

**THE UNIVERSITY OF HONG KONG
HKU BUSINESS SCHOOL**

STRA4701 STRATEGIC MANAGEMENT

I. GENERAL INFORMATION

About the Instructor

Instructor: Dr. Jackie (Zheng) YAN
E-mail: zheng.yan@hku.hk; jackiezy@hku.hk
Office: Room 1228, K.K. Leung Building
Telephone: 3917-1012
Office Hours: By appointment

About the Teaching Assistant: TBA

Prerequisites

ACCT1101 Introduction to Financial Accounting, and
MKTG2501 Introduction to Marketing, and
MGMT2401 Principles of Management or MGMT3405 Organizational Behavior, and
ECON1210 Introduction to economics I, and
FINA1310 Corporate Finance

Textbook and Readings:

- Recommended textbook: *Hitt, M.A., Ireland, R. D., & Hoskisson, R. E. AE Strategic Management: Concepts and Cases: Competitiveness and Globalization (13th edition)*. ©2019.
- Case Studies, lecture notes and supplementary readings will be distributed in class and/or posted on the course's Moodle page.

II. COURSE DESCRIPTION AND OBJECTIVES

Course Description

The Strategic Management 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 strategies 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. Meanwhile, ethical decision-making and leadership are the foundations for sustainable business strategies in the modern world. 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 demands and stakeholders' interests in an ever-changing competitive landscape. It will also attempt to help students improve their strategic thinking and all around business judgment with the leadership mindset.

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 take up simulated managerial roles where they can apply the concept of strategy to address real life business opportunities and challenges.

Course Objectives

1. To provide a detailed understanding of the theories of strategic management, firms' external and internal environments, and business strategy.
2. To provide an understanding of the nature of business competition and sources of competitive advantage.
3. To develop the ability to analyze and understand a firm's external and internal environments, its strategies and its performance.
4. To provide an understanding of business ethics and the linkage between ethical decision-making and sustainable business development.
5. To prepare students for a career in business with a leadership mindset.

III. 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 firms' internal and external environments on performance.
- CLOS3. Apply analytical frameworks to define and analyze strategic problems; and to formulate and implement business strategies.
- CLOS4. Explain the complex business opportunities and problems in a global context.

- CLOS5. Understand and apply the concept of business ethics in strategic decision-making.
- CLOS6. Demonstrate effective communication skills (oral and written).
- CLOS7. Demonstrate the ability to work in teams effectively.

IV. ALIGNMENT OF PROGRAM AND COURSE OUTCOMES

| Course Learning Outcomes | Alignment of Faculty Goals and Course Outcomes |
|--|--|
| CLOS1. Explain strategic management theories and concepts. | GOAL1: Acquisition and internalization of knowledge of the program discipline GOAL2: Application and integration of knowledge |
| CLOS2. Understand the impact of firms' internal and external environments on performance. | GOAL1: Acquisition and internalization of knowledge of the program discipline GOAL2: Application and integration of knowledge GOAL4: Developing global outlook |
| CLOS3. Apply analytical frameworks to define and analyze strategic problems, and to formulate and implement business strategies. | GOAL2: Application and integration of knowledge GOAL3: Inculcating professionalism GOAL4: Developing global outlook GOAL6: Cultivating leadership |
| CLOS4. Explain complex business opportunities and problems in a global context. | GOAL2: Application and integration of knowledge GOAL4: Developing global outlook |
| CLOS5 Understand and apply the concept of business ethics in strategic decision-making. | GOAL2: Application and integration of knowledge GOAL3: Inculcating professionalism GOAL6: Cultivating leadership |
| CLOS6. Demonstrate effective communication skills. | GOAL5: Mastering communication skills |

| | |
|---|--|
| CLOS7. Demonstrate the ability to lead and work in teams effectively. | GOAL3: Inculcating professionalism GOAL5: Mastering communication skills GOAL6: Cultivating leadership |
|---|--|

V. TEACHING AND LEARNING ACTIVITIES

TLA1. Lectures:

Instructor will give lectures on major concepts and issues to help students better understand the strategic management issues.

TLA2. Class Discussions:

Students will be asked to actively participate in all discussions in class, i.e., during case discussions and the discussion of other practical examples or current affairs.

TLA3. Homework:

Students will be asked to submit a PowerPoint deck analysing and recommending business strategies for a firm, and to prepare for case discussions.

TLA4. Presentation:

Students will be asked to do a presentation on the analysis of the company they choose for the group project.

TLA5. Consultation:

Instructor offers meetings by appointment to address students' questions and help them achieve a good result in the course.

| Course Teaching & Learning Activities | Expected Contact Hours | Study Load (% of study) |
|---|------------------------|-------------------------|
| Lectures, exercises, and in-class discussions | 36 | 30% |
| Group discussions on team assignments | 30 | 25% |
| Self-study | 54 | 45% |
| Total | 120 | 100% |

VI. Assessment

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

A1. Participation: 20%

This is a participatory class where we will learn from each other as well as the text and related materials. Therefore, active participation is required and every student is expected to contribute effectively. 20% of the total grade is based on individuals' performance in class.

You may be called (at random) at any time during class to contribute to or critique the ongoing discussion. Therefore, you will be expected to come to class well prepared to discuss and answer questions about all assigned chapters and all cases.

- Come to class well prepared. Read the assigned case several times and think about how the concepts from prerequisite courses, concepts from the textbook and/or those discussed in class can be applied. Make notes that you can refer to during class. Support your comments by using the information provided in the case.
- Contribute ideas and analysis to the class discussion. Given the complexities of the real world, there is no single right answer. What is more important is how you use strategic concepts and tools to analyse a situation and support your analysis.
- Listen carefully to your classmates and suggest supporting or alternative views.

Quality and relevance of participation are more important than quantity, though quantity does matter as well. Not participating in class discussions will affect your final grade significantly, even if you attend all class sessions. Effective class participation is based on relevant, insightful and appropriately timed comments. Facts in the case are tools: don't just restate them, but try to use them in analytical ways that explore relevant ideas. Every student is a co-producer of class discussion, so please listen carefully to one another and attempt to build on or constructively critique prior comments. You are expected to behave professionally in class. Inappropriate and disturbing behaviour in the class room such as arriving late or distracting other students will negatively affect your participation grade.

Class participation grades are at the discretion of the instructor and are not subject to debate, bargaining or appeal. Absences, excessive tardiness, or leaving early may hurt your individual participation grade. Active participation is not possible if you are distracted. Therefore, the use of laptops for any purpose other than taking notes, and the use of mobile phones is not allowed in the classroom.

A2. Group Project: 40%

Students are required to form teams (details will be provided at the start of the course). Each team is required to perform an in-depth analysis of the strategic issues faced by a company and the industry in which it operates. Each team is required to make one presentation for the term project.

Presentation: Each team is required to present their analysis to the class. The presentation cannot exceed 25 minutes. Also, note that interesting presentations offer a judicious mix of anecdotes and analysis. Therefore, do not try to cram every single detail into your presentation.

Please submit your presentation slides by email no less than 24 hours before your presentation.

Students are free to put together their own groups. Upon confirmation of all groups, they will be assigned a presentation slot by the lecturer. Students are required to attend all presentation sessions.

A3. Final Exam: 40%

The final exam may cover all of the materials from the course. It will mainly assess students' understanding of key concepts and theories introduced in this course and students' ability to employ the analytical tools they have learned from this course.

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

| Learning Outcome | Teaching and Learning Activity | Assessment |
|-------------------------|---------------------------------------|-------------------|
| 1. CLOS1 | TLA 1, 2, 3, 4 | A1, A2, A3 |
| 2. CLOS2 | TLA 1, 2, 3, 4 | A1, A2, A3 |
| 3. CLOS3 | TLA 1, 2, 3, 4 | A1, A2, A3 |
| 4. CLOS4 | TLA 1, 2, 3, 4 | A1, A2, A3 |
| 5. CLOS5 | TLA 1, 2, 3, 4 | A1, A2, A3 |
| 6. CLOS6 | TLA 1, 2, 3, 4 | A1, A2, A3 |
| 7. CLOS7 | TLA 1, 2, 3, 4 | A2, A3 |

VII. STANDARDS FOR ASSESSMENT

Course Grade Descriptors

| Grade | Standards for Assessments |
|------------------|---|
| A+, A, A- | Consistently exhibits strong analytical skills and the ability to define, analyze and solve strategic problems by means of the relevant theoretical frameworks and consistently shows original thinking. |
| B+, B, B- | Frequently exhibits strong analytical skills and the ability to define, analyze and solve strategic problems by means of the relevant theoretical frameworks and shows some original thinking. |
| C+, C, C- | Only occasionally exhibits strong analytical skills and the ability to define, analyze and solve strategic problems by means of the relevant theoretical framework, showing little evidence of original thinking. |
| D+, D | Only occasionally exhibits basic analytical skills and the ability to define, analyze and solve strategic problems by means of the relevant theoretical frameworks and lacks original thinking. |

| | |
|----------|---|
| F | Unable to define, analyze and solve strategic problems through the relevant theoretical frameworks. |
|----------|---|

Assessment Rubrics for Each Assessment

A1: Class Participation (20%)

| Grade | Assessment criteria: |
|--------------------------------|--|
| | <ul style="list-style-type: none"> - Voluntary and consistent participation - Quality of comments (accuracy, clarity, relevance) - Analytical ability - Link to theory and concepts |
| Outstanding 85-100% | <ul style="list-style-type: none"> ▪ Consistently participated voluntarily in case discussions and other class discussions. ▪ All or almost all contributions to the discussion are relevant, clear, well-articulated and insightful and consist of relevant and helpful examples and analyses, creative and insightful solutions, thereby appropriately challenging assumptions and perspectives, showing outstanding ability to apply theory and concepts to practical examples. |
| Good 70-84% | <ul style="list-style-type: none"> ▪ Consistently participated voluntarily in case discussions and other class discussions. ▪ Most contributions to the discussion are relevant, clear, well-articulated and insightful and consist of relevant and helpful examples and analyses, creative and insightful solutions, thereby appropriately challenging assumptions and perspectives, showing strong ability to apply theory and concepts to practical examples. |
| Competent 60-69% | <ul style="list-style-type: none"> ▪ Occasionally participated voluntarily in case discussions and other class discussions. ▪ Some contributions to the discussion are relevant, clear, well-articulated and insightful and consist of relevant and helpful examples and analyses, showing some creative and insightful solutions, thereby showing moderate ability to apply theory and concepts to practical examples. |
| Sufficient 50-59% | <ul style="list-style-type: none"> ▪ Occasionally participated voluntarily in case discussions and other class discussions. ▪ Few contributions to the discussion are relevant, clear, well-articulated and insightful and consist of limited relevant and helpful examples and analyses, showing very limited creative and insightful solutions, thereby showing very limited ability to apply theory and concepts to practical examples. |
| Fail <50% | <ul style="list-style-type: none"> ▪ Failed to participate voluntarily or simply recited comments made by others. |

A2: Group Project (40%)

- Presentation

| Grade | Criteria: <ul style="list-style-type: none"> - Understanding and correct application of theory - Articulation of arguments - Relevance, logic and creativity of recommendations - Structure - Language and style (grammar and spelling) |
|--------------------------------------|--|
| Outstanding 85-100% | <u>Analysis and application of theory:</u> <ul style="list-style-type: none"> ▪ Demonstrates an outstanding understanding of, and the ability to apply theory and concepts to the case company chosen. ▪ All relevant aspects about the case company were addressed and researched in sufficient depth. ▪ Draws widely from relevant sources and cites sources correctly. <u>Recommendations:</u> <ul style="list-style-type: none"> ▪ Outstanding ability to adopt a critical perspective and provide adequate, feasible and creative strategy formulation and execution. ▪ Recommendation(s) follow logically from analysis. <u>Writing and Structure:</u> <ul style="list-style-type: none"> ▪ Logical structure of presentation deck as a whole. ▪ Excellent development of arguments and offers a logically consistent and well-articulated analysis and insight into the subject. ▪ No spelling or grammar mistakes. |
| Good 70-84% | <u>Analysis and application of theory:</u> <ul style="list-style-type: none"> ▪ Demonstrates a good understanding of, and the ability to apply theory and concepts to the case company chosen. ▪ Most relevant aspects about the case company were addressed and researched in sufficient depth. ▪ Draws widely from relevant sources and cites sources correctly. <u>Recommendations:</u> <ul style="list-style-type: none"> ▪ Mediocre ability to adopt a critical perspective and provide adequate, feasible and creative strategy formulation and execution. ▪ Recommendation(s) follow logically from analysis. <u>Writing and Structure:</u> <ul style="list-style-type: none"> ▪ Logical structure of presentation deck as a whole. ▪ Good development of arguments and offers a logically consistent and well-articulated analysis and insight into the subject. ▪ No spelling or grammar mistakes. |

| | |
|--|--|
| <p>Sufficient 50-59%</p> | <p><u>Analysis and application of theory:</u></p> <ul style="list-style-type: none"> ▪ Demonstrates limited understanding of, and the ability to apply theory and concepts to the case company chosen. ▪ Some relevant aspects about the case company were addressed and researched in depth. ▪ Limited use of sources of information but correct citation of sources. <p><u>Recommendations:</u></p> <ul style="list-style-type: none"> ▪ Good ability to adopt a critical perspective and provide adequate, feasible and creative strategy formulation and execution. ▪ Recommendation(s) follow logically from analysis. <p><u>Writing and Structure:</u></p> <ul style="list-style-type: none"> ▪ Flaws in the logic of the structure of presentation deck as a whole. ▪ Mediocre development of arguments offering limited insight into the subject. ▪ No spelling or grammar mistakes. |
| <p>Fail <50%</p> | <p><u>Analysis and application of theory:</u></p> <ul style="list-style-type: none"> ▪ Demonstrates lack of understanding of, and the ability to apply theory and concepts to the case company chosen. ▪ Relevant aspects about the case company were not addressed. <p><u>Recommendations:</u></p> <ul style="list-style-type: none"> ▪ Inability to adopt a critical perspective and provide adequate, feasible and creative strategy formulation and execution. ▪ Recommendation(s) do not follow logically from the analysis. <p><u>Writing and Structure:</u></p> <ul style="list-style-type: none"> ▪ Flaws in the logic of the arguments and the structure of the presentation deck. ▪ Failure to use available software for grammar and spelling checks, resulting in poor writing, typos and grammatical errors. |

A3: Final Exam (40%)

| | |
|--|--|
| <p>Grade</p> | <p>Criteria:</p> <ul style="list-style-type: none"> - Ability to think analytically (conduct case analysis) - Ability to apply concepts and theory - Ability to clearly articulate a point of view and answer |
| <p>Outstanding 85-100%</p> | <ul style="list-style-type: none"> ▪ All or almost all of the questions are clearly and accurately answered showing outstanding insights into the theoretical material and an |

| | |
|------------------------------|---|
| | <p>outstanding ability to conduct case analysis and apply concepts and theory.</p> <ul style="list-style-type: none"> All or almost all of the responses are well organized, clear, fluent, and with sufficient elaboration. |
| Good 70-84% | <ul style="list-style-type: none"> Most of the questions are clearly and accurately answered showing good insights into the theoretical material and a strong ability to conduct case analysis and apply concepts and theory. Most of the responses are well organized, clear, fluent, and with sufficient elaboration. |
| Competent 60-69% | <ul style="list-style-type: none"> Some of the questions are clearly and accurately answered showing good insights into the theoretical material and a strong ability to conduct case analysis and apply concepts and theory. Some of the responses are well organized, clear, fluent, and with sufficient elaboration. |
| Sufficient 50-59% | <ul style="list-style-type: none"> Few of the questions are clearly and accurately answered showing good insights into the theoretical material and a strong ability to conduct case analysis and apply concepts and theory. Few of the responses are well organized, clear, fluent, and with sufficient elaboration. |
| Fail <50% | <ul style="list-style-type: none"> Very few or none of the questions are clearly and accurately answered showing good insights into the theoretical material and a strong ability to conduct case analysis and apply concepts and theory. Very few or none of the responses are well organized, clear, fluent, and with sufficient elaboration. |

Course Final Grade:

The final grade for the course will be based on the scores for all the assessment tasks as follows:

Final grade = Attendance and Class participation (20%) + Group project (40%) + Final Exam (40%)

The conversion of the score to the course final grade is summarized below

| | |
|-----------|-----------|
| A+, A, A- | 85%-100% |
| B+, B, B- | 70% – 84% |
| C+, C, C- | 60% – 69% |
| D+, D | 50% – 59% |
| F | < 50% |

VIII. ACADEMIC AND CLASS CONDUCT

The University Regulations on academic dishonesty will be strictly enforced. You are encouraged to review the University Statement on plagiarism at <http://www.hku.hk/plagiarism/>.

When attending, students should be in class on time. Arriving late or leaving early or walking in/out during class without permission might negatively affect your class participation grade. The same goes for disturbing me or your fellow students in other ways. Students are required to put their mobile phones on silent mode.

IX. MEANS/PROCESSES FOR STUDENT FEEDBACK ON COURSE

The SETL questionnaire is one of the ways HKU courses and teaching are evaluated. HKU places significant importance on student learning and on the continuous enhancement of teaching and learning outcomes. Students are asked to complete this evaluation of their learning experiences at the conclusion of the course. Questionnaire items relate to the overall evaluation of the course as well as an evaluation of teaching.

In addition, student feedback via email or during office hours is always welcomed throughout the semester.

X. COURSE CONTENT AND TENTATIVE TEACHING SCHEDULE

1. Introduction
2. External Analysis
3. Internal Analysis
4. Business Strategy
5. Competitive Dynamics
6. Corporate Strategy
7. Acquisition
8. Cooperative Strategy
9. Business Ethics and Leadership
10. Advanced Topics in Strategic Management
11. Course Wrap-up & Group Presentation
12. Group Presentation