

**The University of Hong Kong
School of Business**

**BUSI 0009 A, B, C Business Policy
2010 Fall Semester**

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Course Description

The Business Policy course will focus on formulating and implementing firm strategy. Successful business policies require a detailed understanding of the overall environment of which the firm is a part, as well as the ability to create value in order to serve customers in the face of competition. Successful business policies also require resources and capabilities. The best analysis in the world will not lead to corporate success if it cannot be turned into actionable strategies that can be successfully implemented. Similarly, the best administrator in the world will not be able to help a firm with the wrong strategy achieve superior performance. The course will focus on the analytical and managerial tasks involved in developing strategies that create value by satisfying customer demand in an ever-changing competitive landscape. It will also attempt to help students improve their strategic thinking and all around business judgment

Required text and materials

1. R. Duane Ireland, Robert E. Hoskisson, Michael A. Hitt, *The Management of Strategy: Concepts and Cases*, International Edition 9th Edition. Available in the HKU bookstore.
2. Copies of any lecture overheads will be distributed and/or available online.
3. Occasionally used journal articles may be found online by searching the Proquest database in the University library.

Prerequisites

BUSI1002 Introduction to accounting, and BUSI0016/ FINA1002 Introduction to finance or FINA1003 Corporate finance, and BUSI1004 Marketing, and BUSI1007 Principles of Management or BUSI1005 Organizational behavior, and ECON1001 Introduction to economics I, and BUSI0036 Quantitative analysis for business decision I or STAT0302 Business statistics or STAT1306 Introductory statistics

Course Objectives

1. To provide a detailed understanding of the theories of strategic management, firms' external and internal environments, and firm strategy
2. To provide an understanding of the nature of business competition
3. To prepare students for careers in business

Learning Outcomes

By the end of the course, students should be able to:

- CLOS1. Explain the strategic management theories and concepts
- CLOS2. Understand the impact of the internal and external environments of a firm on firm performance
- CLOS3. Apply analytical frameworks to define and analyze strategic problems; and to formulate and implement business strategies
- CLOS4. Explain complex business opportunities and problems in Asia and in the world
- CLOS5. Demonstrate effective communication skills

Alignment of program and course outcomes

Acquisition and internalization of knowledge of major business disciplines	CLOS 1, 2, 3, 4
Application and integration of knowledge	CLOS 2, 3, 4
Inculcating professionalism and leadership	CLOS 4
Developing global outlook	CLOS 2, 3, 4
Mastering communication skills	CLOS 5

Teaching and Learning Activities

- TLA1. Lectures. Instructor will give lectures on major concepts and issues.
- TLA2. Case discussions. Students will be asked to actively participate in all class discussions and share recent company news with other students.
- TLA3. Homework and written assignments. Students will be required to write a report to assess business strategies of firms as well to prepare for case discussions.
- TLA4. Consultation. Instructor maintains weekly office hours to address students' questions. Students are also encouraged to discuss questions with the instructor by email.

Assessment

The assessment is based on class participation, a group project, and an end-of-term test. The weights for determining the final grade are:

- 1. Class Participation 20%
- 2. Individual article 5%
- 3. Final Project
 - Written project 30%
 - Presentation 10%
- 4. End-of-term exam 35%

1. Class Participation

This is a participatory class where we will learn from each other as well as the text and related materials. Therefore, participation is required and each student must be willing to contribute effectively. Your participation grade reflects your shared insights about the concepts and ideas studied in class; this includes sharing outside experiences or perspectives about the readings. Although there is no attendance policy for this course, excessive absences (over 3) will significantly affect the participation portion of your grade simply due to the fact that you were not there enough to actively participate in discussions.

2. Individual article

Each student should read various business media and talk about a recent business story for about 2-3 minutes in class. You may also post the story/article in the discussion section on Web CT. You should try and present a story that relates to the topic of the day. For example find an article that discusses acquisitions when we talk about acquisitions in class. I will give 2-3 students a chance to present each day. We will go in alphabetical order starting from Week 2. Further details will be explained in class. Media include South China Morning Post, Financial Times, Wall Street Journal, Business Week, Fortune, Bloomberg, CNBC etc.

3. Group project and presentation

Form groups of 5 students. The group project allows students to undertake research and comprehensive analysis on a company's strategies. The project will be about assessing the impact of a firm's environment, resources, and strategy on its performance. Student groups are required to select a company for their research, and write a report for the company's management/board of directors. The report should not exceed 15 pages double sided Times New Roman 12 point font. A sample project report will be provided. The following components should be included in your project depending on their importance to the strategic issue or any of your recommendations.

- Overview of the firm (history, product/services, etc.).
- Environmental Analysis of the firm (including pertinent information in the general, industry, competitor, and internal environments).
- Strategic analysis of the firm (including an assessment of the firm's business-level, corporate-level, acquisition and/or restructuring, international, and cooperative strategies).
- Identify the **Strategic Issue** facing the firm and explain why you consider it a strategic issue.
- Identify and provide a detailed discussion of a set of three (3) viable alternative courses of action to resolve/improve the strategic issue. For each alternative course of action evaluate it by addressing:
 - how each resolves the strategic issue,
 - specify how each is influenced by the factors identified in your analysis,
 - degree of difficulty in implementing,
 - amount of risk each encompasses
- Clearly recommend a specific course of action (i.e. Pick one of the alternatives you identified) and explain why you favor it over the other viable alternatives.

- Explain how you will implement your recommended course of action.
- likelihood of success,
- time frame necessary.
- ethical dimensions.

Project Presentation Each team should present only the most pertinent information regarding the strategic issues. Therefore, after an initial introduction of the company, its products/services and industry, your team must decide what information from the analyses are most important to relate to your audience to support your identification of the strategic issue, your three alternative courses of action and ultimately your recommended course of action.

4. End-of-term Exam

The end-of-term test will comprise a multiple choice and essay exam based upon the textbook and class discussions. Students are expected to demonstrate a thorough understanding of all materials from the course, including readings, cases, lectures, classroom discussions, and any other materials used. Further details will be provided in class.

Relationship among course learning outcome, teaching and learning activities and assessments:

Learning outcome (CLO)	Teaching and learning activity (TLA)	Assessment
1	TLA 1, 2, 3, 4	A 1, 2, 3, 4
2	TLA 1, 2, 3, 4	A 1, 2, 3, 4
3	TLA 1, 2, 3, 4	A 1, 2, 3, 4
4	TLA 1, 2, 3, 4	A 1, 2, 3, 4
5	TLA 1, 2, 3, 4	A 1, 2, 3, 4

Standards of Assessment

Projects, articles and case presentations are graded using the following criteria:

Grade	Performance
A+, A, A-	Provide accurate analyses to all problems and issues, and give detailed and insightful responses to questions
B+, B, B-	Provide accurate analyses to some problems and issues, and give detailed responses to some questions
C+, C, C-	Provide accurate analyses to a few problems and issues, and give limited responses to some questions
D+, D	Provide inaccurate analyses to a few problems and issues, and give unclear responses to most questions
F	Provide inaccurate solutions to most problems and issues, and give poor responses to most questions

Academic and Class Conduct

The University Regulations on academic dishonesty will be strictly enforced. Please check the University Statement on plagiarism at <http://www.hku.hk/plagiarism/>.

Students are required to attend all classes on time. If you have some reasons for not being able to attend a class, you should inform the instructor beforehand.

Class Schedule

- Week 1. Introduction to Business Policy/Strategy, Ch 1 in text
Case analysis
- Week 2. External (Industry) Analysis, Ch 2 in text
Airline case**
- Week 3. Internal (Company) Analysis, Ch 3
Starbucks case*
- Week 4. Business-level Strategy, Ch 4
Samsung in China case*
- Week 5. Competitive dynamics, Ch 5
Corporate-level Strategy I, Diversification, Ch 6
- Week 6. Diversification contd.
Acquisitions, and restructuring, Ch 7
- Week 7. **Acer case****
Corporate-level Strategy II: Strategic Alliances and cooperative strategies, Ch 9
- Week 8. Corporate-level Strategy III: Internationalization, Ch 8
Pearl River case**
- Week 9. **Nora Sakari case***
Strategic leadership and ethics, Ch 12
- Week 10. Google in China articles
Strategic Entrepreneurship-new enterprises, Ch 13
- Week 11. **Daksh and IBM case****
Project presentations
- Week 12. Project presentations
- Week 13. Project presentations

*Ivey Publishing cases. www.ivey.ca

** ACRC cases

DATES AND SCHEDULE ARE SUBJECT TO CHANGE

APPENDIX

Peer evaluation of class contribution for today's class

When you are chosen to be a peer evaluator for the class, please feel free to move your seat to the back row corner where you will have a good view of the whole class. Because your attention will be focused on evaluating the quality of others' comments, you are not expected (or allowed) to make comments today. I will evaluate your own contribution based on the effort and quality you put into this peer evaluation.

First, you must assess the quality of each participation, using the attached sheets. Please *listen carefully* to the content of what each person says. Below is a guideline for assessing quality:

Assign: If:

- 3 Outstanding.** Contribution adds substantial value to the discussion. Demonstrates willingness to take risks in attempting to answer difficult or unpopular questions. Breaks new ground and raises the flow of discussion to a higher level, often by synthesizing material and applying multiple lenses or techniques.
- 2 Significant.** Contribution adds value to the discussion, beyond case facts. There is evidence of analysis rather than just the expression of opinion (although some espousal of opinion is acceptable, even desirable in certain circumstances). Comments are linked to those of others, facilitating the flow of the discussion. Demonstrates knowledge of readings and other relevant course material. Incorporates relevant insights from other courses or current affairs.
- 1 Good.** Contribution advances the flow of the discussion (including responses to questions from the instructor). Demonstrates clear grasp of case material. Information presented is relevant to the discussion.
- 0 No contribution.** No value addition to the discussion.

For the participation that you rated as a "3", please jot down a brief comment explaining what struck you as especially outstanding about the contribution.

Second, by the end of the class, you must add up the quality scores of a student's participations. Then, give each student a final score, in the range of 0 to 3.

Please return this sheet to me at the end of the class.