussion with professors and classmates, through the search of creative solutions for diverse company situations, and by interacting and discussing with strategists who are daily exposed to making strategic decisions. The simulation will also allow you to improve both craft and art dimensions in a real-world setting.

This course, in an experimental way, attempts to distinguish the different learning approaches of the three dimensions. This distinction is important, given that the last two components – the art and the craft – can only be developed with high levels of motivation and commitment of the students. As such, it is essential that preparation, attendance, and in-class contributions are prioritized.

The course utilizes a diverse array of methodologies combining lectures and discussions, cases, exercises, group work, simulation, guest speakers, interactive material (PeerWise), videos, and other activities. You will be encouraged to contribute to the sessions by actively participating in the course via questions, suggestions, comments, experiences, etc., and to discuss the readings which supplement the course sessions. Below the main methods are explained:

- Interactive Lectures and debates: From a conceptual framework,

proposed by the professor, a class discussion is built through questions, suggestions, and contributions of the students. These discussions will be among students, as well as between students and professors. This allows a better flow of knowledge and a higher degree of learning. It is important that students take an active role in participating. Such multi-directional communication increases the learning experience compared to traditional lectures as long as students are active, participative and not mere spectators.

- Case studies. Case studies will be used in order to get closer to real-life experiences that will be useful for the learning process to tackle specific topics and develop analytical, decision and communication skills.
- Group work: All case studies and some of the readings will be prepared (analyzed and discussed) in groups. This benefits the development of skills in working in teams, in generating collaborative solutions and in analyzing complex organizational situations. A group of students could be randomly invited to present their proposal followed by an active discussion between all participants. Groups for this course are randomly formed. The reason for choosing teams randomly is to simulate as much as possible a real scenario where we cannot choose our work teams when we enter into an organization to work, instead we work with the team we are assigned to. Hence, randomization of groups makes more real both the discussion and the decision-making process.
- Videos: Videos of different scholars or executives will be displayed.
- PeerWise: This term we will be using PeerWise as a place for you to create, share and evaluate assessment questions with your classmates. PeerWise is an online repository of multiple-choice questions that are created, answered, rated, and discussed by students. So, our aim is to help you understand the course context and prepare for the exam while at the same time introducing a fun, competitive exercise! We start the course using PeerWise with an empty repository. This will grow gradually as the course progresses and students author and contribute relevant questions. All activity remains anonymous to students; however, instructors are able to view the identity of question and comment authors and have the ability to delete inappropriate questions.
- The Business Strategy Game (BSG): We will also make use of a strategy simulation which enables students to experience first-hand how strategic management decisions impact on the running and performance of a particular company and how the various elements taught in this course are interlinked. As a member of a team, you will take over the management of a company that is

in sound financial condition, is performing well, and its brand is well-regarded within a global industry setting. You will be responsible for developing a winning competitive strategy—one that capitalizes on continuing consumer interest in athletic footwear, keeps the company in the ranks of the industry leaders, and increases the company's earnings year-after-year.

- The competition will last the entire course. There will be 2 practice decision rounds and 9 regular/scored decision rounds through the term. You will also complete 2 online quizzes (individually),^[1] prepare a 3-year strategic plan, do end-of-simulation company presentations and peer evaluations of all company co-managers. Foreground reading (Player's Guide) – will be made available at the beginning of the course. The simulation will be completed in teams and each team will have 4-5 students. A random assignment will be made before the first lecture among students and the first lecture is extremely important to explain the logistics of the course; and thus, the first lecture is mandatory. Each student will be provided with a company code and payment code by the instructor.

[1] The aim of the quizzes is to make sure that the students equip themselves with the required knowledge as early as possible to succeed in the simulation. Quiz 1 takes 60 minutes; Quiz 2 takes 90 minutes. For preparing Quiz 1, read Player's Guide. Questions for Quiz 2 are drawn from the online Help pages.

Description

Course contribution to program

- Develop a general outlook of what a company is
- Integrate for the first time both the different courses on the business environment with those on the functional areas
- Learn about strategic concepts with a focus on the business side
- Learn how to use internal and environment analysis tools
- Understand the range of competitive strategies
- Introduction to and immersion in the world of strategic planning
- Develop skills for strategic decision-making
- Improve teamwork skills

Short description

This course is the first Strategy Course that ESADE BBA students undertake. Strategic management is a field of study concerned with understanding why some firms are more successful than others. To be successful, the firm's strategy must permeate all departments and functional areas. As such, this course integrates knowledge and skills gained from your prior studies (e.g., marketing, management, finance, accounting...). To advance students' comprehension of how a company could thrive and attain its goals, and potentially outperform its rivals (within certain rules and values, of course), the present course focuses on the key theoretical ideas and concepts of strategic management and how to apply them in practice.

This first introduction is hence, the first exposure to strategy, strategic thinking, and strategizing. The course presents the organization as a whole and introduces strategy; that is, the concepts, tools, and principles of strategy formulation and competitive analysis. Rather than viewing the firm as simply operating in a single business in a single geographic region, we also analyze the strategic options available to multi-divisional, multi-national firms. In drawing on these tools, we explicitly apply a general management point of view –we will analyze strategies in light of the total enterprise. Strategic thinking refers to the mental processes to generate business insights and opportunities to achieve a sustainable competitive advantage. Strategizing encompasses hands-on activities, the doing of strategy in the organization, in different organizational contexts. In simple words, it has to do with managerial decision-making and actions that directly affect the business as well as firm success and survival.

Moreover, because of the limitations of static analysis in the real world, the course underlines the dynamic nature of effective strategy formulation and implementation. In a rapidly changing and uncertain environment, managers need to make decisions regarding the present and the future of the business. The course displays the tools, processes and skills managers need to identify problems, analyze information, and make strategic decisions accordingly.

A key focus in the course is on firm-specific unique resources and competences and their deployment for improving company performance. The purpose is not to inflict new theory or new buzzwords but to make you use what you know to address business problems. Pedagogically, this discussion-based course draws heavily on case analyses, simulation, and experiential exercises to develop a deeper understanding of strategic management. It is recognized that a firm does not only have tangible assets such as capital and technology, but also non-tangible assets such social and emotional capital. Students are prepared for a strategy career by discussing how both types of resources could be harnessed for competitive advantage.

Bibliography

Johnson, Gerry; Whittington, Richard; Scholes, Kevan; Angwin Duncan; Regner, Patrick, *Exploring Strategy* (10th edition) 2014., Pearson Education (Book)

R. Grant, *Contemporary Strategy Analysis* (6th edition or later), 2008 (Book)

Activities

Online training activities

We will be using PeerWise as a place for you to create, share and evaluate assessment questions with your classmates. PeerWise is an online repository of multiple-choice questions that are created, answered, rated, and discussed by students.

In-class discussions and debates

From a conceptual framework, proposed by the professor, a class discussion is built through

questions, suggestions, and contributions of the students. These discussions will be among students, as well as between students and professors.

Role-play exercises and simulations

Business Strategy Game (BSG): We will also make use of a strategy simulation

Quizzes/tests

BSG Quiz 1 (2.5%)

BSG Quiz 2 (2.5%)

Group presentations

All case studies and some of the readings will be prepared (analyzed and discussed) in groups. This benefits the development of skills in working in teams, in generating collaborative solutions and in analyzing complex organizational situations.

Readings

Compulsory and recommended readings for each session

Interaction with visiting guest professionals

Case study analyses

Case studies will be used in order to get closer to real-life experiences that will be useful for the learning process to tackle specific topics and develop analytical, decision and communication skills.

Content

#	Topic
1	Introduction to strategy
2	Analysis of the external environment
3	Industry analysis
4	Generic strategies & competitive advantage
5	Veritas Case
6	Competitors & market analysis
7	Analyzing resources and capabilities
8	Developing resources and capabilities
9	Value chain analysis
10	Understanding platform business models

Assessment

Tool	Assessment tool	Category	Weight %
Group project	15% of the grade (group) – Case analysis: Each group will need to submit a written report (max 1000 words) for each case study which we will discuss during the course.	Ordinary round	15.00%

Tool	Assessment tool	Category	Weight %
Individual or team exercises	10% (individual) – Each student will achieve a PeerWise score based on the number and quality of the questions she/he creates as well as on her/his participation in the platform by answering, rating, and commenting on other students' questions	Ordinary round	10.00%
Teamwork with companies or other organizations	Performance in the BSG simulation (BSG Quiz 1 & 2, Performance on the 3-year strategic plan, Company presentation, Peer evaluation)	Ordinary round	40.00%
Written and/or oral exams	Final exam may include essay questions, multiple choice questions, or reflective essays based on a reading.	Ordinary round	35.00%
Written and/or oral exams	Please note that if a student fails the course, the retake exam accounts only for 35% of the grade, which adds to (hence, does not replace) the grade obtained for the other components.	Retake	100.00%

PROGRAMS

BBA20-Bachelor of Business Administration (BBA) (Undergraduates: Business)
 BBA20 Year 3 (Mandatory)

BBA23-Bachelor of Business Administration (BBA) (Undergraduates: Business)
 BBA23 Year 3 (Mandatory)

DBAI21-Double Degree in Business Administration and Artificial Intelligence for Business (Undergraduates: Business)

DBAI21 Year 1 (Mandatory)
 DBAI21 Year 4 (Mandatory)

DBAI23-Double Degree in Business Administration and Artificial Intelligence for Business (Undergraduates: Business)

DBAI23 Year 4 (Mandatory)

GBD20-Double Degree in Business Administration and Law (Undergraduates: Law)
 GBD20 Year 4 (Mandatory)