

החוג לניהול / Dept. of Management

3304-1221 – יסודות האסטרטגיה

Fundamentals of Strategy

Prerequisites:

(5120-1221) Organizational Behavior- Micro:)1221-3103(and Business Economics A
או קורסים מקבילים בחוג השני

:Corequisites

(5119-1221) Organizational Behavior-)Macro: 1221-3102(and Business Economics B
או קורסים מקבילים בחוג השני

First Semester – 2020/2021

The groups:

Email		Home Exam*	Hours	Day	Group
aharonson@tauex.tau.ac.il	Aharonson Barak	Detailed in the exam board	8:00-12:00 Group 01- First Half of the semester until 22/11/2020	Sunday	01
aharonson@tauex.tau.ac.il	Aharonson Barak	Detailed in the exam board	08:00-12:00 Group 02- First Half of the semester until 26/11/2020	Thursday	02
nuritnahum@tauex.tau.ac.il	Nurit Nahum	Detailed in the exam board	08:00-12:00 Group 03- Second Half of the semester starting 29/11/2020	sunday	03

*** Home exam. Restricted to 24 hours.**

Teaching Assistant (TA): TBD

Office Hours: By appointment

Course Units

2 course hours = 4 ECTS units

The ECTS (European Credit Transfer and Accumulation System) is a framework defined by the European Commission to allow for unified recognition of student academic achievements from different countries.

2 ש"ס

European Credit Transfer and Accumulation System (ECTS) – 2 ש"ס = 4 ECTS, ערך הניקוד של הקורס במוסדות להשכלה גבוהה בעולם שהינם חלק מ"תהליך בולוניה".

Course Description

This core course deals with the craft of strategy formulation and implementation that drive competitive organizations. The course provides insight into how to identify and choose a superior competitive position, how to analyze a strategic situation, and finally how to create the organizational context to make the chosen strategy work. As such, the objectives of this course are twofold: 1) to explore conceptual frameworks and models which will assist you with analyzing competitive situation and strategic dilemmas and gain insight into strategic management; 2) to help you acquire experience in dealing with strategic issues. We start by defining the logic of strategy and how strategy relates to different measures of firm performance. We then move to the analysis of the external competitive environment, looking at industry structure, value chain dynamics, and assess how a firm can select the best position within this environment. Based on this analysis and the firm core competencies, we consider specific actions a firm can take within a particular market or industry to gain competitive advantages. Such business strategies include vertical integration, cost leadership and product differentiation. These alternative strategic choices may offer valuable opportunities, yet may entail tremendous uncertainty. We then turn to strategic options available to the firm seeking to gain competitive advantages by operating in multiple businesses simultaneously. Such corporate level strategies include strategic alliances, diversification, and acquisitions.

Course Objectives

At the end of the course, the student will be able to:

1. Differentiate between different domains within the corporation to which strategy may be applied
2. Analyze a firm's internal resources and capabilities to determine its source of competitive advantage.
3. Analyze a firm's external business environment, identify suitable strategies and discuss their implementation.
4. Apply conceptual models which clarify the interactions between industry, competition, firm resources, and the structure and development of firm capabilities.
5. Evaluate alternative mechanism for firm expansion and diversification

Evaluation of Student and Composition of Grade

This course will be held in English. Nevertheless, students will be able to switch to Hebrew when needed. All course assignments must be submitted in English. The final exam will be printed in English.

Throughout the course, we will analyze a few cases and make strategy recommendations. In doing so, we will build on readings (e.g., book chapters, articles, etc.) which provide the theoretical and conceptual basis for the class session during which the case will be discussed. For each lecture topic, you may be asked to present your insights to the class.

Percentage	Assignment	Comments
10%	In class participation	Participation in the discussion (attendance and asking questions don't count as participation)
20%	Assignments/ Cases	Unused % will apply to the final exam

70%	Final exam- Home exam. Restricted to 12 hours.	The written exam will cover all class materials (readings, lectures, discussions, etc.) including cases discussed in class. It will be an in-class, closed-book, closed-computer, written exam and may consist of true/false, multiple choice, and essay questions. The exam will be printed in English.
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- According to University regulations, participation in all classes of a course is mandatory (Article 5).
- Students who absent themselves from classes or do not actively participate in class may be removed from the course at the discretion of the lecturer. (Students remain financially liable for the course even if they are removed.)
- Necessary condition for passing the course is a minimum grade of 60 in the exam. The final grade of a student who will fail the exam, will be the exam grade.

Students who are unable to complete an assignment or course requirement must notify the TA of the course in advance via email

Grading Policy

In the 2008/9 academic year the Faculty instituted a grading policy for all graduate level courses that aims to maintain a certain level of the final course grade. Additional information regarding this policy can be found on the Faculty website.

Evaluation of the Course by Student

Following completion of the course students will participate in a teaching survey to evaluate the instructor and the course, to provide feedback for the benefit of the students, the teachers and the university.

Course Site (Moodle)

The course site will be the primary tool to communicate messages and material to students. You should check the course site regularly for information on classes, assignments and exams, at the end of the course as well. Course material will be available on the course site.

Please note that topics that are not covered in the course material but are discussed in class are considered integral to the course and may be tested in examinations.

Course Outline*

	Subject	Readings (Due before class)
1	Introduction	Ch. 1
2	External Analysis	Ch. 2
3	External Analysis (In class exercise)	Ch. 2
4	Internal Analysis	Ch. 3
5	Internal Analysis (In class exercise)	Ch. 3
6	Corporate strategy (Differentiation, Competition Dynamics, Sustaining competitive advantage, Blue Ocean, org., structure)	Ch. 4-6, 11
3		
7	Corporate strategy (Differentiation, Competition Dynamics, Sustaining competitive advantage, Blue Ocean, org., structure) (In class exercise)	Ch. 4-6, 11

Mandatory Reading

Hitt, M., Ireland, D., and Hoskisson, R. 2007. Management of strategy: Concepts and cases. Case Studies for class discussion (To be determined)

Recommended Reading

Internal and External Analysis

- Barney, J. B. 2002. Gaining and sustaining competitive advantage. Chapter 1
- Grant, R. M. 2009. Contemporary strategy analysis. Wiley. Chapter 3
- Barney, J.B. "Looking Inside for Competitive Advantage", Academy of Management Executive, 1995, vol 9(4), pp. 49-61
- Barney, J. B. 2002. Gaining and sustaining competitive advantage. Chapter 7
- Rumelt, R. 2011. The perils of bad strategy, McKinsey Quarterly: 1-10.
- Porter, M. E. "The five competitive forces that shape strategy." Harvard business review 86.1 (2008): 78.
- Porter, M.E., 2007. "Understanding industry structure."

Competitive Strategy

- Barney, J. B. 2002. Gaining and sustaining competitive advantage. Chapter 7
- Barney, J.B. "Looking Inside for Competitive Advantage", Academy of Management Executive, 1995, vol 9(4), pp. 49-61
- Jacobides, Michael G., and Stephan Billinger. "Designing the boundaries of the firm: From "make, buy, or ally" to the dynamic benefits of vertical architecture." Organization science 17.2 (2006): 249-261

Corporate Strategies

- Ireland, R. D., Hoskisson, R. E., & Hitt, M. A. 2009. The management of strategy (9th ed.). South-Western Cengage Learning, Chapter 6
- Hill and Jones, Strategic Management, Chapter 9
- Ireland, R. D., Hoskisson, R. E., & Hitt, M. A. 2009. The management of strategy (9th ed.) South-Western Cengage Learning, Chapter 5