



Course

STRATEGY

Academic Year: 2019/2020

Semester: 1st

Instructor(s): Professor Ilídio Barreto

Course Description:

This course is intended to provide the basis for an integrated system of value creation within the firm by connecting the relevant stages of the strategic decision-making process at the top of the firm and assuming a cross-functional perspective.

Remarkable developments have been made in recent years in the scientific research directed to the Strategy field. On the other hand, there have been substantial worldwide signs that firms are struggling to achieve superior performance in a consistent way over the years.

The course offers a balanced combination of both theory and practice advances in strategic management: we attempt to blend solid theoretical concepts, models, and frameworks (from cutting-edge research in this field) with engaging business cases.

Given the nature and the approaches used in this course, attendance to every (theoretical or practical) session will be crucial. Students are expected to be punctual and come to each class prepared to actively participate in the on-going discussions.



Course Content:

A) Theoretical foundations

- I – Value creation: concepts and perspectives
- II – Models of sustainable competitive advantage
- III – Industry vs. firm effects

B) Environmental analysis

- IV – External environment
- V – Internal environment

C) Strategy formulation

- VI – Values, mission, vision
- VII – Corporate-level strategies
- VIII – Business-level strategies

D) Strategic change

- IX - Models for rapidly changing environments

Course Objectives:

At the end of the course, students should:

- i. Be able to analyze the *internal* and *external* drivers of firms' actual strategy and differentiated success
- ii. Understand the key strengths and limitations of the dominant models on sustainable competitive advantage and the new, complementary models on Strategy
- iii. Be able to analyze and/or build all major steps of a firm's strategy formulation.



In addition to strategy-specific knowledge improvement, the course also aims to develop individual and team-based skills. Analytical, creative and critical thinking are stimulated through several learning experiences. Team-based discussion is also strongly encouraged in all practical exercises.

Grading:

The course grade will be based on:

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| • Class attendance and participation | 20% |
| • Mid-term exam | 30% |
| • End-term exam | 50% |

The “class attendance and participation” (CAP) grade will be composed by a base grade (the “class attendance” grade) and a spread grade (the “class participation” grade): CAP grade = class attendance grade + class participation grade.

The “class attendance” grade will depend on the student’s attendance rate for both theoretical and practical classes: Class attendance grade = $12 \times (N1 / N2)$, where N1 is the number of (theoretical and practical) classes attended by the focal student and N2 is the total number of (theoretical and practical) classes in this course.

The “class participation” grade will depend on:

- The frequency and quality of the students’ before-class preparation (e.g., pre-reading of assigned cases);
- The frequency and quality of in-class participation (theoretical and practical classes);

The “class participation” grade will range from -2 to +8.

Example: the CAP grade of a student attending *all* (theoretical and practical) classes and getting a “class participation” grade equal to +3 will be 15 (= 12 + 3).

All topics lectured till that day will be eligible for the mid-term exam.

All topics lectured during the course will be eligible for the end-term exam.



Required textbook:

- **Grant, R.M. (2019). Contemporary Strategy Analysis. 10th edition. John Wiley & Sons.**

(Cases included in this textbook will be required for most of the practical sessions. Please note that we will use the cases of this particular edition of the book.)

Biography:

Professor Ilídio Barreto holds a PhD in Business Administration (City University, Cass Business School, London), an MBA (Universidade Católica Portuguesa, Lisbon), an undergraduate degree in Economics (UCP, Lisbon) and two diplomas in Strategy and Finance (Massachusetts Institute of Technology, Boston). He teaches Strategy, Creativity and Strategic Entrepreneurship (which are also his scientific research domains) at the undergraduate, MBA, MSc, Executive Education, and Executive Masters levels. He also taught Introduction to Management in the undergraduate programs for almost 15 years (a top-ranked course during that period). He launched and coordinated dozens of Executive programs. His innovative, single-instructor, program "Strategic Management & Value Creation" for executives has systematically received very high participant satisfaction levels. He coordinated several consulting projects within CATÓLICA-LISBON's Center for Applied Studies. He performed several executive roles at the School, namely as an Associate Dean of CATÓLICA-LISBON, a Director of the Business Administration Undergraduate Program, and as a founder and Director of the Executive Masters in Management. He was the co-author of the transformation of the undergraduate program in Business Administration from a 5-year to a 4-year program and the author of the first programs of the Master in Science in Management and the Executive Masters in Management. He has published articles in top scientific journals in Management, such as the Journal of Management, the Journal of Management Studies, Organization Science, and the Strategic Management Journal. At the end of 2017, his 2010 paper on the reconceptualization of dynamic capabilities was in the top 10 of the most cited scientific articles on Strategy published worldwide since 2010, according to Google Scholar data. He won the 2012 Best Paper Award of the prestigious Journal of Management Studies; the prize was awarded in 2013 (August) for his article "Solving the entrepreneurial puzzle: The role of entrepreneurial interpretation in opportunity formation and related processes". He has been a regular ad-hoc reviewer for several of the most influential Management journals, including the Academy of Management Journal, the Journal of Business Venturing, the Journal of Management Studies, and the Strategic Management Journal. He is a member of the Editorial Board of the Journal of Management Studies, of the Board of Review of the Journal of Business Venturing, and of the Editorial Review Board of the Academy of Management Journal.

Contact(s) and Office hours:

Office hours: By appointment.