

# STRATEGIES FOR COMPETING IN INDUSTRIES AND MARKETS

**IE University**

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Semester: 1<sup>o</sup>

Category: COMPULSORY

Number of credits: 5.0

Language: English

## PREREQUISITES

## SUBJECT DESCRIPTION

*“Strategy is a plan, a method, a series of action designed to achieve a specific goal or effect”  
(Wordsmyth Dictionary)*

*“The determination of long-run goals and objectives by an enterprise and the adoption of courses of action and the allocation of resources necessary for carrying out these goals” (Chandler, 1962).*

Although, there exist a plethora of definitions, in a broad sense strategy refers to the means through which individuals or organizations achieve their objectives. The conception of firm strategy has changed over the last century due essentially to the nature of business environment, increasingly more unstable and unpredictable. This created a shift from strategy as a plan to strategy as direction. In this sense, strategy assists the effective management of organizations by enhancing the quality of decision-making and by facilitating coordination. Finally, strategy focuses on the pursuit of long- term goals. Strategic choices can be distilled into two questions: How to compete? Where to compete? The two answers define the two major areas of strategic management that we also develop in the course: namely, business strategy and corporate strategy.

## OBJECTIVES AND SKILLS

The purpose of this course is to develop participants' ability to think strategically and to provide suitable tools and knowledge to understand how companies can achieve and sustain competitive advantage. This course develops concepts that are used to analyze the competitive environment of a firm and its internal strengths and weaknesses, also in dynamic environments.

The course will make use of interactive teaching methods, aimed at transferring highly specialized knowledge related to the individual topics, and to develop attitudes and abilities to listening, strategic thinking, group-working, participation and leadership.

The course is designed to:

- learn how a firm creates value
- learn how to analyze the structure of an industry
- learn how to analyze the competitive position of a firm

- learn how to formulate a strategy for a business
- learn how a firm sustains its value over time and maintains a competitive advantage
- learn about the problems related to the implementation of strategies through practical examples

## **METHODOLOGY**

The course adopts a mixed methodology

<b>Teaching methodology</b>	<b>Weighting</b>	<b>Estimated time a student should dedicate to prepare for and participate in</b>
Lectures	33.33 %	50 hours
Discussions	23.33 %	35 hours
Exercises	16.67 %	25 hours
Group work	16.67 %	25 hours
Other individual studying	10.0 %	15 hours
<b>TOTAL</b>	<b>100.0 %</b>	<b>150 hours</b>

## **PROGRAM**

### **SESSION 1 (LIVE IN-PERSON)**

#### **INTRODUCTION TO THE COURSE AND TO THE CONCEPT OF STRATEGY**

*Teaching Methodology: Face to Face class*

*Book Chapters: Chapter 1 from Grant Textbook (Book) (See Bibliography)*

*Book Chapters: Introduction: Strategy and Economics from Besanko textbook. (Book) (See Bibliography)*

### **SESSION 2 (LIVE IN-PERSON)**

#### **VALUE CREATION, VALUE CAPTURE, FIRM'S PERFORMANCE & THEIR INDICATORS**

*Teaching methodology: Face to Face class*

*Book Chapters: Chapter 2 from Grant Textbook (Book) (See Bibliography)*

*Book Chapters: Economics Primer from Besanko Textbook (pages 9-25); Chapter 9 (pages 279-292) Besanko textbook (Book) (See Bibliography)*

### **SESSIONS 3 - 4 (LIVE IN-PERSON)**

#### **INDUSTRY ANALYSIS & STRUCTURE - CONDUCT – PERFORMANCE APPROACH**

*Teaching Methodology: Face to Face*

*Book Chapters: Chapters 3 and first paragraph (Does Industry Really matter?) of Chapter 4 from Grant Textbook. (Book) (See Bibliography)*

*Book Chapters: Chapter 5 pages 155-162 Besanko textbook; Chapter 8 pages 247-254 from Besanko Textbook. (Book) (See Bibliography)*

### **SESSION 5 (LIVE IN-PERSON)**

#### **APPLYING INDUSTRY ANALYSIS**

*Teaching methodology: Face to Face*

Case Assigned: US Airlines, source: Grant Textbook.

## **SESSION 6 (LIVE IN-PERSON)**

### **SEGMENTATION & BLUE OCEAN STRATEGY**

*Teaching Methodology: Face to Face*

*Book Chapters: Grant Textbook: Chapter 4 (paragraph on Segmentation and Strategic Groups) (Book) (See Bibliography)*

*Book Chapters: Besanko Textbook Chapter 9 pages 310-314. (Book) (See Bibliography)*

*Article: Blue Ocean Strategy: From Theory to Practice (HBS CMR312-PDF-ENG)*

## **SESSION 7 (ASYNCHRONOUS)**

### **HOW MUCH DO YOU KNOW ABOUT INDUSTRY ANALYSIS?**

*Teaching Methodology: Asynchronous - Exercises to solve in Team*

## **SESSION 8 (LIVE IN-PERSON)**

### **RESOURCES & CAPABILITIES**

*Teaching Methodology: Face to Face*

*Book Chapters: Chapter 5 from Grant Textbook (Book) (See Bibliography)*

*Book Chapters: Chapter 11 (pages 353 – 357) from Besanko Textbook (Book) (See Bibliography)*

*Article: Competing on Resources (HBS R0807N-PDF-ENG)*

## **SESSION 9 (LIVE IN-PERSON)**

### **APPLICATION OF THE RBV FRAMEWORK: CASE DISCUSSION**

*Teaching Methodology: Face to Face*

Case: Harley Davidson case, source: Grant Textbook

## **SESSION 10 (LIVE IN-PERSON)**

### **COMPETITIVE ADVANTAGE AND ITS SOURCES**

*Teaching Methodology: Face to Face*

*Book Chapters: Chapter 7 from Grant Textbook (Book) (See Bibliography)*

*Book Chapters: Economics Primer from Besanko Textbook (pages 9-25); Chapter 2 (pages 68-75) from Besanko textbook; Chapter 9 (pages 296-310) from Besanko Textbook. (Book) (See Bibliography)*

## **SESSION 11 (LIVE IN-PERSON)**

### **AN APPLICATION OF DIFFERENTIATION ADVANTAGE (BENEFIT ADVANTAGE)**

*Teaching Methodology: Face to Face*

*Article: How to make like an Arrogant Bastard (Inc.com)*

*Practical Case: Arrogant Brewery (STR010104-U-ENG-HTM)*

## **SESSION 12 (ASYNCHRONOUS)**

### **AN APPLICATION OF COST LEADERSHIP (COST ADVANTAGE)**

*Teaching Methodology: Asynchronous Class – Self-study material; Team Assignment to solve*

## **SESSION 13 (LIVE IN-PERSON)**

### **CONSULTANCY PROJECT**

## **SESSIONS 14 - 15 (LIVE IN-PERSON)**

### **GAME THEORY: FUNDAMENTALS & BASIC APPLICATION TO INDUSTRIAL ORGANIZATION**

*Teaching Methodology: Face to face*

*Book Chapters: Economics Primer from the Besanko Textbook (pages 29-21). (Book) (See Bibliography)*

*Additional notes from the Professor*

## **SESSIONS 16 - 17 (LIVE IN-PERSON)**

### **COMPETITIVE DYNAMICS: SIMULATION GAME**

*Teaching Methodology: Face to Face*

*Simulation of the LOBSTER Game.*

*Instructions and Notes from the Professor*

*Book Chapters: Chapter 5 Besanko textbook (pages 170-178). (Book) (See Bibliography)*

*Book Chapters: Chapter 6 Besanko textbook; Chapter 11 (pages 364-367) from Besanko textbook (Book) (See Bibliography)*

## **SESSION 18 (LIVE IN-PERSON)**

### **ENTRY DYNAMICS**

*Teaching methodology: Face to Face*

*Teaching material from the Professor*

## **SESSION 19 (LIVE IN-PERSON)**

### **INDUSTRY LIFE CYCLE & COMPETITION IN THE MATURE INDUSTRIES**

*Teaching Methodology: Face to Face*

*Book Chapters: Chapters 8, and 10 from Grant Textbook (Book) (See Bibliography)*

## **SESSION 20 (ASYNCHRONOUS)**

### **COMPETITIVE STRATEGY WRAP UP**

*Teaching Methodology: Asynchronous Class – Simulation*

*Practical Case: Porsche AG. Beyond the limits of Luxury? (STR010106-U-ENG-HTM)*

## **SESSION 21 (LIVE IN-PERSON)**

### **VERTICAL INTEGRATION**

*Teaching Methodology: Face to Face*

*From Textbooks:*

*Book Chapters: Chapter 11 from Grant Textbook (Book) (See Bibliography)*

## **SESSION 22 (LIVE IN-PERSON)**

### **APPLICATION OF VERTICAL INTEGRATION: CASE DISCUSSION**

*Teaching Methodology: Face to Face*

*Practical Case: The Lao Coffee Industry: Implementing Vertical Integration for a Social Cause at Bolaven Farms (HBS HKU933-PDF-ENG)*

## **SESSION 23 (LIVE IN-PERSON)**

### **DIVERSIFICATION**

*Teaching Methodology: Face to Face*

*Book Chapters: Chapter 13 from Grant Textbook (Book) (See Bibliography)*

*Book Chapters: Chapter 2 (pages 64-67: 75-80) from Besanko textbook (Book) (See Bibliography)*

## **SESSION 24 (ASYNCHRONOUS)**

### **APPLICATION OF DIVERSIFICATION STRATEGIES**

*Teaching Methodology: Asynchronous Class – Self-study material; Team Assignment to solve*

*Practical Case: Alphabet Case from Grant Textbook (10th or 11th Edition) (Book) (See Bibliography)*

## **SESSION 25 (LIVE IN-PERSON)**

### **GUEST SPEAKER SESSION**

*Teaching Methodology: Face to Face*

## **SESSION 26 (LIVE IN-PERSON)**

### **CURRENT TRENDS IN STRATEGY: BALANCING PROFIT AND SOCIAL OBJECTIVES**

*Teaching Methodology: Case Discussion*

*Practical Case: Because There is No Planet B. The Case of Ecoalf (STR010114-U-ENG-WOD)*

## **SESSIONS 27 - 28 (LIVE IN-PERSON)**

### **CASE COMPETITION**

*Teaching Methodology: Face to Face*

## **SESSION 29 (LIVE IN-PERSON)**

### **WRAP UP AND CONCLUSIONS OF THE COURSE**

*Teaching Methodology: Face to Face*

## **SESSION 30 (LIVE IN-PERSON)**

### **FINAL EXAM**

## BIBLIOGRAPHY

### Compulsory

- R. Grant. (2019). *Contemporary Strategy Analysis and Cases: Text and Cases*. 11th Edition. Wiley. ISBN 9781119815235 (Printed)

### Recommended

- Besanko, Dranove, Shanley, & Schafer. *Economics of Strategy*. 7th Edition. Wiley. ISBN 9781119378761 (Printed)

- Grant, R.. (2022). *Contemporary Strategy Analysis*.. 11th Edition. Wiley Edition. ISBN 1119815231 (Digital)

## EVALUATION CRITERIA

Please notice that from the beginning of the course you will be assigned to a team.

Your final grade in the course will be based on both individual and group work of different characteristics that will be weighted in the following way:

Criteria	Percentage	Comments
A. Final Exam	50 %	
B. Consultancy Project	15 %	
C. Asynchronous Assignments	15 %	
D. Case Study Competition	10 %	
E. Class Participation	10 %	

The evaluation of the class complies with the following rules:

- 1. A necessary requirement to pass the exam is getting a minimum of 4.5 in the Final Exam (A).** If the student does not reach the minimum threshold of 4.5 in the Final Exam, the course must be considered as FAILED. Students will lose the grades of the asynchronous assignments, case study competition, and participation and they will have to retake the exam in the call of June/July
- 2. Mid-term / Final exam cannot be rescheduled for any reason.** Students who do not show up in the Mid-Term / Final Exam will receive an evaluation equal to 'zero' for the Midterm / Final that will be counted in the final average.
  - **The only exceptions for Final Exam and every in-class evaluation (B, D) is a dispensa or a justification from the BBA office provided upon the presentation of an official (medical) documentation.**
  - If a justification is provided to skip the Final Exam, the student **will take a general exam including also the first part of the program in the call of June/July.**
- 3. If during the exam IT problem might rise, an ad hoc evaluation and exam will be**

**evaluated by the coordinator and the strategy department chair. This might include also the possibility of an oral exam.**

**A. FINAL EXAM (50%)**

Final Exam will include the content from Session 1 to Session 30 included in the textbooks, slides, case studies, readings and notes.

**B. CONSULTANCY PROJECT (15%)**

This project will be design as a first check (self-evaluation as well) throughout which you will be asked to put yourself in the shoes of a business consultant and applied strategy tools to solve and advice a company facing business challenges. This project will be done in class and can be solved by a small team of 2 (max 3) people.

**C. ASYNCHRONOUS ASSIGNMENTS (15%)**

Asynchronous assignments consist of self-study material to be developed and delivered in team according to the instructions of each assignment that will be uploaded with time and in accordance with the structure of the course and its learning objectives.

**D. CASE STUDY COMPETITION (10%)**

The case study competition will take place during sessions 27-28. You will be assigned a short case with questions to solve and you will have to deliver a final presentation with a business solution to be uploaded on the Online Campus. Grades will be ranked on competitive basis.

**E. PARTICIPATION (10%)**

***Participation and attendance in class require stable Wifi, compulsory microphone, compulsory videocamera, dressing manners and etiquette. Students failing these rules will be penalized in the evaluation and in the attendance.*** Individual participation will be evaluated based on three main criteria:

- *Depth and Quality of Contribution:* The most important dimension of participation concerns what it is that you are saying. A high quality comment reveals depth of insight, rigorous use of case evidence, consistency of argument, and realism.
- *Moving Your Peers' Understanding Forward:* Great ideas can be lost through poor presentation. A high quality presentation of ideas must consider the relevance and timing of comments, and the flow and content of the ensuing class discussion. It demands comments that are concise and clear, and that are conveyed with a spirit of involvement in the discussion at hand.
- *Frequency:* Frequency refers to the attainment of a threshold quantity of contributions that is sufficient for making a reliable assessment of comment quality. The logic is simple: if contributions are too few, one cannot reliably assess the quality of your remarks. However, once threshold quantity has been achieved, simply increasing the number of times you talk does not automatically improve your evaluation. Beyond the threshold, it is the quality of your comments that must improve. In particular, one must be especially careful that in claiming more than a fair share of "airtime", quality is not sacrificed for quantity. Finally, your attempts at participation should not be such that the instructor has to "go looking for you". You should be attempting to get into the debate on a regular basis.

**RESIT / RETAKE POLICY**

Each student has four (4) chances to pass any given course distributed over two (2) consecutive academic years. Each academic year consists of two calls: one (1) ordinary call (during the semester when the course is taking place); and one (1) extraordinary call (or "re-sit") in June/July.

Students who do not comply with the 70% attendance requirement in each subject during the semester will automatically fail both calls (ordinary and extraordinary) for that Academic Year and have to re-take the course (i.e., re-enroll) during the next Academic Year.

The Extraordinary Call Evaluation criteria will be subject to the following rules:

- Students failing the course in the ordinary call (during the semester) will have to re-sit evaluation for the course in June / July (except those students who do not comply with the attendance rule, and therefore will not have that opportunity, since they will fail both calls and must directly re-enroll in the course during the next Academic Year).
- It is not permitted to change the format nor the date of the extraordinary call exams or deadlines under any circumstance. All extraordinary call evaluation dates will be announced in advance and must be taken into consideration before planning the summer (e.g. internships, trips, holidays, etc.).
- The June/July re-sit will consist of a comprehensive evaluation of the course. Your final grade for the course will depend on the performance in this exam or evaluation only. I.e., continuous evaluation over the semester (e.g. participation, quizzes, projects and/or other grade components over the semester) will not be taken into consideration on the extraordinary call. Students will have to achieve the minimum passing grade of 5 and the maximum grade will be capped at 8.0 (out of 10.0) – i.e., “notable” in the extraordinary call.
- Re-takers: Students who failed the subject on a previous Academic Year and are now re-enrolled as re-takers in a course will need to check the syllabus of the assigned professor, as well as contact the professor individually, regarding the specific evaluation criteria for them as re-takers in the course during that semester (ordinary call of that Academic Year). The maximum grade that may be obtained as a retaker during the ordinary call (i.e., the 3rd call) is 10.0 (out of 10.0).

After exams and other assessments are graded by the professor (on either the ordinary or extraordinary call), students will have a possibility to attend a review session (whether it be a final exam, a final project, or the final overall grade in a given course). Please be available to attend the session in order to clarify any concerns you might have regarding your grade. Your professor will inform you about the time and place of the review session.

- Students failing more than 18 ECTS credits after the June/July re-sits will be asked to leave the Program. Please, make sure to prepare yourself well for the exams in order to pass your failed subjects.
- In case you decide to skip the opportunity to re-sit for an exam or evaluation during the June/July extraordinary call, you will need to enroll in that course again for the next Academic Year as a re-taker, and pay the corresponding tuition fees. As you know, students have a total of four (4) allowed calls to pass a given subject or course, in order to remain in the program.

## **PROFESSOR BIO**

Professor: **MARTINA PASQUINI**

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**Prof. Martina Pasquini, PhD**



Martina Pasquini obtained a PhD in Business Administration and Management from Bocconi University (Italy). She is currently Professor in Strategy at IE University (Madrid, Spain) and Marie Curie Research Fellow for the European Union. Prior joining IE University she was Lecturer in Strategy & Innovation at the University of Southampton (UK) and Post-doc researcher at University of Bologna (Italy), where she worked on a project sponsored by the European Investment Bank. Recently, she has been granted research funds by the EU through the Marie-Curie Program (Horizon 2020 program), by the Spanish Ministry of Science and Innovation, by the FUNCAS Foundation for her research in strategies of shared value creation, corporate social responsibility and social-oriented Intellectual Property Rights. Martina's research interests are at the intersection among entrepreneurship, strategy, and innovation management with a particular attention on the role of demand and communities on technology commercialization, technology transfer strategies and entrepreneurial opportunities.

She regularly attends international conferences such as AoM, SMS, and DRUID and her works have been published on international journals such as Strategic Management Journal, Journal of Business Venturing, Research Policy, among others and press like ForbesIndia. She currently teaches Strategic Management and Research Methods at undergrad level, and she has also taught Entrepreneurship & Innovation, Global Entrepreneurship, Techniques for Innovation Management at Master level in leading European Universities. Since January 2022 she has been appointed in the Advisory and Executive Boards of the B Academics and The Case Centre. She has been Representative at Large of the Corporate Strategy Division at the Strategic Management Society.

## **OTHER INFORMATION**

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