



STRATEGY

Course # 1238.2322.01

Semester B – 2011

Lecturer: Dr. Barak Aharonson

Course Time: Tuesday 8:15- 11:00
& Thursday 11:15-14:00
(1st half of semester B)

Classroom: Recanati 253

Office Hours: By Appointment

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Course Focus

This course focuses on the competitive strategy of the firm, examining issues central to firms' long- and short-term competitive position. The course develops a set of analytical frameworks that enable students to explain performance differences among firms and that, in turn, provide a structure for making strategic decisions to enhance firms' future competitive positions. The first module of the course analyzes strategy at the business unit level, introducing tools of industry analysis and competitive positioning. The later part of the course considers corporate strategy, examining the economic logic for firms to diversify across businesses and for vertical integration decisions across stages of the industry value chain. The final segment of the course addressed the challenges of adaptation and change.

Overview: The primary goal of the course is to enhance your ability to understand, formulate and assess an organization's strategy

- Assessing the external conditions in the organization's environment
- Assessing the internal conditions in the organization's environment
- Understanding how the organization derives value
- Assessing the organization's competitive advantage and sustainability

The course incorporates readings drawn from scholarly professional and business journals and books as well as in-class simulations/exercises.

Course Materials

There is a required course reader. The reader containing all the course readings will be available prior to the start of the course. You will need to prepare the material for our first class. Additional items may be located on the course website.

Electronic Access to Course Materials

The course website at Virtual Tau: <http://virtual.tau.ac.il>

Course Requirements

- Group Cases - 15% of grade
- Group Articles - 10% of grade
- Group Straus Project - 15% of grade
- Final Exam - 60% of grade

Class Attendance

Given the nature of the course, it is suggested that students attend all sessions and actively participate in class discussions for maximum course benefit, and given that **the final exam will include all the material covered in the readings and in class.**

While you see the schedule bellow I reserve the option to change it, as we go.

I look forward to meet all of you.

MBA PROGRAM READINGS AND ASSIGNMENTS

SESSION 1 Feb. 22, 2011 Tuesday	INTRODUCTION TO STRATEGY
Lecture Topic	<ul style="list-style-type: none"> • Introduction to the course • What is Strategic Management • Organizing into groups
Readings	<ul style="list-style-type: none"> • Syllabus...truly fascinating reading • “What Is Strategy?” By: Porter, Michael E. Harvard Business Review, Nov/Dec96, Vol. 74 Issue 6, p. 61-78
Assignment (Individual)	<ul style="list-style-type: none"> • No Assignment

SESSION 2 Feb. 24, 2011 Thursday	EXTERNAL ANALYSIS
Lecture Topic	<ul style="list-style-type: none"> • Porter’s 5 forces
Readings	<ul style="list-style-type: none"> • “The Five Competitive Forces that Shape Strategy” By: Porter, Michael E. Harvard Business Review, Jan2008, Vol. 86 Issue 1, p78-93, 16p
Assignment	<ul style="list-style-type: none"> • Bring a newspaper article which provides an example of the impact, of any of the five forces mentioned in Porter’s article, on the organization’s performance. Summarize the article, its findings and how it relates to the readings in a one page 12 font Times New Roman and one inch margins on all sides. This page will be submitted at the end of the class. • Submit online before class a 7 slide presentation – the first slide about the firm, the second slide summing up the findings and next a slide for each of Porter’s 5 forces (12 font Times New Roman and one inch margins on all sides, double space) using 5 forces analysis for a firm you received in the previous class.

SESSION 3 March 1, 2011 Tuesday	EXTERNAL ANALYSIS (CONTINUE)
Lecture Topic	<ul style="list-style-type: none"> Porter's 5 forces
Readings	<ul style="list-style-type: none"> Chapter 12 – "Industry Analysis" in David Besanko, David Dranove, Mark Shanley, and Scott Schaefer, Economics of Strategy, 5th edition, 2010, Wiley Donald C. Hambrick and James W. Fredrickson 2001. "Are you sure you have a strategy" Academy of Management Executive Case: Southwest Airlines 2008
Assignment	<ul style="list-style-type: none"> Submit online before class a slide presentation – (12 font Times New Roman and one inch margins on all sides, double space) using Porter's 5 forces analysis for Southwest.

SESSION 4 March 3, 2011 Thursday	EXTERNAL ANALYSIS (CONTINUE)
Lecture Topic	<ul style="list-style-type: none"> Hambrick's Dimond Other external models
Readings	<ul style="list-style-type: none"> Case: Southwest Airlines 2008
Assignment Due	<ul style="list-style-type: none"> NONE

SESSION 5 March 8, 2011 Tuesday	INTERNAL ANALYSIS
Lecture Topic	<ul style="list-style-type: none"> RBV VIRO model Porter's value chain Organization's ID
Readings	<ul style="list-style-type: none"> Barney, J.B. "Looking Inside for Competitive Advantage", Academy of Management Executive, 1995, vol 9(4), pp. 49-61
Assignment Due	<ul style="list-style-type: none"> Bring a newspaper article which provides an example of the impact, of any resource, on the organization's performance. Summarize the article, its findings and how it relates to the readings in a one page 12 font Times New Roman and one inch margins on all sides, double space (do a VIRO analysis of the resource). This page will be submitted at the end of the class.

SESSION 6 March 10, 2011 Thursday	INTERNAL ANALYSIS (CONTINUE)
Lecture Topic	<ul style="list-style-type: none"> Scale and Scope TCE Case: Cola Wars Continue: Coke and Pepsi 2006
Readings	<ul style="list-style-type: none"> Chapter 2 – “Economies of Scale and Scope” in David Besanko, David Dranove, Mark Shanley, and Scott Schaefer, Economics of Strategy, 5th edition, 2010, Wiley Case: Cola Wars Continue: Coke and Pepsi 2006
Assignment Due	<ul style="list-style-type: none"> Answer the questions you received in the previous class for the case

SESSION 7 March 15, 2011 Tuesday	Competitive Advantage
Lecture Topic	<ul style="list-style-type: none"> What is competitive advantage? How do organizations create a competitive advantage? How does the competitive advantage impact the organization’s ability to extract value in the industry value chain? Case: TEVA Pharmaceutical Industries, LTD Preparing for the visit to Straus Elite
Readings	<ul style="list-style-type: none"> Case: TEVA Pharmaceutical Industries, LTD Chapter 3 – “Competitive Advantage” in Garth Saloner, Andrea Shepard, and Joel Podolny, Strategic Management, 2001, Wiley Creating competitive advantage” Pankaj Ghemawat (HBS 798-062)
Assignment Due	<ul style="list-style-type: none"> Answer the questions you received in the previous class for the case

SESSION 8 March 17, 2011 Thursday	Visit Straus Elite
Lecture Topic	<ul style="list-style-type: none"> No lecture that day.
Readings	<ul style="list-style-type: none"> Yearly financial report of Straus Elite (only the relevant material to strategy) & website
Assignment Due	<ul style="list-style-type: none"> Submit in the morning up to a 5 page strategic analysis (internal and external) of Straus Elite, and explain what their competitive analysis is (12 font Times New Roman and one inch margins on all sides, double space). In addition, do a strategic analysis of the unit you received, and explain the connection between the strategy of this unit and the overarching strategy of the organization.

SESSION 9 March 22, 2011 Tuesday	Sustaining Competitive Analysis
Lecture Topic	<ul style="list-style-type: none"> • How sustainable is a competitive advantage? • Can an organization ensure sustainability of a competitive advantage?
Readings	<ul style="list-style-type: none"> • Ch. 5 – “Sustaining Superior Performance” in Pankaj Ghemawat, Strategy and the Business Landscape, 2010, Pearson • Case: Matching Dell
Assignment Due	<ul style="list-style-type: none"> • Submit up to a 2 pages explaining how different is Straus Elite’s strategy outlined by the organization from the analysis you submitted. Explain why there was a difference. • Answer the questions you received in the previous class for the case

SESSION 10 March 24, 2011 Thursday	Organizational Structure
Lecture Topic	<ul style="list-style-type: none"> • What are the different types of organization’s structure? • What is the impact of the organization’s structure on the organization’s performance?
Readings	<ul style="list-style-type: none"> • “Building Better Bureaucracies” by Paul S. Adler (Link: http://road.uww.edu/road/parbotek/250-745/WEEK4%20Bureaucracies.pdf) • Organization design: fashion or fit? By: Mintzberg, Henry. Harvard Business Review, Jan/Feb81, Vol. 59 Issue 1, p103-116, 14p • “The Ambidextrous Organization.” By: O’Reilly III, Charles A.; Tushman, Michael L.. Harvard Business Review, Apr 2004, Vol. 82 Issue 4, p74-81, 8p
Assignment Due	<ul style="list-style-type: none"> • Bring a newspaper article which provides an example of an organization structure and how it relates to the organization’s strategy and how it impacts the organization’s performance. Summarize the article, its findings and how it relates to the readings in a one page 12 font Times New Roman and one inch margins on all sides, double space. This page will be submitted at the end of the class

SESSION 11 March 29, 2011 Tuesday	EXTERNAL NETWORKS
Lecture Topic	<ul style="list-style-type: none"> • How the organization’s strategy impacts the external networks? • How external networks impact the organization’s strategy and performance? • Case: The KLM Approach to Alliance
Readings	<ul style="list-style-type: none"> • “Group Versus Group: How Alliance Networks Compete.” By: Gomes-Casseres, Benjamin. • “The Competitive Dynamics of Network-Based Businesses.” By: Coyne, Kevin P.; Dye, Renée. • Case: The KLM Approach to Alliance
Assignment Due	<ul style="list-style-type: none"> • Answer the questions you received in the previous class for the case

SESSION 12 March 31, 2011 Thursday	INTERNAL NETWORKS
Lecture Topic	<ul style="list-style-type: none"> • How the organization's strategy impacts the internal networks? • How internal networks impact the organization's strategy and performance?
Readings	<ul style="list-style-type: none"> • "Informal Network: The company behind the chart" by Krackhardt David and Hanson Jeffrey R. • "Harnessing Your Staff's Informal Networks" By: McDermott, Richard
Assignment Due	<ul style="list-style-type: none"> • Bring a newspaper article which provides an example of the impact of organization's strategy on the organization's external and of the organization's external network on the organization's performance. Summarize the article, its findings and how it relates to the readings in up to two pages, 12 font Times New Roman and one inch margins on all sides, double space. This page will be submitted at the end of the class.

April 5 – Final Exam

All pages are single side.