

**NUS BBA**

**Strategy  
BSP3001**

**Course Outline  
January 2015 – May 2015  
Tuesday: 11:00am – 2:00pm  
Wednesday: 9:00am – 12:00pm**

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## **Course Description**

This course deals with major techniques and approaches to the development and implementation of strategy as it concerns firms competing domestically and internationally. We will explore the underlying concepts, analytical techniques, and evaluation of strategic options that form the basis for strategic analysis and action. This course is designed to introduce you to key strategic concepts and to explore the reasons for the success and failure of businesses in this era of global competition. The course teaches concepts applicable to firms around the world, with a special emphasis to small and large companies based in Asia.

In learning about strategy we will focus on two central questions: "What business should we be in?" and "How should we compete in our existing businesses?". In exploring these questions, participants in the course will develop a conceptual and practical understanding of the strategic and organizational challenges of multinational corporate strategy and strategy implementation. In developing this understanding we will explore strategic questions such as:

- What are the challenges to competition?
- How do firms cope with and overcome such challenges?
- What are the key organizational elements necessary for growth?

As we explore these questions, we will address the fundamental issue of how an organization can create sustainable competitive advantages. The competition aspect of the course emerges in our considerations of the complexities and challenges related to strategic management. To understand the application of strategy in different national settings, we must be able to analyze and understand the impact of national-level environmental and institutional factors on a firm's strategic management activities.

Given these foci for the course, it is necessary that our approach to the course is practical and problem-oriented. The course emphasizes the application of concepts and analytical frameworks to the strategic issues faced by real companies. To that end, cases form an integral part of the course. Aside from cases, we will use lectures, presentations, and group discussions to teach the concepts and practice of strategy formulation and implementation.

## **Course Objectives**

1. To become familiar with the concepts, frameworks and techniques of strategy
2. To gain expertise in applying these concepts, frameworks and techniques to:
  - understand the reasons for good or bad performance by a firm
  - generate strategy options for a firm
  - assess available options under conditions of imperfect knowledge
  - select the most appropriate strategy
  - recommend means of implementing the chosen strategy.
3. To enhance your ability to:
  - view business problems from a strategic perspective

- develop original and innovative approaches to strategic problems that span national boundaries
- create convincing plans of action for resolution of business problems.

4. To improve your analytical, discussion and presentation skills.

### **Course Materials**

**Case and reading package.** To be distributed in the first weeks of the course.

### **Grading**

Class Participation	30%
Strategy Video Report	25%
Short Case Competition	15%
End of Semester Case Test	30%

### **Class Participation**

It is essential that class participants be ready to discuss and analyze pre-assigned issues and problems on cases and readings. I expect participants to offer focused comments that show how a particular concept is illustrated in a case and how substantive problems can be resolved. Quality, not quantity, in participation is a good route to take. In analyzing a case, participants should be able to identify problems, explore strategic alternatives, and develop strategic recommendations. I use the following questions to evaluate class participation:

- Is the participant a good listener and considerate of other class members?
- Do the comments reflect careful analysis and an understanding of the situation?
- Is there a willingness to try new ideas (beyond repeating case facts)?

### **Strategy Video Report**

All students in the class will be a part of a team that will produce a strategy video report. This report will be shown in class, as a video. There will be Q&A following the presentation of the video in the class. Subsequent to the presentation of the video, the group will meet with Andrew Delios for 1 hour to discuss their video report and receive feedback on it.

### **Short Case Competition**

During one of the classes, we will have a case competition. Students will be assigned to groups, given a short period to prepare the case, and then present it in class in short form. More details will be presented during the semester.

### **End of Semester Case Test**

The case test will be administered in the last class of the semester. The case test will be three hours in length, running during class time. It will be a short case test, for which you can use a laptop or tablet to write your answer.

**Detailed Class Schedule**

<b>Week</b>	<b>Date</b>	<b>Description of class and required materials</b>
1	Jan. 12- Jan 16	Introduction to the Strategy Module
2	Jan. 19 - Jan. 23	<ul style="list-style-type: none"> <li>• Case Discussion – Air Asia</li> <li>• Lecture and Discussion – Strategy</li> </ul> <p>Case Preparation: Air Asia</p>
3	Jan. 26 - Jan. 30	<ul style="list-style-type: none"> <li>• Lecture and Discussion – Competition, strategy and firm performance</li> <li>• Case Discussion – Apple Inc, 2010</li> </ul> <p>Case Preparation: Apple Inc, 2010</p>
4	Feb. 02 - Feb. 06	<ul style="list-style-type: none"> <li>• Lecture and Discussion: Industry Analysis</li> <li>• Case Discussion: Michelin in the Land of Maharaja's</li> </ul> <p>Case Preparation: Michelin in the Land of Maharaja's</p>
5	Feb. 09 - Feb. 13	<ul style="list-style-type: none"> <li>• Lecture and Discussion: Strategy and Positioning</li> <li>• Case Discussion: Samsung Electronics</li> </ul> <p>Case Preparation: Samsung Electronics</p>
6	Feb. 16 - Feb. 20	<ul style="list-style-type: none"> <li>• Case Discussion: Cola Wars</li> <li>• Class Discussion: Strategy</li> </ul> <p>Case Preparation: Cola Wars</p>
7	Feb. 21 - Mar. 01	<ul style="list-style-type: none"> <li>• Recess Week</li> </ul>
8	Mar. 02 - Mar. 06	<ul style="list-style-type: none"> <li>• Lecture and Discussion: Competencies, Resources and Corporate Growth</li> <li>• Case Discussion: Walt Disney: The Entertainment King</li> </ul> <p>Case Preparation: Walt Disney: The Entertainment King</p>
9	Mar. 09 - Mar. 13	<ul style="list-style-type: none"> <li>• eLearning Week</li> <li>• Strategy Video presentations on Youtube with comments open</li> </ul> <p>Preparation: Assigned groups to submit Strategy Videos by end of day March 8.</p>

Week	Date	Description of class and required materials
10	Mar. 16 - Mar. 20	<ul style="list-style-type: none"> <li>• Class Discussion: Strategy and Structure of Large Firms</li> <li>• Case Discussion: ING Insurance Asia/Pacific</li> </ul> <p>Case Preparation: ING Insurance Asia/Pacific</p>
11	Mar. 23 - Mar. 27	<ul style="list-style-type: none"> <li>• Class Discussion: Growth of Diversified Companies</li> <li>• Case Discussion: Ayala Corporation</li> </ul> <p>Case Preparation: Ayala Corporation</p> <ul style="list-style-type: none"> <li>•</li> </ul>
12	Mar. 30 - Apr. 03	<ul style="list-style-type: none"> <li>• Lecture and Discussion: Institutions and Strategy</li> <li>• Case Discussion: Metro Cash and Carry</li> </ul> <p>Case Preparation: Metro Cash and Carry</p>
13	Apr. 06 - Apr. 10	<ul style="list-style-type: none"> <li>• Lecture and Discussion: Acquisitions and Regional Growth in Asia</li> <li>• Case Discussion: Tata Communications and Tyco Global Networks</li> </ul> <p>Case Preparation: Tata Communications and Tyco Global Networks</p>
14	Apr. 13 - Apr. 17	<ul style="list-style-type: none"> <li>• End of Semester Case Test</li> </ul>
15	Apr. 20 – Apr. 24	<ul style="list-style-type: none"> <li>• No class scheduled (reading week)</li> </ul>

## Assignment Questions

### **Week 1:**

#### Questions to Consider for Class Discussion

1. Is business success random? If it is, then you cannot predict or prepare for success, so why study firms, competition and industries? If not, you can identify the predictors of business success. What are these?
2. If the determinants of firm success are clear, why don't all firms focus on these? What prevents all firms from converging on the same strategies? What is strategy anyway?
3. What do the strategic concepts: value creation, value capture and value protection mean to you?

### **Week 2:**

#### Case for Class Discussion - AirAsia Pte. Ltd.

1. What are the unique resources of AirAsia?
2. Can these resources yield sustainable competitive advantages?
3. How has AirAsia utilized its resources to its (dis)advantage?
4. What would be your strategic recommendations to AirAsia for the next five years?
  - i. Growth
  - ii. Competition
  - iii. Positioning

### **Week 3:**

#### Case for Class Discussion - Apple Inc, 2010

1. Historically, what were Apple's main competitive advantages?
2. Analyze the structure of the personal computer industry over the last 10 to 15 years. How have the dynamics of the PC industry changed?
3. Evaluate Apple's strategies since 1990.
4. What should Apple do now?

#### Questions to Consider for Class Discussion:

1. Is competition good or bad? For whom is it good or for whom is it bad? Why?

### **Week 4:**

#### Case for Class Discussion - Michelin in the Land of Maharajas.

1. What is the structure of the tire industry in India?
2. What is the structure of competition in the tire industry in India?
3. What is the performance and strategy of the main players in the tire industry in India?
4. Is this industry and its various segments attractive to existing competitors and new entrants?

### **Week 5:**

#### Case for Class Discussion – Samsung Electronics

1. What kind of advantage are the Chinese entrants seeking? Are they close to achieving this advantage?
2. How much of Samsung's performance is based on its reputed low-cost advantage?
3. Can Samsung's low-cost advantage withstand the threat of Chinese entrants on cost?
4. Do you think the numbers mask the fact that Samsung's differentiation advantage is more important or easier to grow or sustain, or both?
5. Is Samsung both low-cost and differentiated? If so, how?
6. Why can't more firms in other industries do the same?

### **Week 6**

#### Case for Class Discussion: Cola Wars

1. Why, historically, has the soft drink industry been so profitable?
2. Compare the economics of the concentrate business to that of the bottling business: Why is the profitability so different?
3. How has the competition between Coke and Pepsi affected the industry's profits?
4. How can Coke and Pepsi sustain their profits in the wake of flattening demand and the growing popularity of non-CSDs?

### **Week 7: Mid-Term Break:**

### **Week 8:**

#### Case for Class Discussion – The Walt Disney Company: The Entertainment King

1. Analyze the growth of this company? How did it achieve the successes it did in the 1980s and early 1990s?
2. What are the principal challenges facing the Walt Disney company in the mid-1990s, in the year 2000?
3. What recommendations do you have to guide the future growth and the future competitiveness of this company?

#### Questions to Consider for Class Discussion:

1. Should a firm define its competencies and use these to achieve success in an appropriate industry, or should a firm understand its industry's characteristics and ensure that it has the necessary competencies to achieve success?

### **Week 9:**

#### eLearning Week

### **Week 10:**

#### Case for Class Discussion – ING Insurance Asia/Pacific

1. As Jacques Kemp, what is your size-up of ING Insurance Asia/Pacific?

2. What kind of changes do you propose?
3. What major challenges are you likely to encounter in trying to implement your changes?

**Week 11:**Case for Class Discussion - Ayala Corporation

1. How much have Ayala Corp and its publicly listed businesses grown over the last 10 years? How have the Philippine inflation and exchange rates affected this growth? How profitable have Ayala Corp and its businesses been?
2. What do you think of Ayala's corporate strategy? Had you been in Jaime Augusto Zobel de Ayala's shoes, would you have done anything differently?
3. How has Ayala financed its growth over the past 25 years? What are the pros and cons of their financial strategy relative to other feasible alternatives?
4. What fraction of Ayala Land, Globe Telecom, BPI, Manila Water Co.'s common stock does Ayala Corp own? What are the Zobel family's ownership, voting and control stakes in each of these four companies?

**Week 12:**Case for Class Discussion - Metro Cash and Carry

1. What have been MCC's key competitive advantages as it has moved into emerging markets?
2. What role did institutional context play in challenging MCC's efforts to prove the value proposition of its unique wholesaling format and establish itself as an accepted corporate citizen in Russia, India and China?
3. How would you rethink MCC's approach to strategic expansion and public relations in India going forward?

**Week 13:**Case for Class Discussion: Tata Communication's Acquisition of Tyco Global Networks

1. What recommendation would you make to TCL's committee?
2. What are TCL's current position and aspirations? Considering the submarine cable industry, would the expansion beyond India of TCL via the acquisition of TGN make strategic sense? Why or why not?
3. What is the industry structure of the submarine cable industry? Given TCL's plans for global expansion, how should TGN be valued: replacement cost, build cost, discounted future cash flows or prior deals as benchmarks?
4. What are the risks and challenges to this acquisition? Considering these risks and challenges, alongside the valuation, determine a maximum value for the acquisition? Are there any deal breakers, which if not satisfied mean that TCL should walk away from the deal?

Questions to Consider for Class Discussion:

1. When should a company undertake an acquisition? What contributes to an acquisition's success or failure?

2. Acquisitions are a poor strategic alternative because inevitably a company making an acquisition suffers a performance decline as a result of the acquisition. Do you agree or disagree with this statement? Why / Why not?
3. How will acquisition activities in Asia change in the next five to ten years?

**Week 14: End of Semester Case Test.**