

## Business Strategy

Margalit Class

Period 3, February – April 2018

**Lecturer:** Dr. Nir Brueller

**Course Time:** Tuesday: 13:00-16:00

**Classroom:** TBA

**Office Hours:** By Appointment

**Office:** 611

**Email:** [nbrueller@univ.haifa.ac.il](mailto:nbrueller@univ.haifa.ac.il)

### Course objectives

Business strategy is the set of objectives, policies, and resource commitments that collectively determine how a business positions itself to gain sustained advantage and create wealth for its stakeholders. The course requires students to evaluate and formulate business strategy throughout the different stages of the firm's life cycle. The objectives of the course are to (1) leverage analytical skills for analyzing a firm's business strategy, competitive and corporate advantage, growth and the scope of the firm (2) experience the process of strategy analysis and formulation, and (3) assess the quality of strategic decision making.

### Course structure

The course will be taught using lectures, class discussions, reading material, case studies, student presentations and a final project.

### Requirements

All students are required to read the relevant conceptual reading materials and case-studies for each class, make a case study class presentation, and submit a final group project. If you are unable to read an assigned case, please alert me via email in advance. If you are short on time, read the case first and then the conceptual readings.

Your grade is established as follows: [sometimes we gave less for the Final project/exam and more for class participation in order to motivate fruitful discussions as well as reading the materials they are given. **In any case the individual component of the grade is at least 40%**]

Participation/contribution	20%
Case presentation (group of four)	20%
Final group project (same groups)	60%

### Reading material

Course Pack - a compilation of articles, book chapters and case studies.

## Quality of class participation

Students are expected not only to attend all classes, but also to actively participate by significantly contributing to in-class analysis of cases, as well as any other type of class discussion. The evaluation of participation will be based on the extent to which it is relevant to the discussion, insightful, and progressive (e.g. builds or challenges previous comments, and thus helps move the discussion along, rather than restate what has already been said). To increase opportunities for effective participation, I will call a student either to open the class discussion or during one. Roll is taken at the beginning of each class.

## Group Case Presentations

- The objective of group class presentations are twofold: (1) serve as practice in presenting case study analysis in front of the class and (2) strengthen participant's analysis and presentation skills by teaching the class a selected aspect of case study analysis. [each student is graded individually in addition to team's grade]
- Case presentations should be sent via email to the Teaching Assistant and to me no later than **8 pm, the evening before class** in which the case is discussed.
- The case presentations should address the specific questions listed in the course outline. Analysis of financial and other data should be presented in appendices.
- References should be given accurately whenever someone else's work is quoted. Proper referencing includes the source next to every piece of data, even with page number, if applicable.

## Individual Feedback Write-ups

Strategic analysis of the group presentations (100 words max). The objective of individual feedback write-ups is to force students to think critically about the group's presentation from both process and content perspectives. Good feedback is characterized by the quality and depth of assessment and the originality of contribution.

## Final group project

- The final project is, as mentioned, a group assignment with two main deliverables: (1) class presentation and (2) final report.
- Students are required to choose the topic for the final project. The project should be a **retrospective analysis of a corporate development move, which can provide significant insights to what we discussed in class. The choice of topic should follow a clear definition of the 'Business problem' and the proper way to strategically analyze it.** Students are also required to analyze the following aspects:
  - a. What was the firm's strategy? Was it sustainable?

- b. Rationale of strategic initiative. What strategic resource did the firm intend to leverage? Has the firm leveraged this resource before? How successful has it been? What was the firm's roadmap? Use these guiding questions to get a comprehensive view of the strategy behind the move.
  - c. Did the firm implement the move properly?
  - d. Retrospective lessons from the event. Financial success measures (long term and short term stock market reaction), accounting measures, qualitative assessment.
- Students are required to submit the proposed project by email before the second class for approval.
  - Students are required to send a short abstract containing the highlights of the presentation a week before the project presentation session.
  - Participation in the last class, devoted to project presentations, is **mandatory**. Each group will make a short presentation in which all group members will play the role of consultants, invited by the firm to draw lessons from the chosen event. During the presentations the class will play the role of the board of directors of the analyzed firm, evaluating the consultants' analysis, asking questions, and filling feedback forms, to be collected and serve for grading.
  - The project report should be written as a consulting-firm business report, including a table of contents, executive summary, introduction (explaining the purpose of the report), criteria for choosing the case, description of case, analysis, insights and conclusions. References should be given accurately whenever someone else's work is quoted (include the source immediately next to the piece of data, even with page number in the original document, if applicable).
  - Technical matters: up to 10 pages (not including appendices), font size:12, lines spacing:1.5

*Course Outline and Topics (tentative and subject to changes)*

No.	Date	Subject	Readings	Preparation Questions
1	20.02.18 13:00- 16:00	Introduction to Strategy	1. Ghemawat P. 1999. The origins of strategy, Chapter 1 in <i>Strategy and the Business Landscape</i> , Pearson Education Inc.	What strategic decisions have you been involved in at work?
2	27.02.18 13:00- 16:00	Innovator Strategy  Platform Strategies  Case: Rafael Development Corporation (HBS, 9-602-011)	2. Teece DJ. 1986. Profiting from technological innovation: Implications for integration, collaboration, licensing, and public policy. <i>Research Policy</i> , 15: 285-305. 3. Cennamo C, Santalo, J. 2015. How to avoid platform traps. <i>Sloan Management Review</i> , 57(1): 12-15. 4. Read case study	What was RDC's contribution to Rafael's commercialization efforts?
3	06.03.18 13:00- 16:00	Competitive Strategy (Industry Analysis, Generic Strategies)  Cola Wars Continue: Coke and Pepsi in 2010 (HBS, 9-711-462)	5. Porter ME. 1985. Competitive Strategy: The Core Concepts, Chapter 1 in <i>Competitive Advantage</i> , The Free Press. 6. Read case study	What is the nature of competition between Coke and Pepsi? Whom does it hurt the most?
4	13.03.18 13:00- 16:00	Value Innovation  SodaStream Takes on Coke and Pepsi (Ivey, W14118)	7. Chan Kim W, Mauborgne R. 2005. Blue Ocean Strategy: From Theory to Practice. <i>California Management Review</i> , 47(3): 105-121. 8. Read case study	What is SodaStream attempting to do to the CSD industry? What challenges does it face?
5	20.03.18 11:30- 14:00	The Resource Base View Wal-Mart Stores (HBS, 9-704-430)	9. Montgomery C. 1992. The Essence of Corporate Advantage 10. Read case study	Which resources and capabilities underlie Wal-Mart's competitive advantage?
6	27.03.18 13:00- 16:00	Strategy as Simple Rules  Strategy Process  Southwest Airlines (TB0333)	11. Eisenhardt KM, Sull DN. 2001. Strategy as simple rules. <i>Harvard Business Review</i> , 79(1): 106-116. 12. Hambrick DC, Fredrickson JW. 2001. Are you sure you have a strategy? <i>Academy of Management Executive</i> , 15(4): 48-59. 13. Read case study	What is the source of Southwest's competitive advantage? How could it try to sustain it?

7	10.04.18 13:00- 16:00	Business and Corporate Growth  Cisco Systems	14. Brueller NN, Carmeli A, Drori I. 2014. How do Different Types of Mergers and Acquisitions Facilitate Strategic Agility? <i>California Management Review</i> , 56(3): 39-57. 15. Read case study	What is the core of Cisco's competitive advantage? How could it sustain it as its market matures?
8	17.04.18 13:00- 16:00	Wrap-up Project Presentations		

## Appendix - Golden Rules for Case Study Presentations

- 1) **Understand the questions.** Read the questions word-by-word and make sure you have correctly and fully understood them before you start answering. **Example:** When you are asked "to quantify", the meaning is that you need to use numerical values. **Another example:** When you are asked to "evaluate a strategic shift", the meaning is not to describe it or to explain it but rather to state your own opinion on it. **Another example:** When you are asked why a company has performed better in A than in B it is not enough to explain the success in A and the failure in B, but rather the reason for the performance difference.
- 2) **Use of terms and frameworks discussed in class.** Using terms and frameworks discussed in class has many benefits for analyzing complicated phenomena. In addition, it may provide a common ground for understanding your views. While relevant outcomes should be fully present at the body of your presentation, the application of the frameworks should be described in hidden slides/appendices.
- 3) **Make your point in a structured, focused and logical manner.** Make clear and sharp statements based on facts (which may be mentioned in a word or two). Build up your case in a clear and logical manner. When asked to describe several reasons for a certain phenomenon, each reason should be described separately, and if there exists a connection between two of them (such as when one is a reason for the other) it should be described clearly. We recommend using **McKinsey's MECE** (Mutually Exclusive Collectively Exhaustive) approach. This way, an answer is made up of a sequence of numbered or bulleted points, where each point constitutes a distinct logical unit contributing to the answer.
- 4) **Use abstraction and generalization whenever possible.** Do not list the facts and events one-by-one as written in the case. Rather, produce general statements that summarize these facts and position them in a logical framework that adds value. Speak of the "forest" and not of the "trees".
- 5) **Refrain from making general or trivial statements.** Sure, a firm should always be "attentive to its market" (every firm!) and "seek lucrative market niches" (which are they?).
- 6) **Specific rules for questions seeking a recommendations**
  - a. **Refer specifically to every relevant dilemma.** Most of them appear at the beginning or the end of the case.

- b. **Put in originality and creativity.** You are requested to add substantial value through your personal insight on the case.
- c. **Refrain from making impractical recommendations.** Even a CEO cannot do with the company everything she likes, and you are usually in the spot of the strategic consultant.

**General comment: Refer only to the point in time in which the case ends.** Do not use hindsight to support your analysis and recommendations.