

27329 - Business Policy

Información del Plan Docente

Academic Year	2017/18
Faculty / School	109 - Facultad de Economía y Empresa 228 - Facultad de Empresa y Gestión Pública 301 - Facultad de Ciencias Sociales y Humanas
Degree	454 - Degree in Business Administration and Management 448 - Degree in Business Administration and Management 458 - Degree in Business Administration and Management
ECTS	6.0
Year	3
Semester	Half-yearly
Subject Type	Compulsory
Module	---

1.General information

1.1.Introduction

In Company Policy, the analysis of strategy design is extended, recognizing the dynamic nature of strategy which requires its continuous rethinking taking into account the behavior of rivals and the changing environment. The objective of the course is to find a solid answer to the following question: why do some companies get better results than their competitors and achieve sustained competitive advantage? The ultimate goal is to convey to the company that, to retain its competitive advantage, it will have to continually adapt its strategy, recognizing the threat of its rivals and of potential entrants into the sector as well as the company's ability to influence the changing environment.

1.2.Recommendations to take this course

Company Policy is an extension of the course "Strategic Management". It is based on the basic concepts and methods of analysis studied in "Strategic Management". Students are strongly recommended to have studied the latter. (Los estudiantes deben conocer los conceptos del curso anterior "Strategic Management"). They are also advised to take a proactive attitude during the course; to attend the lectures, to do the exercises and read the articles proposed regularly; and to benefit from the individual work and the tutorial sessions.

1.3.Context and importance of this course in the degree

The knowledge acquired in "Strategic Management" allows the students to understand the nature and rationale of strategic analysis, the concepts, tools and methods that help managers to design the strategy of the company. The knowledge and skills acquired in this course will help the student towards a solid foundation that facilitates and enhances his understanding of company policy. This will allow the students to understand how important is for a company to adapt its strategy continuously to conserve its potential competitive advantages, recognizing the ability of the company to influence the changing environment.

1.4.Activities and key dates

Activities and key dates will be communicated to the students at the beginning of the course, mainly through the Moodle platform. The official dates will be communicated through the faculty calendar. It will be available on the faculty website.

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Students will have the information and necessary documents to carry out the activities and follow the course on the Moodle platform.

2.Learning goals

2.1.Learning goals

To pass the course, students will have to demonstrate the following results:

- Characterize and analyze the strategic positioning of a firm within the industry.
- Have a correct perception of the economical and organizational consequences of the positioning decision firm in terms of cost and differentiation.
- Have the capacity to value the profits obtained through a pricing policy from the cost or differentiation competitive advantage.
- Be able to understand that target customer selection cannot be disconnected from the creation of value.
- Use the tools and techniques that will allow them to analyze and evaluate the cost or differentiation position of the firm compared to its rivals.

2.2.Importance of learning goals

The CEO is directly responsible for the choice of a successful strategy. This subject will help to identify and solve the problems involved in that choice. Strategy is increasingly important for companies, given the uncertain and unpredictable environment in which they develop their activity. In these circumstances, its proper identification and formulation is a challenge of great importance for the survival and prosperity of organizations.

In order to ensure a good market position and maintain an appropriate long-term profitability rate, the firm needs to have a deep understanding of the characteristics and structure of the markets in which it operates, as well as the forces that determine the degree of rivalry in those markets. This knowledge of markets should be combined with a good diagnosis of the company's own strengths and weaknesses to ensure synchrony or optimal fit between the markets in which it competes and the resources and capabilities that are available to get a good position in the market.

3.Aims of the course and competences

3.1.Aims of the course

In Company Policy, the analysis of strategy design is extended, recognizing the dynamic nature of strategy which requires its continuous rethinking taking into account the behavior of rivals and the changing environment. The objective of the course is to find a solid answer to the following question: why do some companies get better results than their competitors and achieve sustained competitive advantage? The ultimate goal is to convey to the company that, to retain its competitive advantage, it will have to continually adapt its strategy, recognizing the threat of its rivals and of potential entrants into the sector as well as the company's ability to influence the changing environment.

3.2.Competences

1: Specific competences:

1. Direct, manage and administer companies and organizations.
2. Know the operation of all the functional areas of a company or organization.
3. Assess the situation and future prospects of companies and organizations and make relevant decisions.
4. Prepare and draft reports about the global management of companies and organizations.
5. Issue advisory reports on specific situations of markets, sectors, organizations, businesses and functional areas.
6. Understand and apply professional standards and scientific rigour to the resolution of the economic, business and organizational problems.

2: Transversal competences :

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1. Skills to solve problems.
2. Organizing and planning skills.
3. Search for information and analyze it. Contrast it with different sources.
4. Decision making abilities.
5. Motivation for quality and excellence.
6. Ability to adapt to new situations.
7. Ability to apply knowledge in practice.

4. Assessment (1st and 2nd call)

4.1. Assessment tasks (description of tasks, marking system and assessment criteria)

Evaluation Activities: The evaluation system of the subject is GLOBAL and is carried out through the following procedures and activities:

- A theoretical and practical final written exam on the date approved by the faculty within the period established for that purpose in the academic calendar. The student must demonstrate knowledge about the concepts analyzed during the lessons and the interrelationships between them. There will be test questions (True/False), practical exercise and open questions to express opinions and vocabulary.

- Active participation in discussions in the practical classes and, at the beginning of these classes, the handing in of the work or exercises previously assigned by teachers. The practical classes will focus on doing exercises related to the different chapters of the programme of the course, as well as on the presentation and discussion of recommended readings.

- A detailed analysis of a particular company in which the concepts acquired during the course should be applied. Students will analyze the positioning of the company in the market and analyze the rivalry in the sector to which the company belongs. These works will be performed, preferably, in groups of two or three people. Students who choose this option must receive approval from the teacher about the company selected. In addition, they must submit, on the date indicated for this purpose (Through the Moodle2 platform), a preliminary proposal about the objectives and the type of analysis to be performed in group work.

Evaluation Criteria:

The student can pass the subject in any of the two sittings established. In both, students can choose to perform a final and comprehensive exam of the subject (in which case the score in this test, up to a maximum of 10 points, will represent one hundred percent of the final score) or take advantage of the work done throughout the course. In the latter case, the final score of the subject will be distributed as follows:

- Participation in practical classes and delivery of exercises and works proposed (10% of the final score). If the student chooses this system, she must hand in all the exercises and cases that arise during the course on the date indicated. In order to obtain this qualification, all exercises must be performed and reasoned.
- Detailed analysis of a company, 25% of the final score.
- Global Review of the subject, in which is necessary to obtain a minimum score of 4 points of 10, 65% of the final score.

The final score will be the highest of either that obtained in the overall exam or that obtained considering participation and the handing in of exercises and assignments.

5. Methodology, learning tasks, syllabus and resources

5.1. Methodological overview

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The learning process designed for this course is based on the use of different teaching methods, selecting those that best contribute to the achievement of the objectives and those that allow the students to develop skills and competences in order to achieve a capacity for abstraction and critical thinking that favours systematic and flexible thinking and the ability to adapt to changes.

The theoretical classes will consist of lectures but the teacher will also encourage the students to work autonomously prior to the lectures following the teacher's recommendations and basic orientation. In the practical sessions, the teacher will use teaching methods that seek a greater involvement and participation of the student within the teaching-learning process. The methods that will allow this interaction include the following: resolving exercises, carrying out practical work, case studies, reading articles and seminars.

5.2.Learning tasks

Lectures: the lecture will present the theoretical contents of the subject. Before each class, the student should have prepared the topic.

Practical sessions: These complement the lectures. These classes offer students the possibility of implementing the main problem-solving techniques developed in the different chapters of the programme. These techniques are based on examples that illustrate the reality of the problems posed in class theoretically. In particular, the development of practical classes will be based on resolving exercises, practical work, case resolution, and the analysis and discussion of readings in class. The student group will be split for these classes to better facilitate the monitoring of the students' learning process and increase their participation in class

Individualized teaching through tutorials that allow the clarification of doubts that students may have and enable a more detailed dialogue about aspects of the course. This constitutes an effective means for individualized teaching and the customizing of the otherwise homogeneous educational message.

The calendar with all the activities will be shown during the first and introductory session. The methodology used during the theoretical and practical session will be also shown during this session. A brief introduction to the contents in the different chapters will also be shown.

Learning activities	Programme	Hours/ECTS
Lectures	Weekly 2-hour sessions	30h / 1.2 ECTS
Practical sessions	Weekly 2-hour sessions (in two groups)	30h / 1.2 ECTS
Autonomous work	90	90h / 3.6 ECTS

Note: Credits calculated with a 15-week course.

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The calendar with the theoretical and practical sessions will be published in the faculty website. The deadlines for teamwork, evaluations and other activities will be communicated by the teachers in the University of Zaragoza moodle platform.

5.3.Syllabus

CHAPTER 1: Strategic Position and Competitive Advantage:

1.1 Introduction

1.2 Competitive Advantage and Value Created

1.3 Strategic Positioning. Cost Competitive Advantage versus Value Competitive Advantage.

1.4 Strategic Positioning.

1.5 Management and Market Segmentation

1.6 Market Segmentation and Competition

Reference: Besanko, Dranove & Shanley; chapter 12.

CHAPTER 2: Differentiation and Cost Positioning Analysis

2.1 Introduction

2.2 Cost Advantage Analysis

2.3 Cost Drivers in Positioning

2.4 Value-Added Analysis

2.5 Methods for Estimating Perceived Benefits

Reference: Bensako, Dranove & Shanley; Chapter 13.

CHAPTER 3: Sustaining Competitive Advantage

3.1 Introduction

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3.2 Difficulties to Sustain Competitive Advantage

3.3 Threats to Sustainability under All Market Structures

3.4 Sustainable Competitive Advantage: - The Resource-Based Theory of the Firm -

Reference: Besanko, Dranove & Shanley; Chapter 14.

CHAPTER 4: Origins of Competitive Advantage: Innovation, Evolution and the Environment

4.1 Introduction

4.2 Creative Destruction

4.3 The Incentive to Innovate

2.4 Innovation Competition

4.5 Choosing the Technology

4.6 Evolutionary Economics and Dynamic Capabilities

Reference: Besanko, Dranove & Shanley; Chapter 15.

CHAPTER 5: Rivalry and Results in Industry

5.1 Introduction

5.2 Competition Analysis: Market Structure, Performance and Profits

5.3 Oligopoly Quantity Competition

5.4 Oligopoly Theories and Cooperative Agreements

Reference: Besanko, Dranove & Shanley; Chapters 8 & 10.

CHAPTER 6: Trust Economics

6.1 Introduction

6.2 Cooperative Pricing Sustainability

6.3 Market Structure and the Sustainability of Collusive agreements

6.4 Corporate attitudes and Collusion

Reference: Besanko, Dranove & Shanley; Chapters 8 & 10.

References

- Economics of strategy / David Besanko ... [et al.] . 6th ed. Hoboken (N.J.) : John Wiley & Sons, cop. 2013
- Barney, J.B. & Hersterly, W. (2008): Strategic Management and Competitive Advantage: concepts. Addison Wesley, Reading.
- Robert M. Grant (2008): contemporary Strategy Analysis, 7th Edition. John Willey & Sons
- Business strategy review Oxford : Blackwell Publishers, 1997-
- Harvard business review / Harvard University, Graduate School of Business Administration Boston [etc.] : Graduate School of Business Administration, Harvard University, 1922-
- Strategic management journal Chichester [West Sussex] ; New York : Wiley and Sons, 1980-

5.4.Course planning and calendar

The calendar with all the activities will be show during the first and introductory session. The methodology bing used during the theoretical and practical session will be also shown during this session. A brief introduction to the contents in the different chapters will also be shown.

5.5.Bibliography and recommended resources

[BB: Bibliografía básica / BC: Bibliografía complementaria]

BB	Economics of strategy / David Besanko ... [et al.] . 6th ed. Hoboken (N.J.) : John Wiley & Sons, cop. 2013; versión revisada (2015)
BB	Ventura Victoria, Juan. Análisis estratégico de la empresa / Juan Ventura Victoria Madrid : Paraninfo, cop. 2008
BC	Grant, Robert M. : Dirección estratégica : conceptos, técnicas y aplicaciones / Robert M. Grant ; traducción, Zulima Fernández, José Daniel Lorenzo Gómez, José Ruiz Navarro . - 8ª ed., 4ª ed. en Civitas Madrid : Thomson Civitas, 2014
BC	Guerras Martín, Luis Ángel : La dirección estratégica de la empresa : teoría y aplicaciones / Luis Ángel Guerras Martín, José Emilio Navas López . - 5ª ed. Cizur Menor (Navarra) : Aranzadi, 2015