

## STRATEGIC MANAGEMENT (MG106)

**Course duration:** 54 hours lecture and class time (Over three weeks)

**LSE Teaching Department:** Department of Management

**Lead Faculty:** Dr Lourdes Sosa and Dr Catherine Thomas

**Pre-requisites:** None

### Summary:

This course is an introduction to the field of Strategic Management. It covers the key concepts and theories in the field and how they can be used to interpret and evaluate business situations. All topics are illustrated with company cases in various industries. Both lectures and classes will be organised around the connection of fundamental concepts from theory and their practical applications. Classes will be organised around case studies with the expectation that students come prepared to participate actively in the discussion.

### Objectives:

The objective of the course is to illustrate how management strategy can help companies create and capture value. The central objective of the course will be to understand differences in profitability across firms in the global economy, placing special attention to the factors that explain why some firms achieve above-average performance. In other words, the course will place special attention to understanding the drivers of competitive advantage, both in the short and long terms. To do so the “resource-based view” of the firm will be used as a cornerstone of discussion, complemented by contributions from microeconomic theory, game theory and organisational theory.

The course emphasises critical thinking with intensive use of analytical reasoning (logic). It is rigorous in its approach, but does not require any previous knowledge of economics, mathematics, management or business. The approach will combine a theoretical perspective with illustration of key concepts using a variety of methods, including short handouts, electronic polls, and case study discussion. Students already familiar with some strategic management concepts may also benefit from the course, although they should keep in mind that the course is an introduction to the field.

### Structure and Assessment:

The course consists of 12 three-hour lectures and 12 90-minute classes, spread over a three-week period. Class work will relate to the material covered in lectures and concentrate on the discussion of thought-provoking cases.

Formal assessment will be based on a final two-hour written examination (80%) and a team project that involves identifying and evaluating a firm's strategy (20%).

### Readings:

Case Studies: You will need to read all ten cases very carefully before the relevant class. Discussions will be based on these cases. Hard copies of the cases will be made available to you.

Lecture Slides: Electronic copies will be posted on the course's Moodle web page after lecture. Important announcements will also be posted on Moodle.

Books: There is no set text for this course. Students will be expected to make use of reading materials available electronically in the Library to learn theoretical concepts and will be given photocopied materials for interactive work during lectures.

### Lecture Topics:

- **Lecture 1:** Introduction; Analytical Reasoning in Strategic Management.
- **Lecture 2:** The Concept of Business Model.
- **Lecture 3:** Industry Analysis and Potential Industry Earnings.
- **Lecture 4:** Understanding Competitive Interactions: Game Theory I.
- **Lecture 5:** Understanding Competitive Interactions: Game Theory II.
- **Lecture 6:** Coopetition and Anticompetitive Behaviour.
- **Lecture 7:** Value Proposition and Strategic Resources.
- **Lecture 8:** Cumulative Resources and Internal Organisation.
- **Lecture 9:** Value Chain and Synergies.
- **Lecture 10:** Innovation and Dynamic Capabilities.
- **Lecture 11:** Strategy Implementation.
- **Lecture 12:** Final remarks.

### Instructions for the Strategy Exercise:

Working in groups of three, students are required to identify a successful strategy that a firm has implemented. This will involve describing firm scope and sources of competitive advantage; analysing the internal and external logic of the chosen strategy. The choice of firm is up to the student group—each group should pick a firm that they are interested in studying. In the case of a multi-unit firm, students should focus on the strategy of one specific business unit.

It is expected that students use data and resources available online, but other sources may also be used. In the last two classes, each group of students will take around ten minutes to explain the key parts of the particular strategy, focusing on why it was successful. The format for each presentation will be standardised across groups, and power point templates will be provided. After the presentation, students will respond to questions asked by their classmates. The power point slides produced by each group will count for 20% of each group member's course grade.

**Credit Transfer:** If you are hoping to earn credit by taking this course, please ensure that you confirm it is eligible for credit transfer well in advance of the start date. Please discuss this directly with your home institution or Study Abroad Advisor.

As a guide, our LSE Summer School courses are typically eligible for three credits within the US system and 7.5 ECTS in Europe. Different institutions and countries can, and will, vary. You will receive a digital transcript and a printed certificate following your successful completion of the course in order to make arrangements for transfer of credit.

If you have any queries, please direct them to [summer.school@lse.ac.uk](mailto:summer.school@lse.ac.uk)