



Victoria Management School

**MMBA 535**

**ADVANCED STRATEGIC MANAGEMENT**

Trimester 1 2005

**COURSE OUTLINE**

**Contact Details**

Urs Daellenbach

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**Class Times and Room Numbers**

Mondays, 17:40 – 19:30  
RH MZ 06

No Final Examination

**Course Objectives**

The Master of Business Administration Programme serves to produce professional managers capable of fulfilling strategic roles within corporate and government enterprises. Integral to this capability is an understanding of competitive advantage, the dynamics of competition and strategies for addressing these.

This course aims to provide students with a deeper theoretical understanding of how competitive actions and responses can be examined and assessed. This elective in strategic management is closely focused on issues of competitive strategies and advantage, sources of advantage, competitive interactions and industry dynamics. It draws on, complements and augments material covered in MMBA534 as well as other MBA courses.

By the end of this course, you should:

1. Have an understanding of the major theories and concepts underlying competitive advantage and industry dynamics.
2. Know how to assess and apply these to competitive situations across a variety of industry contexts.
3. Have developed a broad perspective on how to incorporate competitive effects into developing more effective strategies.

### **Course Content**

This course comprises ten two-hour sessions (which include lectures, case analyses, discussion of readings) + an all-day (9am – 5pm) simulation on Saturday 7 May. Topics covered include: strategic groups and industry analyses, bases of competitive advantage, resource-based view of the firm, competitive dynamics, strategies for different industry contexts, and sources of national competitive advantage.

### **Readings**

The course will rely on a variety of readings from academic and practitioner journals as well as case studies. Recent relevant events from the business media will also be addressed where possible.

### **Materials and Equipment**

Unless otherwise indicated, all assignments should be submitted in hard copy on white bond paper using word processing technology.

### **Course Assessment**

Reading/Case write-ups (3 * 5% each)	15%	due at start of class
Business Simulation: Strategic Plan	15 %	due 26 April (e-mail)
Business Simulation: Company Performance	10 %	9am-5pm on Sat. 7 May
Business Simulation: Multi-year Report	25%	due 16 May
Competitive Action/Response Assessment	35 %	due 2 June

**Reading/Case Write-ups (5% each – three required)** – During the trimester, a range of readings and case studies with associated discussion questions will be covered in class. As part of your preparation for these discussions, you should have prepared answers/perspectives on the questions asked and situations examined. During the trimester you will need to submit 3 of these. The write-up must be submitted at the beginning of the class that it pertains to. They should be no more than two pages each, not necessarily typed, although only legible answers can be graded. A mind map is an alternative as long as some accompanying explanation is provided. The first page of the write-up should highlight the key aspects from the readings and questions, while the second page should cover the case questions and relate the case and readings. The write-ups themselves constitute “individual work”.

**Business Simulation** – The business simulation will be completed in groups of 2 preferably (group membership to be finalised in the third week of class). In the second week of class, you will receive a copy of the software for Mike’s Bikes. This software contains both a single-player version and the multiplayer internet version that will be used later in the semester. The Single Player version allows you to analyse the effects of your decision in a situation where there is one competitor whose strategy remains relatively consistent. The Multi-Player version incorporates the effects of competition and will be used for the actual simulation where you compete against other groups in the class. The simulation will involve 8-10 years (rollovers) of simulated competition. The majority of the simulation will occur on 7 May, where new decisions will need to be made every hour or so. **Please make sure you are free to participate from 9am-5pm on Saturday 7 May.** An introductory session and practice rollovers will precede the simulation itself.

**Strategic Business Plan (15% Group assignment)** – By 5pm 26 April, your group will need to e-mail a strategic business plan for your company (up to 3000 words) to [urs.daellenbach@vuw.ac.nz](mailto:urs.daellenbach@vuw.ac.nz). A key aspect in developing your plans is that the actions set out be coordinated and consistent so that they support your firm’s intended strategy. Your strategic plan should address all functional areas as well as your company’s overall approach to competing in your industry. Be sure to set out concrete (measurable) goals for your chosen strategy overall, as well as each functional area. Without these it will be difficult to write up your annual report. Plans will be assessed on their feasibility, consistency (internally and externally) as well as the extent to which they consider how competition may affect the company’s future actions. Feedback on your business plan will be provided between 27 April and 29 April, so please book a time when your group can meet with me during those days.

You will have a chance to incorporate this feedback for the first rollover of the actual simulation (Monday 2 May at 6pm). The second rollover will occur at 6pm on Thursday 28 April, with a third rollover on 29 April. All remaining rollovers will occur at regular intervals between 9am and 5pm on Saturday 7 May.

Work should be allocated evenly within the group, as equal marks will be given to all members for the business plan and company performance (unless there is clear evidence of unequal contribution). Procedures to help facilitate equal contributions will be discussed at the beginning of the course.

***Company Performance (10%)*** – 10% of your final grade will be based on your company's performance in terms of a range of factors such as how much appreciation in share price and market value was generated, and the extent to which your group is able to achieve other objectives you set in your business plan. Performance relative to other companies in your industry and the class overall will naturally play a significant role in how your company is assessed, but will not be the only basis on which performance is judged.

***Multi-year Report (25%)*** – Drawing on your intended plan and the results of the simulation, each student should produce an individual report that summarises their group's progress over the simulation timeframe, identifies why your company did well/poorly relative to targets and competitors, indicates when and why your strategy was changed, and discusses the future plans of your firm. This means that you can still produce an excellent annual report even if your group's strategy did not prove completely successful against your competitors. Word limit: 2500 words. Due on Monday 16 May by 6pm in my office (RH903) or under the door. The final write-up of your report constitutes "individual work".

***Competitive Action/Response Assessment (35%)*** – By the middle of the trimester, you should have chosen a New Zealand competitive situation from the last 3 years to analyse. The situation should involve an "attack" by one competitor that has the potential to affect one or more competitors. Your assessment should briefly review the attacker's and key rivals' competitive positions and assess them for potential sources of competitive advantage (relative to key competitors or groups of firms). Next, examine the goals that are likely to have motivated the attack. How did it fit with the firm's overall strategy? Which of these were achieved and WHY? Which rivals were most affected? What responses occurred to the initial attack (+ WHY?). What other impact did the attack have? Conclude your analysis with a discussion of the likely future industry dynamics following the attack and the strategies that will be undertaken and most successful by the attacker and key rivals. Word limit: 3000 words. Due on Thursday, 2 June by 6pm in my

office (RH903) or under the door. This report constitutes “individual work”.

### **Penalties**

In fairness to other students, work submitted after the deadline will be subject to a penalty of 5% of the total marks available per day of lateness. Assignments more than one week late will not be accepted. A “zero” mark will be applied. In the event of unusual, unforeseen circumstances (e.g., serious illness, family bereavement), students should discuss waiver of the penalty with the course controller prior to the deadline date.

### **Word Limits**

Word guidelines for this course set out what is considered an economical style. Minor variation (<10%) over the guideline may be warranted at times, depending on the situation being discussed. However, since a style of writing suitable for business reports is required, significant departures from an economical style or inattention to spelling, grammar, punctuation, formatting, ... may reduce the marks awarded to the report by up to 10% of the original mark.

### **Mandatory Course Requirements**

#### **Obtaining Terms**

To obtain terms, students are required to attend classes and fully/equitably participate in the business simulation.

#### **Passing the Course**

In order to pass this course, students are required to obtain at least fifty percent of the overall course marks available.

### **Victoria MBA Grading Standards**

- Victoria MBA - **Excellent** Category  
A (80 – 85%) to A+ (above 85%): The quality is performed to a very high level of proficiency, i.e. it is at a standard that makes it exceptional at Master’s level.
- Victoria MBA - **Very Good** Category  
B+ (70 – 74%) to A- (75 – 79%): The quality is performed at a high standard. Students have reached a level which clearly exceeds “competency”.
- Victoria MBA - **Good** Category  
B- (60 – 64%) to B (65 – 69%): The quality is clearly demonstrated without being exceptional in any way. Students can be thought of as competent in respect of this quality.

- Victoria MBA - **Satisfactory** Category  
C (50 – 54%) to C+ (55 – 59%): The quality is demonstrated to a minimally acceptable level. There may be flaws but these are not serious enough to “fail” the student on this quality.
- Victoria MBA - **Unsatisfactory** Category  
E (0 – 39%) to D (40 – 49%): The quality is absent or performed to a very low level, or the performance is seriously flawed in this respect.
- Please note that the MBA Board of Studies (End of Course Marks Meeting) reserves the right to adjust final grade distributions in order to achieve meaningful grading standards and equity in the application of evaluation standards across various MBA courses.

### **Individual Work**

While the Victoria MBA programme has a tradition of study group collaboration, there are important elements in the assessment process that are strictly individual. Collaboration on individual assignments is not allowed beyond general discussion as to how one might interpret the nature of the assignment question. Please do not work together to formulate a response and do not loan out your completed assignments.

### **Communication of Additional Information**

Additional information and information on any changes will be conveyed to students via class announcements and in written form on the university blackboard server for MMBA 505.

## General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly those regarding assessment and course of study requirements, and formal academic grievance procedures.

### Student Conduct and Staff Conduct

The Statute on Student Conduct together with the Policy on Staff Conduct ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an atmosphere of safety and respect. The Statute on Student Conduct contains information on what conduct is prohibited and what steps can be taken if there is a complaint. For queries about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor. This Statute is available in the Faculty Student Administration Office or on the website at: [www.vuw.ac.nz/policy/StudentConduct](http://www.vuw.ac.nz/policy/StudentConduct).

The policy on Staff Conduct can be found on the VUW website at: [www.vuw.ac.nz/policy/StaffConduct](http://www.vuw.ac.nz/policy/StaffConduct).

### Academic Grievances

If you have any academic problems with your course you should talk to the tutor or lecturer concerned or, if you are not satisfied with the result of that meeting, see the MBA Programme Director, then the Head of School or the Associate Dean (Students) of your Faculty. Class representatives are available to assist you with this process. If, after trying the above channels, you are still unsatisfied, formal grievance procedures can be invoked. These are set out in the Academic Grievances Policy which is published on the VUW website:

[www.vuw.ac.nz/policy/AcademicGrievances](http://www.vuw.ac.nz/policy/AcademicGrievances).

### Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means **no cheating**. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. Plagiarism is **prohibited** at Victoria.

The University defines plagiarism as follows:

Plagiarism is presenting someone else's work as if it were your own, whether you mean to or not.

*'Someone else's work' means anything that is not your own idea, even if it is presented in your own style. It includes material from books, journals or any other printed source, the work of other students or staff, information from the Internet, software programmes and other electronic material, designs and ideas. It also includes the organization or structuring of any such material.*

***Plagiarism is not worth the risk.***

Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct ([www.vuw.ac.nz/policy/studentconduct](http://www.vuw.ac.nz/policy/studentconduct)) and may be penalized severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- suspension from class or university
- cancellation of your mark for an assessment or a fail grade for the course.

*Find out more about plagiarism and how to avoid it, on the University's website at: [www.vuw.ac.nz/home/studying/plagiarism.html](http://www.vuw.ac.nz/home/studying/plagiarism.html).*

**Students with Disabilities**

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities an equal opportunity with all other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) that may impact on your ability to participate, learn and/or achieve in lectures and tutorials or in meeting the course requirements, then please contact the Course Coordinator as early in the course as possible. Alternatively you may wish to approach a Student Adviser from Disability Support Services to confidentially discuss your individual needs and the options and support that are available. Disability Support Services are located on Level 1, Robert Stout Building, or phoning 463-6070, email: [disability@vuw.ac.nz](mailto:disability@vuw.ac.nz). The name of your School's Disability Liaison Person can be obtained from the Administrative Assistant or the School Prospectus.

**Student Support**

Staff at Victoria want students' learning experiences at the University to be positive. If your academic progress is causing you concern, please contact the relevant Course Coordinator, or Associate Dean who will either help you directly or put you in contact with someone who can.

The Student Services Group is also available to provide a variety of support and services. Find out more at [www.vuw.ac.nz/st\\_services/](http://www.vuw.ac.nz/st_services/) or email [student-services@vuw.ac.nz](mailto:student-services@vuw.ac.nz).

VUWSA employs two Education Coordinators who deal with academic problems and provide support, advice and advocacy services, as well as organising class representatives and faculty delegates. The Education Office is located on the ground floor, Student Union Building, phone 463 6983 or 463 6984, email [education@vuwsa.org.nz](mailto:education@vuwsa.org.nz).



## Lecture Schedule - MMBA 535 - 2005

Week	Date	Topic	Reading
1	21 February	- Course Introduction	Thain
2	28 February	- Competitive Strategies / Strategic Groups - Understanding Competitive Advantage	Porter Miller Day & Wensley Coyne
3	7 March	- Introduction to Mike's Bikes Simulation Software	
4	14 March	- Resource-Based View of the Firm	Ambrosini Barney
5	21 March	- Assessing Rivalry & Competitive Responses	Zahra & Chaples Clark & Montgomery
Easter and mid-trimester break 25 March – April 10			
6	11 April	- Changing Industry Conditions	Slywotzky & Wise Kaplan
7	18 April	- Planning / Control and Advantage	Schoemaker Harrison
<i>14 April-22 April practice period for NetMike</i>			
8	25 April	- no class (ANZAC Day)	—

## Lecture Schedule - MMBA 535 - 2005

Week	Date	Topic	Reading
***	26 April	<i>Strategic Business Plan due by 5pm</i>	
9	2 May	- What Role does Chance play?	Ma Smircich & Stubbart
	2 May	<i>1<sup>st</sup> NetMike rollover (5 pm)</i>	
	3 May	<i>2<sup>nd</sup> NetMike rollover (6pm)</i>	
	5 May	<i>3<sup>rd</sup> NetMike rollover (6pm)</i>	
	7 May	<i>4<sup>th</sup>-10<sup>th</sup> NetMike rollover (starting 9am)</i>	
10	9 May	- Adv. in New vs. Traditional Industries - National Bases of Advantage	Arthur Porter
11	16 May	- no class	—
***		<i>Multi-year simulation reports due by 6pm</i>	
12	23 May	- Developing Advantage through Cooperation	Walker
***	2 June	<i>Competitive Action/Response Assessment due by 6pm</i>	

*Class sessions will not be held on 25 April and 16 May due to the group meetings (30 minutes) with the course director and the all day simulation on 7 May.*