

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

**BUSI 0009D Business Policy  
2010-2011 Second Semester**

**I. Information on Instructor and Tutor**

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**Prerequisites**

The prerequisite for this course is:

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

**Textbook**

Hitt, M.A., Hoskisson, R. E., & Ireland, R. D., 2009. The Management of Strategy: Concepts and cases, 9<sup>th</sup> edition, Thomson.

**II. Course Description and Objectives**

**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.

We approach strategy issues from the perspectives of Western firms as well as emerging market firms, both of which increasingly exposed to international competition. By using cases in a global context, students are placed in simulated managerial roles where they can apply the concept of strategy in characteristic management situations in the region.

**Course Objectives**

- To provide a detailed understanding of the theories of strategic management, firms' external and internal environments, and firm strategy
- To provide an understanding of the nature of business competition
- To prepare students for career in the business field

### III. Learning Outcomes

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

1. Explain the strategic management theories and concepts
2. Understand the impacts of the internal and external environments of a firm on firm performance
3. Apply analytical frameworks to define and analyze strategic problems; and to formulate and implement business strategies
4. Explain the complex business opportunities and problems in the region and in the world
5. Demonstrate effective communication skills

### IV. Alignment of Program and Course Outcomes

Program Learning Outcomes	Course Learning Outcomes
1. Should know the fundamental principles and theories of accounting, finance, marketing, management, human resource management and economics which meet the requirements of business and professional organizations	1. Explain the strategic management theories and concepts
2. Should be able to use analytical tools to formulate and solve various business problems	2. Understand the impacts of the internal and external environments of a firm on firm performance 3. Apply analytical frameworks to define and analyze strategic problems; and to formulate and implement business strategies
3. Should be able to distinguish between minor and major issues	2. Understand the impacts of the internal and external environments of a firm on firm performance
4. Should be able to identify and use relevant information	3. Apply analytical frameworks to define and analyze strategic problems; and to formulate and implement business strategies 4. Explain the complex business opportunities and problems in the region and in the world
5. Should be able to make trade-offs and informed decisions	2. Understand the impacts of the internal and external environments of a firm on firm performance 4. Explain the complex business opportunities and problems in the region and in the world

### V. Teaching and Learning Activities

The course will feature case discussions, lectures, exercises, and videos. Pre-class preparation and attendance at all class meetings will be necessary as student participation will be the key to the learning process.

## **VI. Assessment**

The assessment is based on class participation, group projects and final exam. The weights of the components in determining the final grade are:

### 1. Attendance and Participation: 15%

Class attendance and participation are crucial to successful learning. Active class participation will not only facilitate the learning process but also make the class discussions lively and exciting. 5% of total grade is based on class attendance. 10% of total grade is based on individuals' performance in class. Students are expected to discuss the reading materials, cases and the presentations in class.

### 2. Group Project 1: 15%

Each group will be assigned a case for in-class discussion. The major role of the focal group is to *facilitate* class discussion on the case. For this purpose, the focal group will need to thoroughly familiarize themselves with the content of the case, collect information they deem necessary for case analysis, and be ready to ask and/or answer critical questions. The depth of the analysis, the clarification of the issues, and the application of the techniques are essential factors for grading.

### 3. Group Project 2: 30%

The second group project allows students to undertake research and full analysis on a company's strategies. The project will be about assessing the impacts of a firm's environment, resources, strategy, organization, and process on its performance. Student groups are required to select a company on which they will perform the research, write a report for the company's management/board of directors or the general investing public, and present their case during the final two weeks of the course. For this purpose, students need to have solid understandings in the process of strategy making and evaluation. Gaining sufficient information on the target firm, both internal and external, will substantially help students to undertake the analysis. The depth of the analysis, the clarification of the statements, and clear calculation on specific performance indicators are essential for grading. Written assignments should be printed, and turned in by the date they are due. Late papers (anything after the start of class) are not accepted.

### 4. Final Exam: 40%

The final exam may cover all of the materials from the course, including readings, lectures, classroom discussions, and any other materials used. It will mainly assess students' understanding in key concepts and theories introduced in this course, and, the student's ability to employ the analytical tools they have learned from this course. Multiple choice questions and mini-case analysis will be the major components of the final exam.

The alignment of the outcomes, teaching and learning activities and assessment is shown in the following table.

<b>Learning outcome</b>	<b>Teaching and learning activity</b>	<b>Assessment</b>
1. Explain the strategic management theories and concepts	Lecture and class discussion	1. Class discussion and pop quizzes 2. Final exam
2. Understand the impacts of the internal and external environments of a firm on firm performance	Lecture, class discussion, case study and presentation	1. Group projects 1&2 2. Final exam
3. Apply analytical frameworks to define and analyze strategic problems; and to formulate and implement business strategies	Lecture, presentation	1. Group projects 1&2 2. Final exam
4. Explain the complex business opportunities and problems in the region and in the world	Lecture, presentation	1. Class discussion and pop quizzes 2. Final exam
5. Demonstrate effective communication skills	Lecture, guest lecture, class discussion	1. Group projects 1&2

## VII. Standards for Assessment

### 1. Standards for Assessing Case Study Reports

<b>Grade</b>	<b>coverage of critical aspects (problem identification); critical elements (analysis); creative elements (concept/technique); structure, language and conventions (writing)</b>
A High Distinction 80 - 100%	<p>All critical aspects of the problem were clearly identified.</p> <p>Relevant concept/technique was applied to the situation; the analysis of the problem was thorough and critical. (Where appropriate) additional facts/data searched about the problem were helpful and relevant.</p> <p>Solution/decision/prediction formed was well thought-out, practical and innovative; alternatives were critically evaluated.</p> <p>Structure of the report was coherent and complete; insightful arguments were well-articulated and adequately supported with facts/data.</p>
B Distinction 70% - 79%	<p>Most critical aspects of the problem were clearly identified.</p> <p>Relevant concept/technique was applied to the situation; the analysis of the problem was systematic and critical. (Where appropriate) additional facts/data searched about the problem were helpful and relevant.</p> <p>Solution/decision/prediction formed was logical, practical and innovative; alternatives were carefully examined.</p> <p>Structure of the report was coherent and complete; arguments were well-articulated and adequately supported with facts/data.</p>

<p>C Credit Pass 60% - 69%</p>	<p>Most critical aspects of the problem were identified.</p> <p>Relevant concept/technique was applied to the situation; the analysis of the problem was systematic. (Where appropriate) additional facts/data searched were relevant to the problem but not helpful to its analysis.</p> <p>Solution/decision/prediction formed was practical and logical but slightly biased; but alternatives were not sufficiently considered.</p> <p>Structure of the report was complete; arguments were consistent and supported with facts/data.</p>
<p>D Pass 50% - 59%</p>	<p>Basic critical aspects of the problem were identified.</p> <p>Relevant concept/technique was applied to the situation, but analysis of the problem remained largely descriptive. (Where appropriate) attempted to search for additional facts/data but their relevance to the problem is questionable.</p> <p>Solution/decision/prediction made was logical but impractical or demonstrated some bias; alternatives were not discussed.</p> <p>There is basic structure in the report; arguments were consistent but not sufficiently supported with facts/data.</p>
<p>E/F Fail &lt;50%</p>	<p>Failed to identify basic critical aspects of the problem.</p> <p>Concept(s)/technique(s) applied were not relevant to the situation; analysis of the problem was descriptive or missing. (Where appropriate) no evidence of searching for additional facts/data to address the problem.</p> <p>Solution/decision/prediction made formed was impractical or strongly illogical; alternatives were not discussed.</p> <p>Structure of the report is incomplete; arguments were fragmental or not at all supported with facts/data.</p>

● **Standards for Assessing Case Study Presentations**

Grade	<b>coverage of critical aspects (problem identification); critical elements (analysis); creative elements (concept/technique); structure, language and conventions (presenting)</b>
<p>A High Distinction 80 - 100%</p>	<p>The presentation was highly successful at identifying critical issues and communicating essential elements of the case.</p> <p>The case was presented in a highly professional and organized manner.</p> <p>The presenter displayed excellent verbal skills and delivered a highly interesting, coherent presentation at an appropriate level for the audience.</p> <p>The presenters were able to respond questions accurately and in a highly articulate way.</p>
<p>B Distinction 70% - 79%</p>	<p>The presentation was successful at identifying critical issues and communicating essential elements of the case.</p> <p>The case was presented in a professional and organized manner.</p> <p>The presenter displayed good verbal skills and delivered a highly interesting,</p>

	<p>coherent presentation at an appropriate level for the audience.</p> <p>The presenters were able to respond questions accurately.</p>
<p>C Credit Pass 60% - 69%</p>	<p>The presentation was adequate at identifying critical issues and communicating essential elements of the case.</p> <p>The case was presented in an adequate and organized manner.</p> <p>The presenter displayed excellent verbal skills and delivered an interesting, coherent presentation at an appropriate level for the audience.</p>
<p>D Pass 50% - 59%</p>	<p>The presentation basically covered the key elements.</p> <p>The case was presented in a basic manner.</p> <p>The presenter displayed minimal standards of verbal skills.</p>
<p>E/F Fail &lt;50%</p>	<p>The presentation was poorly addressed and organized.</p> <p>The presenter displayed poor standards of verbal skills.</p>

### **VIII. 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/>.

## **COURSE SCHEDULE**

### **Week 1. Introduction to Strategic Management**

Text: Chapters 1

Supplementary Reading: Costas Markides, What is strategy and how do you know if you have one. *Business Strategy Review*, Vol.15:2, 2004

### **Week 2. External Analysis**

Text: Chapter

Supplementary Reading: Donald Morris, A new tool for strategy analysis: The opportunity model. *Journal of Business Strategy*, Vol.26:3, 2005

### **Week 3. Internal Analysis**

Text: Chapter 3

Supplementary Reading: Lynda Gratton & Sumantra Ghoshal, Beyond best practice., MIT Sloan Management Review, Apr 2005

### **Week 4. Business Level Competitive Strategy**

Text: Chapter 4

Supplementary Reading: Don Peter, Confronting low-end competition. *MIT Sloan Management Review*, Jul 2005

### **Week 5. Competitive Rivalry and Dynamics**

Text: Chapter 5

Supplementary Reading: Brian Leavy, Outsourcing strategies: Opportunities and risks. *Strategy and Leadership*, Vol 32:6, 2004

### **Week 6. Corporate Level Competitive Strategy**

Text: Chapter 6

Supplementary Reading: Tarun Khanna & Krishna Palepu, Why focused strategy may be wrong for emerging markets. *Harvard Business Review*, July-August 1997.

### **Week 7. Strategic Acquisition and Restructuring**

Text: Chapter 7

Supplementary Reading: Niraj Dawar and Tony Frost, Competing with giants. *Harvard Business Review*, March-April 1999.

### **Week 8. Global Strategy**

Text: Chapter 8

Supplementary Reading: Peter Williamson, Strategies for Asia's new competitive game., *The Journal of Business Strategy*, Vol.26:2, 2005

## **Week 9. Corporate Governance and Ethics**

Text: Chapter 10

## **Week 10. Leadership Implication for Strategy**

Text: Chapter 12

Supplementary Reading: Brian Leavy, A leader's guide to creating an innovation culture., *Strategy and Leadership*, Vol. 33:4, 2005

## **Week 11-13. Group Presentations Course Wrap-up**