This capstone unit takes a general, integrating perspective and is concerned with setting the strategic direction of organisations. The most important outcome from undertaking this unit is to better consider how managers and organisations can think and act in a strategic way. This unit predominately uses case studies to improve the strategic thinking capability of students. A number of topics are considered: What is strategy?; How does strategy happen within organisations?; vision, strategy and values; analysing environmental forces and searching for a sustainable competitive advantage; competitor positioning and game theory; the impact of disruptive technologies upon business model innovation including forming inter-organisational networks of relationships; entrepreneurial strategies; core competencies; parenting advantage; strategic turnaround; chaos theory; measuring strategy; strategic leadership and ethics; managing strategic change.
The goals of the unit

The most important outcome is that you are able to think and act in a strategic way. Overall, the course aims to improve the practice of management i.e your ability to manage a variety of strategic and operational situations. These situations may be complex and you should be able to cope with a considerable amount of ambiguity. The overriding theme of the course is strategic transformation. The aim of the course is to introduce students to:

- Total view of the organisations’ stakeholders, its mission, goals, long term prospects and how it relates and interacts with various actors and forces in its environment.
- Concepts and practices of strategic analysis and strategy formulation, both informal and planned explicitly.
- Analysis of business environment and identification of long-term trends and change.
- Competitive positioning with respect to rivals and substitute organisations.
- Aspects of implementing strategies.
- Aspects of strategic leadership at top levels of the organisation.
- Aspects of business strategy in Asian and other emerging economies.
Our perspective is that of the total organisation, usually as seen from the position of the general manager. However, the topic is of interest to all levels of management as well as staff and advisers. These people are affected by and in turn influence the way the firm chooses to strategically position itself in its industry.

Policy and strategic management are not confined to profit-making business organisations, nor to the organisation as a whole. The concepts are useful also to not-for-profit organisations as well as for organisational sub-units and career strategies of individuals.

**Broad learning outcomes**

To achieve this, by the end of the course you will:

- Have deepened your understanding and application of strategy theory.
- Have applied strategy theory and your work experience to a number of case studies and readings.

The course consists of two Block Teaching sessions and number of Tutorials. The unit structure consists of:

- A number of Case Studies.
- A selection of supplementary readings.
- Prescribed text book.
- Review and discussions in the tutorial sessions.

The course lends itself to discussion and analysis of practical case histories as well as theoretical papers and business magazine articles. An important feature of the course is an emphasis on perspective and developing one’s own point of view. A key task is to identify which questions to ask rather than to seek answers to questions put by someone else. Throughout the course, in class analysis of cases, in deciding on topics for assignments, and in evaluating theoretical concepts, students must frame their own questions wherever possible.

Students are expected to spend an average of 3-4 hours individually and in their groups preparing for the sessions. Successful learning on the course depends very much on you reading the material, to fully prepare the cases and to argue and discuss the issues in your groups and in the class. To paraphrase Frances Bacon: “reading makes a person full, writing makes a person precise and debate makes a person prepared.”

You will have to deal with quite a number of different ideas – sometimes they agree with each other, sometimes they don’t. You will be given frameworks and support to help you to integrate the different perspectives you will come across – but it is also important that you exercise your mind to make sense of, or accept, these differences in your own way, so that you develop your own thinking and views. This course uses a variety of learning including case analyses, group work and classroom discussions of both theory and practical application. Attendance and participation in class sessions are essential to the functioning of the course.

**Prerequisites**

This is a Capstone Unit. The GSM Office will advise you of any prerequisites if applicable.

**Software requirements**

You are required to be able to use MS Powerpoint, Word and Excel and may require internet access for research and other purposes.
**Required Textbook(s)**

*Contemporary Strategy Analysis - Concepts, Techniques, Applications*

**Additional (recommended) resources and reading material**

Some recent books on Strategies and Management to reinforce the principles you have learned during the class discussion and to obtain alternative perspectives:

Additional References

You may wish to browse through a range of relevant journals such as:

- Harvard Business Review
- International Journal of Strategic Management: Long Range Planning
- Strategic Management Journal
- Sloan Management Review
- Academy of Management Journal
- Journal of International Business Studies
- California Management Review

Key dates

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
<th>Due date</th>
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<tbody>
<tr>
<td>Attendance and Participation in Class and Tutorial Sessions</td>
<td>20%</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Individual Assignment</td>
<td>20%</td>
<td>25 Nov 2005</td>
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<tr>
<td>Group Assignment</td>
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<tr>
<td>- Group Presentation</td>
<td>10%</td>
<td>8 Nov 2005</td>
</tr>
<tr>
<td>- Group Written Report</td>
<td>25%</td>
<td>8 Nov 2005</td>
</tr>
<tr>
<td>Final Examination</td>
<td>25%</td>
<td>10 Dec 2005</td>
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<tr>
<td>TOTAL</td>
<td>100%</td>
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</table>
# Course topics

**Learning Sessions**

**IMPORTANT:** It is essential to **READ AND PREPARE FULLY** the cases and review briefly the readings listed against each session before attending the classes.

<table>
<thead>
<tr>
<th>Session No, Date &amp; Time</th>
<th>Topics Covered</th>
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<tbody>
<tr>
<td><strong>BLOCK TEACHING – 1</strong></td>
<td></td>
</tr>
<tr>
<td><strong>B1</strong> 2 Oct 9.00am to 11.30am</td>
<td>Welcome, Introductions, Course Aims, Assessment AND Stakeholder Analysis</td>
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<tr>
<td></td>
<td>• Introduction</td>
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<tr>
<td></td>
<td>• Discussion of Course Outline/Study Guide.</td>
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<td></td>
<td>• Role of Lecturer and tutor.</td>
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<td>• What is Strategy? Levels of Strategy.</td>
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<tr>
<td></td>
<td>• Importance of Vision and Mission, and Stakeholder Analysis.</td>
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<tr>
<td></td>
<td><strong>Readings</strong></td>
</tr>
<tr>
<td></td>
<td>• The concept of strategy (Chapter 1, pp3-32).</td>
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<tr>
<td></td>
<td>• Goals, values and performance (Chapter 2, pp37-62).</td>
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<tr>
<td><strong>B2</strong> 2 Oct 12.30pm to 2.30pm</td>
<td>Industry Analysis, Strategic Fit AND Game Theory</td>
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<tr>
<td></td>
<td><strong>Case</strong></td>
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<tr>
<td></td>
<td><strong>Case Questions</strong></td>
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<tr>
<td></td>
<td>• What are the major reasons for the airline industry to generate poor returns?</td>
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<td>• Why did the airlines pursue hubs-and-spoke networks, new routing policies and frequent flyer programs after deregulations?</td>
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<td>• Recommend appropriate strategies for the incumbents and for the new entrants?</td>
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<tr>
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<td><strong>Readings</strong></td>
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<tr>
<td></td>
<td>• Analyzing the industry environment (Chapter 3, pp64-101).</td>
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<td></td>
<td>• The contribution of the game theory (Chapter 4, pp105-112).</td>
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<td></td>
<td>• Competitive advantage in mature industries (Chapter 12, pp366-384).</td>
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| B3    | 2 Oct | 3.00pm to 6.00pm                                  | **Value Chains, Strategic Groups AND Competitors Analysis** | • Cola Wars Continued: Coke versus Pepsi in the 1990s                | • How might Coke grow its business?  
• How can Pepsi increase profitability and market share?  
Readings  
• Competitors' analysis (Chapter 4, pp113-118).  
| B4    | 3 Oct | 6.00pm to 9.00pm                                  | **Competitive Advantage of Nations** | • Global Computer Industry                                         | • What role did country environments; government policies and firm level capabilities play in the evolution of the global computer industry?  
• What role have cross-border alliances played in the industry?  
Readings  
• Global strategies and the multinational corporations (Chapter 14, pp408-441)  
| B5    | 4 Oct | 6.00pm to 9.00pm                                  | **Scale Economies AND Global Strategies** | • Lenzing AG: Expanding in Indonesia                                | • How attractive is Indonesia as a site for rayon production? Is Indonesia a good place to invest?  
• What should Mikel Dodd advise Lenzig’s Board of Directors to do?  
Readings  
### Emerging Market AND International Expansion

**Case**
- Jollibee Foods Corporation

**Case Questions**
- Does Jollibee have any competitive advantage in its home market compared to international firm McDonald's?
- Evaluate the resources and capabilities of Jollibee in relation to growing domestic market, regional market and international expansion?
- What would be your strategic recommendations to Kitchner and Tingzon about Jollibee's growth strategy?

**Readings**

### Building Competitive Advantage

**Case**
- Matching Dell

**Case Questions**
- How and why did the personal computer industry come to have such low average profitability? Why has Dell been so successful?
- How effective have competitors been in responding to the challenge posed by Dell's advantage?

**Readings**
- Segmentation analysis (Chapter 4, pp119-126).
- Strategic groups (Chapter 4, pp127-128).
- The nature and source of competitive advantage (Chapter 7, pp225-250).
- Cost advantage (Chapter 8, pp251-274).
- Differentiation advantage (Chapter 9, pp276-300).
- Industry evolution (Chapter 10, pp303-326).
- Technology based industries and the management of innovation (Chapter 11, pp330-364).
### Core Competences AND Resource Based View

**Case**
- Sharp Corporation: Technology Strategy

**Case Questions**
- Why has Sharp been so successful for so long? Is this because it is a Japanese company?
- Is Sharp an end products or a components company?
- How was Sharp able to coordinate and integrate activities across the corporation?

**Readings**
- Analyzing resources and capabilities (Chapter 5, pp130-176).
- Organization structure and management systems (Chapter 6, pp187-222).
- Vertical integration and the scope of the firm (Chapter 13, pp387-407).
- Diversification strategy (Chapter 15, pp443-470).
- Managing the multi-business corporations (Chapter 16, pp472-506).

### Strategy AND the Internet

**Case**
- BMG Entertainment

**Case Questions**
- Why have a handful of major record companies dominated the industry through much of the last century?
- How does the advent of the internet change the structure and the economics of the music industry?
- What should Zelnick and Conroy do?

**Readings**
- Current trends in strategic management (Chapter 17, pp508-529).
| B10 | 8 Nov 6.00pm to 8.00pm | **Creating New Market Space**  
Case  
• Cirque du Soleil  
Case Questions  
• How would you assess the state of the circus industry in the 1980s?  
• How might new entrants to the circus industry create a new offering?  
Case  
• Barnes & Noble  
Case Questions  
• How has Amazon.com created new market space?  
• How can Barnes & Noble respond to Amazon.com?  
Readings  
| B11 | 8 Nov 8.00pm to 9.00pm | **Group Project Presentations AND Review**  
• Group project presentation.  
• Group project report.  
• Topics covered.  
• Key lessons.  
• Conclusions.  
• Discussion of final examination |

**Note**  
The group assignments are due for submission today before the start of the class. Non-submission lead to ZERO marks.

10 Dec 2005 | Examination – 9.00am to 12.10pm (Total: 3 hours – 10 min).

Note: The above lecture case/schedule is subject to change by the Lecturer. Guest speakers may be invited to present in the class and this may cause some content to be altered. Please note that the above pages numbers from the required text Contemporary Strategy Analysis may vary according to which edition is used.
Tutorial Sessions

Tutorial session form an important opportunity for students to study the conceptual component of the course and to work in groups analysing the strategy of a prominent company of your country or on an Asian Company.

Students are expected to come prepared and participate actively in the tutorials. The Tutor is a facilitator of the tutorial proceedings. While the Tutor will be a knowledgeable and able teacher the emphasis is strongly on participative student learning, not passive listening to lectures. The Tutor will chair activities, ask questions and, where appropriate, teach via short lecturettes. Tutorials will generally consist of two parts:

Part 1: Discussion of assigned Readings. Students are expected to have read the readings and participate in a discussion of the topic. This is the main activity of the Tutorial.

Part II: As and if time permits, students will work in Groups to study and to prepare a report on a company from your own country or on an Asian Company (Assignment 2).

<table>
<thead>
<tr>
<th>Session No, Date &amp; Time</th>
<th>Tutorials</th>
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<tbody>
<tr>
<td><strong>Block I Tutorials</strong></td>
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| T1 13 Oct 6.00pm to 9.00pm | Discussion of Readings & Group Project Preparation.  
|  |  
|  |  
|  |  
|  | Readings of B1, B2 and B3 |
| T2 27 Oct 6.00pm to 9.00pm | Discussion of Readings, individual assignment & Group Project Preparation.  
|  |  
|  |  
|  |  
|  | Readings of B4 and B5 |
| **Block II Tutorials**  |           |
| T3 17 Nov 6.00pm to 9.00pm | Discussion of Readings & Group Project Preparation.  
|  |  
|  |  
|  |  
|  | Readings of B6, B7, B8 and B9 |
| T4 1 Dec 6.00pm to 9.00pm | Discussion of Readings & Group Project Preparation.  
|  |  
|  |  
|  |  
|  | Readings of B9 and B10.  
|  |  
|  |  
|  |  
|  | Summary of all readings, concepts and lessons learnt, application to practice.  
|  |  
|  |  
|  |  
|  | Submission of group project report.  
|  |  
|  |  
|  |  
|  | Examination Case Study will be announced. |
Assessment

Attendance/participation (Mark 20%)

Participation in class, whether it be listening to a lecture or getting involved in other activities, is an important part of the learning process. For this reason the GSM has decided not to move to on-line teaching. It is, therefore, important that you attend classes (and be on time).

Strategic management is as much about perspective, judgement, analysis and leadership as knowledge of content. Attendance and participation in class activities and discussions are important to developing these abilities. The marks will be awarded after considering the following.

**Attendance means arriving and leaving the class on time.** Attendance will be recorded at every session. Please inform us if you have a valid reason for missing a class. If you must miss a session, we require you to prepare notes to show that you did the preparation.

Participation in discussions is harder to measure but essential to Strategic Management. While a minimum participation in discussion is required, we have a broad view of participation, including evidence of prior preparation, alertness and following the flow of class discussions, active and naturally, effective participation in syndicates and class discussions (a thoughtful comment based on good preparation and judgement is worth much more than superficial remarks).

Participation in class, whether it is listening to a lecture or getting involved in other activities, is an important part of the learning process. For this reason the GSM has decided not to move to on-line teaching. It is, therefore, important that you attend classes (and be on time).

More formally, the University regulations state that ‘to complete a course or unit a student shall attend prescribed classes, lectures seminars and tutorials. Students whose attendance at MBA units has been unsatisfactory will not be granted a pass grade. Two or more missed classes without prior permission from the lecturer/tutor is classified as unsatisfactory. Students should not expect to obtain approval to miss more than two classes per unit, unless there are exceptional circumstances.

Individual Assignment (Marks 20%)

Case Analysis

A case about a real organization and/or circumstance will be provided to you in Class by 8 November.

Please prepare a report in which you analyse the case study in terms of all the taught/included Strategic Management frameworks, based on the information provided within the case only. **Please do not source post-case information for the assignment.** The case contains all of the necessary information, even though the companies have moved forward since the time of writing, you should base all of your analysis on the facts presented within the case study, and not on the basis of what has happened recently.

By the end of the case analysis you must conclude how successful you perceive the organization to be versus its competitors and determine what challenges and opportunities arise for the company. How can the organization achieve competitive advantage and become a leader in its business segments? What are your strategic recommendations for the organization? The key to receiving high marks for this assignment is the analysis that you present regarding the important strategic issues and leveraging strategy frameworks in a sophisticated manner.

Your assignment should use academic frameworks/models covered during the whole unit and include references from readings and other case studies covered. The report shall not be more
than 2,000 words (excluding executive summary, exhibits and annexes) should be typed using 1.5 or double spacing with reasonable side margins. As always, quality is more important than quantity. Depth of analysis is paramount in this assignment.

**Group Assignment: Written Report (Marks 25%) AND Presentation (10%)**

**Develop and Analyse a Case Study**

Each group will comprise 2-4 students and is required to develop an original case study of an organization selected from your country or from any other Asia-Pacific nation. You should discuss proposed topics with the lecturer in Block I, when teams will also be formed by the lecturer. You are required to submit **TWO** copies of the assignment and the report must have two sections:

**Section 1:** The case study of an organization must contain the industry structure in which the firm is operating, competition and the brief introduction of major competitors, competitive position, suppliers and supporting industries, distribution networks and target customer segments. You must select a time frame for the case study (say last 5 years) and identify the critical issues the organization encountered and the strategies used. Further you need to end the case at a critical point of time that they must make some sort of strategic decision.

The case study may be developed by collecting the information directly contacting the organization and/or sourcing the publicly available information about the organization.

**Section 2:** This section contains an Executive Summary and the Case Analysis.

- **An executive summary,** not exceeding **500 words,** accurately summarizing all the key points of the report, and any background or introduction as necessary.
- **The Analysis** of the case study based on the Group interpretation, which includes the evaluation of the strategies/strategy process used by the organization at different periods. Identify the critical issues faced by the organization at the end of the case study and their importance for the organizations competitiveness and future growth.
- You are required to analyze the case study and justify your arguments using appropriate theoretical concepts and strategic management models. You will be encouraged to use the models from the course to see how and if they fit, and which ones best explain the strategy processes observed. The case analysis should be the results of the team’s interpretation, not just that of one individual. It should be around **2,000 words,** excluding Exhibits and references.

**Examination (Marks 25%)**

The final examination may comprise both a case study AND (related or other) essay questions and will last for 3 hours.

A Case Study (without questions) will be distributed to you in the final session of the course (8 November) and/or in advance of the exam. You are allowed to discuss the case study in your groups prior to the exam. A fresh, unmarked copy of the case will be handed to you in the exam. **Please do not source post-case information for this case study for examination.**

Students must INDIVIDUALLY answer the examination questions under normal examination conditions.

MBA Administration will advise you about the date and time of the 3-hour examination.
The purpose of assessment

There are a number of reasons for having assessable tasks as part of an academic program. The assessable tasks are designed to encourage you to explore and understand the subject more fully. The fact that we grade your work that gives you an indication of how much you have achieved. Providing feedback on your work also serves as part of the learning process.

The standard of assessment

The Graduate School must ensure that the processes of assessment are fair and are designed to maintain the standards of the School and its students. The School follows the University of Western Australia’s grading system.

- HD (Higher Distinction) 80-100%
- D (Distinction) 70-79%
- CR (Credit Pass) 60-69%
- P (Pass) 50-59%
- N+ (Fail) 45-49%
- N (Fail) 0-44%

The School awards marks leading to these grades by using the following general criteria which are presented here as an indication of the School’s expectations. These general criteria may be supplemented by specific standards provided with regard to a particular assignment.

HD The student has a clear understanding of theory, concepts and issues relating to the subject and is able to adopt a critical perspective. The student is able to clearly identify the most critical aspects of the task and is able to offer a logically consistent and well-articulated analysis within the analytic framework presented in the course. The student is able to draw widely from the academic literature and elsewhere but maintains relevance.

D The student has a clear understanding of theory, concepts and issues relating to the subject. The student is able to develop an analysis of an issue using the analytic framework presented in the course and is able to identify and evaluate the critical issues. The student is able to draw upon relevant academic and other material.

CR The student demonstrates an understanding of the analytic framework developed in the course and a partial understanding of concepts and issues. The student is able to identify some key issues and is able to present a logical discussion, but with some conceptual errors or gaps between analysis and conclusions. The student is able to draw upon an adequate range of references and other materials.

P The student generally takes a descriptive rather than analytic approach to the subject. The student is able to demonstrate some understanding of the issues involved but does demonstrate the ability to apply the analytical framework, which had been developed in the course. Draws primarily upon course materials for referencing.

N+ The student is unable to demonstrate that he or she understands the core elements of the subject matter. The student is able to provide some insight into issues but misapplies analytic framework developed in course, omitting key factors and, for example, drawing conclusions, which are not related to the preceding discussion.

N The student is unable to demonstrate any understanding of the subject matter. Material presented for assessment is unrelated to course framework and shows no effort to identify or address critical aspects of the topic.
The scaling of marks to ensure comparability between classes in an acceptable academic practice. The GSM and Board of Examiners have the right to scale marks where it is considered necessary to maintain consistency and fairness.

**Submission of assignments**

Assignments should be submitted in class on the due date or if handed into the office; a standard cover sheet should be used and a receipt issued.

Late assignments will attract a penalty of 5% per day. This penalty will be waived by the lecturer only in exceptional circumstances. No marks will be awarded to assignments submitted after other students in the class have had their assignments returned.

Assignments will be returned in class.

It is the intention that the marked assignments will be returned within a reasonable time frame.

**Appeals against assessment marks**

In the first instance, students are strongly advised to talk informally to the lecturer about the grade awarded.

The University provides the opportunity for students to lodge an appeal against any mark which he or she feels is unfair. Any student making an appeal is under an obligation to establish a prima facie case by providing particular and substantial reasons for the appeal.

There is a 10-day time limit for making any such appeal. An appeal against academic assessment may result, as appropriate, in an increase or decrease in the mark originally awarded. The University regulations relating to appeals and the form on which the appeal should be lodged can be found in the GSM website.

**Acknowledgements and plagiarism**

In the course of your individual and group work assignments, you will encounter ideas from many sources. These will include journal and newspaper articles, commentaries, books, web sites and other electronic sources, original case sources, lecture materials. All MBA assignments that you submit must acknowledge all the different sources you have used.

Not to acknowledge your sources is plagiarism, a form of dishonesty. Plagiarism is the misappropriation of the work or ideas of others and presenting them as your own. This is reprehensible from both an ethical and legal viewpoint. Neither the School nor the University accepts ignorance or the fact that a student’s previous acts of plagiarism had been undetected as a defence.

In order to avoid engaging in plagiarism it is your responsibility to acknowledge all of your sources in any work submitted for assessment and it is essential that you reference the work of others correctly. Where you quote directly from a source, you must ensure that any direct quotations are placed in quotation marks and are fully referenced. Even when you do not quote directly and are just referring to or expanding on the work of others, you must still acknowledge the sources of your information and ideas. Close paraphrasing in which you change a few phrases around, leave a clause out of a long sentence or put the original sentences in a different order is still plagiarism.

Advice on proper referencing is given below. If you have any doubts concerning appropriate referencing formats or how to acknowledge the work of others correctly, you should seek the advise of your lecturer.
It is GSM policy that no student will profit from plagiarism. Generally, a mark of ‘Fail’ will be recorded for the assignment in which this has occurred, regardless of its other merits or qualities. Serious cases shall be referred to the University’s Board of Discipline.

All students should note that cases of copying are automatically reported to the Sub-Dean and documentary evidence along with associated correspondence is placed on the student’s permanent record.

**Taping of Lectures**

The Graduate School does not provide tape recordings of lectures, however if you do wish to tape record a lecture then as a matter of courtesy, you should obtain the permission of the lecturer first.

**Referencing**

It is important that the referencing of any sources used in your written work is done properly, if only to substantiate the points you are making in your assignment or project. The Harvard style is the preferred and there are some notes for guidance, which have been prepared by the library staff: ‘Citing your sources Harvard Style’


EndNote is a really good system for building up a database of references. Not everyone will want to invest the time in using this system but you should consider it if you intend to build up resource materials or plan to undertake extensive research in a particular area. The library staff has also developed a tutoring package: ‘A quick Guide to Using EndNote’ which provides the basics for using EndNote with an essay [http://www.library.uwa.edu.au/guides/endnote/quick_endnote.pdf](http://www.library.uwa.edu.au/guides/endnote/quick_endnote.pdf)

This is linked to from the how to Use EndNote page [www.library.uwa.edu.au/guides/endnote/](http://www.library.uwa.edu.au/guides/endnote/) which provides more comprehensive information.