



**College of Commerce
Division of Economic and Financial Studies
Business Department**

**BBA301:
STRATEGIC MANAGEMENT I**

***UNIT OUTLINE
First Semester, 2005***

Tuesdays 6-9pm, E7B Mason Theatre

Unit Convenor: Associate Professor Marc Jones

Prerequisites: Entry to BBA; BBA102, BBA111; 40cp

Students in this unit should read the Unit Outline carefully at the beginning of the Semester. It contains important information about the unit. If anything in it is unclear, please consult the Unit Convenor.

**Student Resource Centre
Division of Economic and Financial Studies**

BBA 301: STRATEGIC MANAGEMENT 1
SEMESTER 1, 2005

Lecturer: Associate Professor Marc Jones (9850-8453; 'marc.jones@efs.mq.edu.au')

Course Description

The purpose of this course is to equip the student with the ability to approach complex business problems from the cross-functional and multi-dimensional perspective of the general manager.

The process of formulating competitive strategy at the *business-level* requires the systematic analysis of a firm's internal resources and capabilities in conjunction with a structured examination of the various dimensions of its (external) industry and macro-environments. Once this is achieved, management can develop appropriate strategies with which to pursue sustainable competitive advantage in domestic and international markets.

At the *corporate-level*, the key issue is the management of the growth of the firm. Topics addressed in this regard include financing growth, diversification, merger and acquisition analysis, synergy, corporate parenting, governance, strategy implementation, social responsibility and stakeholder management.

Course Objectives

Through the development of various conceptual models and frameworks, students will become proficient at analyzing a firm's relative strengths and weaknesses, the threats and opportunities in its external environment, and the key issues that influence how and where the firm should grow. Case analysis will be used extensively to link concepts and frameworks to real-world examples. Group work will engage students in the challenges of interpersonal communication, task allocation, coordination and control.

Course Text

Hill, C.W.L., G.R. Jones & P. Galvin (2003). *Strategic Management: An Integrated Approach*. Melbourne: Wiley.

Note: various readings will also be placed on Reserve in ERIC or on the course webpage over the semester

Course Assessment

Group Research Project	25%
Midterm Exams	30%
Final Exam	45%

Note: students must Pass the final exam (>49%) to pass course

Provisional Outline of Topics, Readings, and Assignments

Week 1 – Introduction to Strategic Management

Week 2 – Stakeholder Management and Corporate Social Responsibility (Chap 2)

Week 3 – The Strategic Management Process and Case Analysis (Chap 1, C1-C7)

Week 4 – The External Environment I: PESTE Analysis (Chap 3)

Week 5 – The External Environment II: Industry Analysis

Week 6 – The Internal Environment and Competitive Advantage (Chap 4-5)

Week 7 – Midterm Exam 1

Week 8 – Business-level Strategy and Competitive Dynamics (Chap 6-7)

Week 9 – International Strategy I: Globalisation and the International Business Environment (Chap 10)

Week 10 – International Strategy II: The Transnational Corporation (TNC)

Week 11 – Midterm Exam 2

Week 12 – International Strategy III: TNC Strategy and Structure

Week 13 – Review

Group Research Project Due

Examinations

The University examination period in First Half Year 2005 is from 15 June to 29 June.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

<http://www.timetables.mq.edu.au/exam>

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. Information about unavoidable disruption and the special consideration process is available at

<http://www.reg.mq.edu.au/Forms/APSCons.pdf>

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period.

You are advised that it is Macquarie University policy not to set early examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching semester, that is the final day of the official examination period.

Plagiarism

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the *Handbook of Undergraduate Studies* or on the web at: <http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

University Policy on Grading

Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a standardised numerical grade (SNG).

On occasion your raw mark for a unit (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the Senate guidelines, results may be scaled to ensure that there is a degree of comparability across the university, so that units with the same past performances of their students should achieve similar results.

It is important that you realise that the policy does not require that a minimum number of students are to be failed in any unit. In fact it does something like the opposite, in requiring examiners to explain their actions if more than 20% of students fail in a unit.

The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another will also receive a higher final scaled mark.

For an explanation of the policy see

<http://www.mq.edu.au/senate/MQUonly/Issues/Guidelines2003.doc> or
<http://www.mq.edu.au/senate/MQUonly/Issues/detailedguidelines.doc>.

Student Support Services

Macquarie University provides a range of Academic Student Support Services. Details of these services can accessed at <http://www.student.mq.edu.au>.

BBA 301 Strategic Management 1: Group Project

The major group assignment is a strategic analysis of the firms competing in a major Australian or international industry. The purpose of the assignment is to discover the strategic factors which determine the competitiveness of the industry, and to evaluate the rival strategies adopted by firms competing in that industry, with emphasis on one firm's strategy.

The following aspects will need to be researched in a thorough manner and presented in a report of no more than 4000 words due at the last class session of the term.

Section 1

Key features of the industry and identification of major strategic factors/industry drivers

Analyse the industry in terms of:

1. Products, buyer, suppliers, functions, overall size and importance.
2. Structure and participants
3. Demand - supply characteristics, growth, prospects
4. Environmental factors and changes in technology, international influences, globalisation drivers.
5. Profitability
6. Basis of competition between industry participants; strategic groups; rivalry, etc.
7. Sources of competitive advantage-enhanced buyer values, cost advantages, key success areas

Section 2

Competitive Group Analysis

For each of the competitors in a focal group, describe and explain the strategy adopted in terms of the Porter model of competitive behaviour, the concepts of competitive strategy discussed in the course, and the firm's effectiveness in strategy implementation. Attempt to determine the important factors which explain relative competitive positions – e.g., size, competencies, distinctive competencies, competitive advantage.

Section 3

Firm Analysis

Study the strategy of one firm in depth.

For one firm in the focal competitive group, outline the strategy it has pursued in recent years in terms of its boundary configuration, value-chain, business model, value-propositions to key stakeholder groups, etc. Comment and critically evaluate the firm's strategy.

Examine the performance of the company you have selected in terms of profitability, market share, growth, product range and reputation, position in the industry, competencies, competitive advantages, etc.

Develop major strategy recommendations which would improve the firm's competitive position or deal with anticipated potential threats or opportunities facing the firm. Be sure to address the viability dimension of your recommendations – i.e., does the firm currently possess the resources and/or capabilities to pursue your recommendations – as well as flagging anticipated implementation challenges.

Sources of Data

Monographs, industry, journals, Stock Exchange reports, company annual reports, consultants' studies, brokers' reports, IAC studies, industry associations and academic papers.

Key academic references for strategic management include *Strategic Management Journal*, *Long Range Planning*, *California Management Review*, *Harvard Business Review*, *Academy of Management Review*, *Academy of Management Journal*.

Macquarie University library, UNSW library, libraries at University Sydney, Company libraries, Government departments, Foreign Trade representatives, Australian Bureau of Statistics, and publications such as *International Business Week*, *The Economist*, *BRW*, *Australian Business*.

Interviews with representatives from focal firm and/or key stakeholders