ALLAMA IQBAL OPEN UNIVERSITY, ISLAMABAD
(Commonwealth MBA/MPA Program)

STRATEGIC MANAGEMENT (5574)

CHECK LIST

SEMESTER: AUTUMN, 2012

This packet comprises the following material:-

1. Text Books
2. Assignment No. 1, 2
3. Assignment Forms (two sets)
4. Course outlines

In this packet, if you find anything missing out of the above mentioned material, please contact at the address given below:

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ALLAMA IQBAL OPEN UNIVERSITY, ISLAMABAD
(Commonwealth of Learning Executive MBA/MPA Programme)

WARNING

1. **PLAGIARISM OR HIRING OF GHOST WRITER(S) FOR SOLVING THE ASSIGNMENT(S) WILL DEBAR THE STUDENT FROM AWARD OF DEGREE/CERTIFICATE, IF FOUND AT ANY STAGE.**
2. **SUBMITTING ASSIGNMENTS BORROWED OR STOLEN FROM OTHER(S) AS ONE'S OWN WILL BE PENALIZED AS DEFINED IN "AIOU PLAGIARISM POLICY".**

Course: Strategic Management (5574) **Semester: Autumn, 2012**
Level Executive MBA/MPA **Total Marks: 100**

Instructions:

(a) All written assignment must be well organized, presented in an easy-to-read format, and neat. If your handwriting is not legible, type or compose the written assignment. Moreover, pay particularly close attention to grammar, spelling punctuation and understandability. Communication is extremely important in this course.

(b) Documentation is likewise very important. Un-supported statements or opinions are worth less to the reader who desires to verify your finding. Complete and specific documentation is mandatory. Also, your references should be to primary sources, except in rare unusual situation.

(c) Quoting should be kept to an absolute minimum.

ASSIGNMENT No. 1

Q. 1 There are a number of features that separate strategic management and decision making from other types of managerial activity? Highlight at least five features in this regard and provide detail. **(20)**

Q. 2 The Strategic Management and Planning Cycle (SMPC) represents the process and flow of activities that an organization undertakes to build its strategic positioning. Explain key elements of SMPC and its implication for a manager. **(20)**

Q. 3 The strategy equation consists of the set of statements that define the strategic positioning of an organization. Explain the function and composition of the Strategy Equation with example from local environment. **(20)**

Q. 4 Organizations have close association with their respective environment which affects their day to day operations. What are the key factors that constitute the

environment of a firm? Among all those factors, which one is most critical for the organization you are working with and why? **(20)**

Q. 5 Recent advancement in technology has brought various changes and improvements in the environment. What effects you see Information Technology and Information Systems has on MBO? **(20)**

ASSIGNMENT No. 2

Instructions:

1. This assignment is a research-oriented activity. You are required to develop a term paper and submit to the tutor for evaluation prior to the final examination. The last date of this assignment will be notified separately by our directorate of regional services and the same will be communicated to you directly as well as through approved study centers assigned to you.
2. You will have to participate in the activity fully, actively and practically to be eligible to sit in the final examination of the course. Please send one copy of this assignment to COL MBA/MPA Programme, Block No. 11, Allama Iqbal Open University, Sector H – 8, Islamabad.
3. For the preparation of this assignment, you should first thoroughly review the conceptual framework of the topic and develop a scholarly material of the same giving references, quotations, and extracts of various scholars and experts. Then visit any business/commercial organization and study the relevant practical aspects there. Combining the theoretical and practical aspects, develop a comprehensive paper consisting of at least 20 to 25 typed pages to be submitted to your tutor.
   (a) Introduction of the topic
   (b) Important sub-topics
   (c) Practical study of the organization with respect to the topic
   (d) Review of theoretical and practical situations merits, de-merits deficiencies or strengths of the organization with respect to the topic under study.
   (e) Conclusions and recommendations
   (f) Annex, if any
4. Prepare a copy of this assignment and submit to your tutor for your evaluation.
5. You should add any illustrative material/data/tables/analysis for effective submission.
6. If you fail to present this assignment in the class, then you will not be able to sit in the final examination conducted by AIOU.
7. A number of topics given below are the general aspects of the course and you are required to select one of the topics according to the last digit of your roll number. For example, if the roll number is N-9337241, you will select topic number 1, and if the roll number is O-3427185 then you will select topic number 5 (the last digit).
   1. Constituent elements of strategy
   2. Integration of the Organizational ‘Vision’ with the ‘Self’ Vision
   3. The ‘Inside to Outside’ Outside to Inside’ Perspective

4. Function and composition of the Strategy Equation
5. Contrasting Industry and societal Environments
6. Formulating Mission Statements
7. Organization-environment fit
8. Critical Success Factor Measurement
9. The Organizational Life Cycle
0. The Generic approach to Strategy Analysis

STRATEGIC MANAGEMENT
COURSE OUTLINE (5574)

Block-1 Introduction to Strategic Management

1 The Nature of Strategic Management
2 The Value of Strategic Management
3 Key Perspectives on Strategic Management
- 3.1 The Competitive Conditioning
- 3.2 Positioning
- 3.3 Conditioning
- 3.4 Organisational Fit and Stretch
- 3.5 Organisational Adaptability and Flexibility
- 3.6 Evolutionary Processes: Life Cycles, Strategy, and the Passage of Time
- 3.7 Strategy Integration: the Woods and the Trees
- 3.8 Strategy Integration and Resource Deployment
- 3.9 Organisational Capacity for Change

4 Strategy Formation
- 4.1 Strategy Models and Schools of Thought
- 4.2 An Overview of Prescriptive Views
  - 4.2.1 The Design School
  - 4.2.2 The Planning School
  - 4.2.3 The Positioning School
- 4.3 An Overview of Process Views
  - 4.3.1 The Entrepreneurial School
  - 4.3.2 The Cognitive School
  - 4.3.3 The Learning School
  - 4.3.4 The Political School
  - 4.3.5 The Cultural School
  - 4.3.6 The Environmental School
  - 4.3.7 The Configuration School

Block-2 Managing the Strategy Cycle

1 Introduction to Strategic Management and Planning Cycle
- 1.1 Defining Strategic Management and Planning Cycle
  - 1.1.1 The Conditionals
  - 1.1.2 The Data Base

1.1.3 Analyticals
1.1.4 Outputs and Outcomes
1.1.5 The Metrics
2 Managing the Strategy Setting Process
2.1 Strategy and Decision Making
2.2 The Integration of the Organisational 'Vision' with the 'Self' Vision
2.3 Strategy and Change
2.4 Strategy and Evolution
2.5 Strategy and the Planning Horizon
2.6 Planning Horizons
2.7 Planning Horizons
3 Planning and Performance
3.1 Goal Measurement
4 Formality and Planning
4.1 The 'Practice' of Strategic Management
5 The Role of Strategy Related Policies and Procedures
6 Organisational Levels and Strategic Planning Roles
6.1 Strategy Roles and Job Positioning

Block-3 The Strategy Equation

1 Introduction to Strategy Equation
1.1 Defining Strategy Equation
1.2 Mapping the Strategy Equation
2 The Mission
2.1 Examples of How Organisations Can Define Themselves
2.1.1 In terms of the products/services being provided
2.1.2 In terms of the dominant characteristic or principal ingredient in their products
2.1.3 In terms of the technology which spawns the product
2.1.4 In terms of the customer groups being served
2.1.5 In terms of a specific product/service aimed at a specific buyer segment
2.1.6 In terms of customer needs and wants being met
2.1.7 In terms of the scope of activities within an industry – specialised, each providing a defined type of service or function
2.1.8 In terms of creating a diversified enterprise which engages in a group of related businesses
2.1.9 In terms of creating a multi-industry portfolio of unrelated
3 Goals
4 Objectives
5 Policies

Block-4 The Strategy Landscape

1 Induction to Strategy Landscape
- 1.1 Defining "Strategy Landscape"
- 1.2 Mapping the Strategy Equation to the Environmental Landscape
- 1.3 Industrial Landscapes

2 The Environmental Landscape
- 2.1 Spheres of Influence

3 Contrasting Industry and Societal Environments
- 3.1 Industry
- 3.2 Societal
- 3.3 Sourcing Cycle

4 The Organisation and its Environment
- 4.1 The organisational life cycle and environmental linkages
- 4.2 Organisation-Environment Fit
- 4.3 Organisation-Environment Boundary
  - 4.3.1 The Organisation and Rates of Environmental Change
  - 4.3.2 The Industry Environment
  - 4.3.3 The Societal Environment
  - 4.3.4 Economic Conditions
  - 4.3.5 Sociocultural-Demographic Trends
  - 4.3.6 Technological Change

5 The Organisation in its External Environment
- 5.1 Stability
- 5.2 Certainty
- 5.3 Complexity
- 5.4 Homogeneity

6 External Environments and Organisation to Boundary Relationships
- 6.1 The Information Framework
- 6.2 Cause-Effect Relationships
- 6.3 Organisational Boundaries and Environmental Scanning

7 Additional Ways of Thinking about the Environment
- 7.1 Thinking of Organisation/Environment Relationships
- 7.2 Thinking in System Terms

Block-5 Organisational Analysis

1 Introduction to Organisational Analysis

2 The 'Inside to Outside, Outside to Inside' Perspective

3 Defining the Organisational Equation
- 3.1 From the Structural Perspective

4 The Process and Value Chains
- 4.1 Linking Outputs, Outcomes, and Organisations
- 4.2 Linking the Process Chain to the SWOT
- 4.3 Linking the Organisational Process Chain to Organisational Key Analysis
- 4.4 Linking the Process Chain to Critical Success Factors

4.5 Linking the Process Chain to Core Competencies

Block-6 Strategic Analysis and Choice

1 Introduction to Strategic Analysis
2 SWOT approaches to Strategy Analysis
  2.1 Organisational Variables
  2.2 Relational Analyses
  2.3 SWOT as a Database of Analysis
  2.4 Critical Success Factors
3 The Generic approach to Strategy Analysis
  3.1 Generic Strategy in the Value Chain
4 The Stakeholder and Output/Outcome approach
5 Envisioning Strategy

Block-7 The Industry Environment

1 Introduction to the Industry Environment
2 The Life Cycle approach to Industry Analysis
  2.1 The Product/Market Life Cycle
  2.2 The Organisational Life Cycle
  2.3 The Industry Life Cycle
    2.3.1 Sunrise
    2.3.2 Sunset
3 The Competitive Forces approach to Industry Analysis
4 The Patterns of Competitive Force in the Value Chain
5 Competitive Structure of the Industry
  5.1 The players and the playing field
  5.2 The shift from revenue growth to cost
6 Barriers to Entry
  6.1 Economies of Scale
  6.2 Product Differentiation
  6.3 Capital Requirements
  6.4 Access to and Control over Distribution Channels
  6.5 Cost Disadvantages independent of scale
    6.5.1 Proprietary product technology
    6.5.2 Favourable access
    6.5.3 Favourable location
    6.5.4 Learning or experience
    6.5.5 Government policy
7 Barriers to Exit
  7.1 Specialised Assets
  7.3 Strategic Interrelationships
  7.4 Emotional Barriers
  7.5 Government and Social Restrictions
  7.6 Industry Analysis

Block-8 Strategy Implementation and Control Processes

1 Introduction Strategy Implementation and Control Processes
2 Financial Ratio Analysis
  2.1 Performance Ratios
  2.2 Cost Ratios
  2.3 Efficiency Ratios
3 The Balanced Scorecard
4 Critical Success Factor Measurement
5 Key Theories
  5.1 Agency Theory
  5.2 Stewardship Theory
  5.3 Principles of Corporate Governance
    5.3.1 Protection of Shareholder Rights
    5.3.2 Equitable Treatment
    5.3.3 Stakeholder Rights
    5.3.4 Timely and Accurate Disclosure
    5.3.5 Strategic Guidance

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