



Victoria Management School

## **MMBA535 ADVANCED STRATEGIC MANAGEMENT**

Trimester Two 2007

### **COURSE OUTLINE**

#### **Contact Details**

#### **COURSE COORDINATOR**

**Dr Urs Daellenbach**

Room: RH929, Rutherford House

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#### **Class Times and Room Numbers**

Lecture: Monday: 19:40-21:30 (Old Government Buildings GB G04)

All day simulation: Saturday, September 15 2007: 9am-5pm (at Rutherford House)

This course does not have a final examination.

#### **Introduction**

This course aims to provide students with a deeper theoretical understanding of how competitive actions and responses can be examined, assessed and developed. This elective in strategic management is closely focused on issues of competitive strategies and advantage, sources of advantage, competitive interactions and industry dynamics. By combining both complementary and contrasting readings on a series of topics in competitive strategy, the course will challenge students to think critically about issues that related to advantage, competitive actions, sense making and rivalry. The topics covered draw on, complement and augment material covered in MMBA534 as well as other MBA courses.

A key aspect in the learning for this course results from the use of a business simulation, Mike's Bikes. While learning the details of the simulation is important, the most substantial benefits and insights result from the ability of the simulation to bring together and model the effects of competing decisions. Groups, then, need to quickly reassess their situation and formulate appropriate strategies to address their own and competitors' objectives.

## **Programme and Course-related Learning Objectives**

This course will provide students opportunity:

- to develop oral, written and IT-related communication skills
  - through active participation in class discussions which will utilise a seminar format that includes both formal and informal classroom debate
  - through the development and presentation of written reports, using narrative, rhetoric and diagrammatic and other schema as forms of presentation
- to develop critical and creative thinking skills
  - through exercises and assignments requiring analysis, evaluation, interpretation and synthesis
  - through debate and classroom discussion
  - through application of workplace experience to the materials covered in readings and seminars
- to develop leadership skills
  - through structuring independent study: developing and researching a real world competitive situation
  - through leading and contributing to the group exercises within the business simulation
  - through fulfilling spokesperson duties, reporting on the group's activities or ideas to a course director and other competing student groups

## **Overall Course Objectives**

The course has several objectives, which include:

- understanding the major theories and concepts underlying competitive advantage and industry dynamics
- improving competence in how to assess and apply these theories and concepts to competitive situations across a variety of industry contexts
- examining contemporary issues associated with competitive and cooperative interactions both globally and in New Zealand
- developing a broad perspective on how to incorporate competitive effects into positioning an organisation for success and formulating more effective strategies

## **Course-related Student Learning Objectives**

On successful completion of the course, students should be able to:

- demonstrate an understanding of some major theoretical frameworks and concepts relevant to competitive and cooperative strategy situations
- use such frameworks to critically evaluate current strategies and propose updated strategies and alternatives for an organisation
- develop an ability to communicate such recommendations to other group members and others outside the group
- recognise the importance of critical analysis, leadership and communication in understanding both your strategic position as well as competing positions

## **Workload**

Workload expectations for this course average at 10 hours per week for the 12 teaching weeks and 30hrs during the mid-trimester break. The workload in the weeks prior to the Saturday simulation is likely to be higher, including the simulation itself, group meetings and discussions with the course coordinator.

## **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 individual assignments.

## Readings

A set of readings and associated discussion/case questions will be made available to all students at the start of the trimester. There is no textbook for MMBA535.

## Assessment Requirements

Assignment	Title	Weight	Date
1	Reading/Case write-ups (3 * 5% each)	15%	due at start of associated class
2	Business Simulation: Strategic Plan (group assignment)	10%	due September 3 in class
	Business Simulation: Company Performance	10%	9am-5pm on Saturday 15 September
	Business Simulation: Multi-year Report	30%	due September 24 in class
3	Competitive Action/Response Assessment	35%	due October 12
	<b>TOTAL</b>	<b>100%</b>	

### 1. Reading/Case Write-up

Date: due at the start of the associated class    Marks: 5% each (3 required during the trimester)

Each week, a set 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 thought through your answers/perspectives on the questions asked and situations examined.

During the trimester you will need to submit a write-up on 3 of these for evaluation. The write-up must be submitted at the beginning of the class that it pertains to. A write-up should be no more than two pages long, not necessarily typed (although only legible answers can be graded). A mind map is an alternative format, with some accompanying explanation and critical reflection. Critical consideration of the readings and their application to the case study are essential. The write-up should highlight your understanding of the key concepts associated with each session and your perspective on the readings, case and questions asked. If you disagree with aspects of the readings, then please note why and support it with clear reasoning and counter-examples. You can illustrate your understanding and interaction with the key concepts using examples from your experience or workplace. There are 10 sessions during the trimester where it is possible to complete these write-ups – it is inadvisable to delay completing these as this limits your choice of the sessions to write up. Each write-up itself constitutes “individual work”, although you may discuss the readings and case with others prior to class.

### 2. Business Simulation Assignments (combined total 50%)

**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 trimester. 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 15 September, 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 15 September 2007.** An introductory session and practice rollovers will precede the simulation itself (see the course schedule attached at the end of the outline).

**Strategic Business Plan (10% Group assignment)** – due in class 3 September 2007, your group will need to e-mail a strategic business plan for your company (up to 3000 words) to 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 4 September and 7 September, 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 10 September at 6pm). The second rollover will occur at 6pm on Tuesday 11 September, with a third rollover on Thursday 13 September. All remaining rollovers will occur at regular intervals between 9am and 5pm on Saturday 15 September.

Work on the plan 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 will naturally play a key role in how your company is assessed, but will not be the only basis on which performance is judged.

**Multi-year Report (30%)** – 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 24 September by 5pm at the VMS 10<sup>th</sup> Floor reception (note: the reception closes at 5:15pm). The final write up of your report constitutes “individual work”.

### **3. Competitive Action/Response Assessment**

Due: 12 October 2007                      Marks: 35%

By the middle of the trimester, you should have chosen a New Zealand competitive situation from the last 3 years to analyse – it is expected that you will discuss your choice with the course director. The situation should involve a significant competitive move (labelled here an “attack”) by one firm 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 Friday 12 October by 5pm at the VMS 10<sup>th</sup> Floor reception. This report constitutes “individual work”.

#### **Handing in assignments:**

Assignments (not due on the day of a scheduled class) should be dropped off at RH929 during the day or at the 10<sup>th</sup> Floor VMS Reception on Rutherford House (prior to 5:15pm when the VMS reception closes).

Students must also keep an electronic copy of their work archived in case the original assignment goes missing. Failure to do so will jeopardise any claim by you that your work was submitted in the rare cases where your work goes astray. An electronic copy may be e-mailed to the course director as proof of completion time, but a printed copy must also be handed in for marking.

### **Mandatory Course Requirements**

To meet Mandatory Course Requirements, students are required to:

- a. Participate and contribute equitably to all group work aspects the business simulation.

Students who fail to satisfy the mandatory requirements for this course but who obtain 50% or more overall, will be awarded a "K" grade. Standard fail grades (D or E) will be awarded when the student's overall course mark falls below the minimum pass mark, regardless of whether the mandatory course requirements have been satisfied or not. Notice of Failure to meet Mandatory Course Requirements will be posted on Blackboard or on the Mezzanine Floor Notice-board.

### **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.

### **Victoria MBA Grading Standards are as follows:**

#### Excellent Category

A- (75 – 79%) to A (80 – 85%) to A+ (above 85%): The learning is demonstrated to a very high level of proficiency, i.e. it is at a standard that makes it exceptional at Master's level.

#### Very Good Category

B+ (70 – 74%): The learning is demonstrated at a high standard. Students have reached a level that clearly exceeds "competency".

#### Good Category

B (65 – 69%): The learning is clearly demonstrated without being exceptional in any way. Students can be thought of as fully competent.

#### Satisfactory Category

B- (60 – 64%): The learning is demonstrated without being exceptional in any way. Students can be thought of as competent.

#### Marginal Category

C (50 – 54%) to C+ (55 – 59%): The learning is demonstrated to a minimally acceptable level. There may be flaws but these are not serious enough to "fail" the student.

#### Unsatisfactory / Failure Category

E (0 – 39%) to D (40 – 49%): The learning is absent or performed to a very low level, or the performance is seriously flawed.

### **Referencing**

There are many different styles of referencing and the Faculty of Commerce & Administration at VUW has decided to make APA (American Psychological Association) referencing style the common standard across the Faculty. The Commerce and Central Libraries hold the APA Style Guide. You can also access the information from the online VUW library site (<http://www.vuw.ac.nz/library/research/reference/referencingguides.aspx>).

### **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 535.

### **Faculty of Commerce and Administration Offices**

#### Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

#### Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA005) and offices 125a to 131 (Level 1). The office is available for the following:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

### **General University Policies and Statutes**

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar or go to [www.vuw.ac.nz/policy](http://www.vuw.ac.nz/policy).

For information on the following topics, go to the Faculty's website [www.vuw.ac.nz/fca](http://www.vuw.ac.nz/fca) under Important Information for Students:

- Academic Grievances
- Academic Integrity and Plagiarism
- Student and Staff Conduct
- Meeting the Needs of Students with Impairments
- Student Support

### **Manaaki Pihipihinga Programme**

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus. For further information, or to register with the programme, email [manaaki-pihipihinga-programme@vuw.ac.nz](mailto:manaaki-pihipihinga-programme@vuw.ac.nz) or phone (04) 463 5233 ext. 8977. To contact the Pacific Support Coordinator, email [pacific-support-coord@vuw.ac.nz](mailto:pacific-support-coord@vuw.ac.nz) or phone (04) 463 5842.

## Lecture Schedule - MMBA 535 - 2007

Week	Date	Topic
1	9 July	- NO CLASS (readings available from MBA Office)
2	16 July	- Course Introduction - Understanding Competitive Advantage
3	23 July	- Competitive Strategies / Strategic Groups
4	30 July	- Introduction to Mike's Bikes Simulation Software
5	6 August	- Resource-Based View of the Firm
6	13 August	- Planning / Control and Advantage
<i>14 August-3 September practice period for Mike's Bikes simulation</i>		
Mid-trimester break August 20 – September 2		
7	3 September	- Assessing Rivalry & Competitive Responses
***	<i>3 September</i>	<i>Strategic Business Plan due in class</i>
8	10 September	- Changing Industry Conditions - What Role does Chance play?
<i>Group Simulation dates:</i>		
	<i>10 September</i>	<i>1<sup>st</sup> NetMike rollover (6 pm)</i>
	<i>11 September</i>	<i>2<sup>nd</sup> NetMike rollover (6 pm)</i>
	<i>13 September</i>	<i>3<sup>rd</sup> NetMike rollover (6 pm)</i>
	<i>15 September</i>	<i>Saturday Simulation 4<sup>th</sup>-X<sup>th</sup> NetMike rollover (starting 9 am)</i>
9	17 September	- Advantage in 'New' Industries
10	24 September	- NO CLASS
***		<i>Multi-year simulation reports due by 5:00 pm</i>
11	1 October	- National Bases of Advantage
12	8 October	- Developing Advantage through Cooperation - Course Review
***	<i>12 October</i>	<i>Competitive Action/Response Assessment due by 5:00 pm</i>

*Class sessions will not be held on 9 July and 24 September due to the time allocated to group meetings with the course director (30 minutes in week of 3-8 September) and the all day simulation on 15 September.*