

# SYLLABUS FALL, 2011

UNIVERSITY OF HONG KONG BUSINESS SCHOOL

BBA I  
Fall 2011

COURSE BUSI 0009D Business Policy  
INSTRUCTOR Dr. Venkat Subramanian

## INTRODUCTION

The Business Policy course will focus on formulating and implementing business strategy. Successful business policies require a detailed understanding of the overall environment of which the firm is part as well as the ability to create value in order to serve customers in the face of competition. Successful business policies also require analytical and administrative 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 peak 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.

## OBJECTIVES

- To be able to understand the role strategy plays in determining firm performance
- To develop the ability to understand and analyze a company's external environment, internal strategy, and their interface
- To understand the nature of business competition and sources of competitive advantage
- To understand how the external environment influences firm performance
- To understand how the internal environment influences firm performance
- To understand the concept of business model and its relatedness to strategy
- To understand the strategic rationale for firm boundaries
- To understand how firms can change industry dynamics through innovation
- To enhance skills in formulating and communicating strategies in complex environments
- To allow for critical assessments of the manager focused literature

The course will feature case discussions, lectures, exercises, videos, and possibly some guest lectures. The bulk of the classroom sessions will be devoted to case studies. Pre-

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class preparation and attendance at all class meetings will be necessary as student participation will be key to the learning process.

**Class participation** is an important component of your evaluation. In this course, attendance and participation in class accounts for 20 percent. Obviously, *missing class* hurts your participation grade. *Participation* is also important. Participating and preparing are not only important for grading. To get the most from this course, you must actively engage in the learning process. This means devoting time and energy to preparation before class and then, during class, listening to others, and being willing to put forward and explain your point of view. What matters is the quality of your participation. Of course, without some quantity, it is hard to judge quality! To judge quality, please pay attention to the following:

- Are the points made relevant to the discussion? And has your contribution furthered the class's understanding of critical issues?
- Does your contribution go beyond simple recitation of the case facts?
- Are your comments linked to those of others and do they facilitate the flow of the discussion?
- Have you made a genuine, well-intended effort?

Given the size of the class and the relatively short duration of the course, you will have to take the initiative and volunteer to participate. People will be called upon to participate, but waiting to be "cold-called" will not earn you a satisfactory participation grade. It is important that you *participate voluntarily*. In general, I rely on your maturity to be well prepared. In class we will only discuss the strategy basics very briefly, but rather focus on how to use and apply those basic frameworks. If you lack the knowledge on the strategy basics, the learning effect from this course will be significantly reduced.

The course project will allow students to undertake research and analysis on company responses to dynamic environments.

### GRADING

The grading for the course will consist of 20% for class participation, 30% for the course project, and 50% on the final examination. The final exam will cover all of the material from the course, including readings, cases, lectures, classroom discussions, and videos.

### TEXTBOOK

The main text-book for the course will be Robert M. Grant's book on 'Contemporary Strategy Analysis'.

- Robert M. Grant. Contemporary Strategy Analysis. (Blackwell, 2009).

I will also distribute notes for my lectures that can be used in conjunction with the text book.

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### DETAILED OUTLINE

<b>Week 1</b> Readings:	<b>Introduction to Business Policy: Strategy &amp; Performance</b> What is Strategy? Is Strategy Important for Business Success? Video Case Chapters 1 & 2
<b>Week 2</b> Readings:	<b>External Analysis I: Industry Analysis</b> “Oasis Hong Kong Airlines”, ACRC Case Chapters 3 & 4
<b>Week 3</b> Readings:	<b>External Analysis II: Ecosystems/Clusters</b> Audio Case (Guest Speaker: TBC)
<b>Week 4</b> Readings:	<b>Internal Analysis I: Competitive Positions</b> “Wal-Mart in 2003”, HBS Case Chapters 5, 7, 8 & 9
<b>Week 5</b> Readings:	<b>Internal Analysis II: Competitive Advantage</b> Video Update Case Chapters 5, 7, 8 & 9
<b>Week 6</b> Readings:	<b>Business Models &amp; Strategy</b> “The Smartphone Wars”, ACRC Case
<b>Week 7</b> Readings:	<b>Boundaries of The Firm I: Vertical Scope</b> “Coke and Pepsi in 2003: Cola Wars Continue”, HBS Case Chapter 13
<b>Week 8</b> Reading:	<b>Boundaries of the Firm II: Horizontal Boundaries</b> “Walt Disney”, HBS Case Chapters 15 & 16
<b>Week 9</b> Reading:	<b>Strategic Innovation</b> “Nintendo and the Video Game Industry”, ACRC Case Chapter 17
<b>Week 10</b> Reading:	<b>Game Theory &amp; Strategy</b> “Coke and Pepsi in 2003” (Repeat) (Guest Speaker: TBA)

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<b>Week 11</b> Reading:	<b>Developing Strategies</b> “Honda (A)”, HBS Case Chapter 1
<b>Week 12</b>	<b>Review &amp; Wrap Up</b>