

INTERNATIONAL MANAGEMENT INSTITUTE, BHUBANESWAR
Post Graduate Diploma in Management (PGDM)
Strategic Management II (ST509[B])
CREDIT: Full (three credits)
SESSION DURATION: 60/120 Minutes

TERM: IV
YEAR: 2017-2019
BATCH-II

Course Outline and Session Plan

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Introduction

The course on Corporate Strategy is a build up over the first year course of Business Strategy. Corporate strategy is a natural transition from business strategy in multi-business organizations. The two put together provide appropriate coverage to the strategic management process. Corporate strategy deals with the ways in which a corporation manages a set of businesses together (Grant, 1995). It explores how firms build advantage through value creation in the multi-business organizations. It addresses some of the most fundamental questions in strategy: What businesses should a company be in? How should it coordinate activities across businesses? What role should the corporate office play? What happens when firms cross borders? The course also addresses the critical issue of strategy implementation. Often a superior implementation of an ordinary strategy can outperform the poor execution of a brilliant strategy. It is imperative that the students are up to date with the concepts and their applications from the first year course of Business Strategy to gain an integrated understanding of the subject from a general management perspective.

Course Objectives

- To understand the basis on which companies can make corporate decisions that creates rather than destroys value.
- To assess the advantages of vertical and horizontal integration in organizing related and unrelated activities while formulating expansion strategies.
- To determine the relative merits of various types of diversification strategies - strategic alliances, M & A, international strategies while exploiting the linkages between different businesses.
- To align the expansion strategies with organization's goal, mission and capabilities.
- To analyze the critical issues related to strategy implementation and execution.

Learning Outcome	Description
L01 Subject Knowledge	<ul style="list-style-type: none"> To make the students aware of the fundamentals of Strategy
L02 Concept Application	<ul style="list-style-type: none"> To acquaint the students with concepts and linking it to real problems faced by corporations
L03 Business Application	<ul style="list-style-type: none"> To be able to apply the learnings of the course in different business problems by using various tools and techniques covered during the course
L04 Communication	<ul style="list-style-type: none"> To be able to convey the analytical results of various business problems to the management in a layman's language
L05 Responsible Business	<ul style="list-style-type: none"> To be able to understand the ethical aspects of business and conduct it responsibly

Pedagogy

This course will require you to read books, articles, case studies and perform literature search. The sessions would be interactive where attempt will be made to understand the theories and concepts through discussion of the readings and their application in cases. Hence a high degree of preparation is expected from the student. Readings, case analysis, and role plays will be required for you to effectively participate in class and make impromptu or scheduled presentations of issues and learning's. Besides the readings, groups of students will have to work on a comprehensive research project to investigate and validate some of the key learning's in a real world situation.

Course Requirements

- **Prescribed Textbook:** All students will be required to refer to the book by Robert M Grant, "Contemporary Strategy Analysis" Published by Blackwell Publishing (latest publication), which has been prescribed for the course on Business Strategy as well. Many more readings and cases from outside the Grant book will also be used and will be provided by the Institute.
- **Quizzes:** The quizzes will be based on the course covered in the previous classes Therefore keeping pace with the course covered will be important. There will be 2 quizzes spread across the course. Both quizzes are compulsory.
- **Group Project:** Each group is expected to work on the term project allocated by the instructor. Project evaluation will be based on the presentation and report submitted by the group.

Evaluation

- Class Participation (includes case discussion) : 5%
- Quizzes : 20%
- Mid and End Term Examination : 50%
- Term Project : 20% (10+10)
- Role Play : 5%

Text Book

- “Contemporary Strategy Analysis” by Robert M Grant, Published by Blackwell Publishing (Latest Publication).

Reference Books

- Thomas L. Wheelen & J. David Hunger; Concepts in Strategic Management and Business Policy; Pearson Education
- Porter, M.E., Competitive Strategy, Free Press, New York.
- Porter, M.E., Competitive Advantage: Creating and Sustaining Superior Performance, Free Press, New York.
- Hitt, Ireland and Hoskisson; Strategic Management: concepts & Cases; South-Western Thomson learning
- Peter Fitzroy & James Hulbert; Strategic Management – Creating value in turbulent times; John Wiley and Sons, Inc.
- Johnson, Scholes and Whittington, “Exploring Corporate strategy”; Pearson Education
- Thompson and Strickland – Strategic Management, Tata McGraw-Hill Edition
- Henry Mintzberg – Strategy Safari
- Hamel and Prahalad- Competing for Future
- Fred R. David, Strategic Management Concept & Cases, Pearson Education
- Pankaj Ghemawat, “Strategy and the Business Landscape” Pearson Education

Journals

- Strategic Management Journal
- Harvard Business Review
- Sloan Management Review
- Academy of Management Journal

Daily/Periodical:

- Economic Times
- Business Today
- Business World
- The Economist

Online e-resources**Session Plan**

Sl. no.	Topic/s	Prescribed Text	Learning Objectives	Case & Reading Material
1-2	Introduction to Corporate Strategy <ul style="list-style-type: none"> • Rationale for corporations • Diversification Strategy : Rationale & levels 	Chapter 13	LO1, LO2	RM: From Competitive Advantage to Corporate Strategy
3-6	Related Diversification <ul style="list-style-type: none"> • Vertical firm boundaries • Horizontal firm boundaries • Make Vs Buy • Cost of internalization • Architecturing integration 	Chapter 11	LO2, LO3, LO4, LO5	Case: Ferrero Group: Securing Supply for Hazelnuts
7-10	External Growth Strategies <ul style="list-style-type: none"> • Mergers & Acquisitions • Theories of Merger • Reasons for M & A • Synergy in M & A 	Chapter 15	LO2, LO3, LO4, LO5	RM: Are you Paying too much for that Acquisition? Case: Air India Limited and Indian Airlines Limited Merger: Is it Flying?
11-14	Cooperative Strategies <ul style="list-style-type: none"> • Types – Business Level, Corporate Level, International level 	Chapter 15	The logic for forging and managing alliances	RM: How to Make Strategic Alliances Work Case: Amazon and Future Group:

	<ul style="list-style-type: none"> • Types of Strategic Alliance • Incentives to enter into SA & Managing SA 			Rethinking the Alliance Strategy
15-18	<p>Unrelated Diversification</p> <ul style="list-style-type: none"> • Managing the Multi-Business Corporation • Conglomerates Vs Business Groups 	Chapter 14	Will help in understanding of the logic for conglomerates and Business groups	Case: RPG Enterprises - 1995
19-21	<p>International Strategy & MNC</p> <ul style="list-style-type: none"> • Global strategy • Multi-domestic strategy • Transnational strategy • Standardization, Adaptation, Value Chain Coordination 	Chapter 12	Why and how companies go global	Case: Cumi India's Global Strategy: The China Puzzle
22-24	<p>Strategic Renewal</p> <ul style="list-style-type: none"> • Strategic renewal matrix • External consistency, Internal consistency, Dynamic consistency 		How to align the diversification strategy with organization's goal, mission and capability.	RM: Strategic Renewal for Business Units
25-30	<p>Strategy Implementation</p> <ul style="list-style-type: none"> • Formulation Vs Execution • Barriers to Strategy Execution • Strategy Implementation Essentials 	Chapter 15	Challenges of strategy implementation and execution	RM: Building the Strategy Implementation Network Case: Silvio Napoli at Schindler India (A & B) Role Play: BCPC Internet Team