**Business Policy and Strategy**

## Prof. Donatella Depperu; Prof. Enrico Aprico; Prof. Clara de Braud; Prof. Claudio Devecchi

## Module 1: (Prof. Donatella Depperu): *Foundations of strategy*

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course is composed of two modules and aims to provide students with the fundamental tools for the analysis, assessment, and elaboration of a competitive strategy (module 1), and study their use, thanks to elective and integrative courses, in different business and sectoral contexts (module 2). At the end of the course, students will be able to:

1. Apply to different business and environmental contexts the strategic models of reference in order to understand the implemented strategy, identify the needs for change, and propose strategic innovations.
2. Collect and systematise the relevant information for the analysis of sectoral dynamics, and use it to create a strategy following the procedures discovered and learnt during module 1.
3. Carry out – in an independent and concrete way – strategic actions in line with the module 2 of their choice, having therefore the possibility, among other things, to get a better understanding of what happens in the real life of a company and in the field of business.

***COURSE CONTENT***

Module 1, entitled ‘Foundations of strategy’ and corresponding to 4 ECTS credits, is common to all students. It will introduce the founding elements of business strategy, with a focus on competitive strategy. Therefore, at the end of the course, students will be able to understand which are the basic tools to assess the strategy implemented in a specific business, carry out a competitor analysis, evaluate business resources, and formulate a successful strategy taking into account the peculiarities of the sector. Module 2, corresponding to 4 ECTS credits, will include an in-depth elective course. After attending module 1 with positive results, students will have to choose one of the following three elective courses proposed for this academic year, and attend it with commitment:

1st *Startup strategies* (Prof. Clara de Braud): how to ‘plan and develop’ a business idea; the funding of the idea; what are the best solutions in terms of organisation and which governance models are more effective; how to draft a business plan; from strategy to action (time management, priority scheduling, etc.).

2nd *Business strategy, from the Sharing to the Platform Economy and new business models* (Prof. Enrico Aprico): The module aims to provide a clear, complete, and authoritative guide to one of the most important economic and social developments of our time: the rise of the platform as a business and organisational model that lies at the basis of the success of many of the most capitalised companies in today’s world (from Google to Amazon, from Microsoft to Uber, from Airbnb to eBay, from Apple to Tesla) and starting to transform a range of other economic and social arenas, from healthcare to education, energy, and PA.

3rd *Family Business (Impresa di famiglia) strategies and problems* (Prof. Claudio Devecchi): these are the most widespread businesses in our country and present very specific structural and functional characteristics; in order to manage them in a successful way, it is necessary to solve their peculiar problems, from their business life cycle to the four relevant strategic dimensions (the degree of risk undertaken, the business model adopted, the financial and capital structure, the business-family relationship) and generational transfer, which is the turning point of their success/failure.

***READING LIST***

The study of the textbook mentioned below is strongly recommended. Students should not base their preparation for the exam simply on the study of slides and unofficial lecture notes, as the assessment methods and criteria provide that they carry out their learning process in a complete and systematic way, and this is a result that can be achieved only with a textbook. Further teaching material will be made available for students on Blackboard and it will be considered as an integral part of the study material for the final exam.

For the students enrolled in the 8 ECTS course

The textbook of reference for module 1 is:

R.M. Grant-J. Jordan, *Fondamenti di strategia,* Il Mulino-Manuali, Bologna, 2013, first edition ISBN 978-88-15-24577-9 (edition with purple cover), chaps. 1-6, and 8.

The exam on module 1 will be based also on the business case studies and other teaching material presented in class, as well as the success stories. For the exam on module 2, instead, students will have to study the textbook and the teaching material specific for each of the modules described.

For the students enrolled in the 5 ECTS course

For the students enrolled in a degree curriculum where the ‘Business Strategy and Policy’ course corresponds to 5 ECTS credits, the textbook of reference is:

R.M. Grant-J. Jordan, *Fondamenti di strategia,* Il Mulino-Manuali, Bologna, 2013, first edition ISBN 978-88-15-24577-9 (edition with purple cover), all of it.

In this case, students will not have to attend module 2, so the final exam will be based only on module 1.

For the students enrolled in the 9 ECTS course

For the students enrolled in a degree curriculum where the ‘Business Strategy and Policy’ course corresponds to 9 ECTS credits, the textbook of reference is:

R.M. Grant-J. Jordan, *Fondamenti di strategia,* Il Mulino-Manuali, Bologna, 2013, first edition ISBN 978-88-15-24577-9 (edition with purple cover), all of it.

For the exam on module 2, instead, students will have to study the textbook and the teaching material specific for each of the modules described.

***TEACHING METHOD***

 Module 1 will be mainly characterised by frontal lectures, due to the high number of students in a single lecture room. Anyway, it will be based on an active teaching method, including plenary discussions of case studies and examples, exercises, and success stories.

 The elective courses of module 2 will allow a high degree of engagement by students, also thanks to project works carried out in groups and the meetings with entrepreneurs and managers. The lectures will be animated through the presentation of case studies and success stories allowing students to identify themselves with business leaders, having therefore the possibility to carry out continuous and exciting activities, including surveys and problem-solving exercises. Students will be able to interact with their classmates, exchange ideas, offer inputs, and find points of view in an extended student community, and therefore learn from shared experiences and perspectives in order to complete the course with a broader strategic vision.

***ASSESSMENT METHOD AND CRITERIA***

 The assessment will consist in written tests and, where possible, also the evaluation of the students’ participation in class.

Attending students

 At the end of module 1, attending students will have to take a written test consisting in multiple-choice questions (potentially followed by open-ended questions) on the theory, the models, and the tools analysed during module 1, and questions on the case studies presented in class/in the textbook or new case studies that are suitable for the use of the conceptual tools analysed during module 1. The students who pass the exam based on module 1 will be considered as attending students also during module 2, so they will be allowed to take part to the group works and activities included in this module.

 During module 2, to be chosen from among the options offered, attending students will be assessed according to the methods defined by the different lecturers, as illustrated below.

 Therefore, students will be given an overall mark at the end of the whole course, resulting from the arithmetic mean between the mark obtained in the module 1 exam and the one obtained in the exam based on the module 2 of their choice. Each test will determine 50% of the final mark. This mean will consider only positive – therefore sufficient – marks in both modules. This means that even a single negative mark will force students to take the whole written exam on official exam dates. The exam on module 2 will take place on the first two official exam dates, and students will be allowed to take it on just one official date of their choice. For further information, students are invited to check the lecturer’s webpage or the assessment method on Blackboard.

Non-attending students

For non-attending students (and for all the students who fail the exam at the end of module 1), the final exam will take place on official exam dates, and it will be based on the whole content of the course. In this case, the assessment will consist in a written test, to be taken starting from the first official exam date. It will be divided into two parts: the first one on the topics of module 1 and the second one on the contents of module 2 (that students will be able to choose from among the ones activated for the current academic year). The test will include multiple-choice and open-ended questions based on the textbooks mentioned in the reading list for module 1, and open-ended questions or exercises for the elective course of their choice (module 2).

***NOTES AND PREREQUISITES***

In case the current Covid-19 health emergency does not allow frontal teaching, remote teaching will be carried out following procedures that will be promptly notified to students.

Further information can be found on the lecturer's webpage at http://docenti.unicatt.it/web/searchByName.do?language=ENG or on the Faculty notice board.

Module 2: (Prof. Clara de Braud; Prof. Enrico Aprico; Prof. Claudio Devecchi)

1. *Startup development strategies* (Prof. Clara De Braud)

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

 The course aims to provide students with the knowledge they need to understand the new business realities (start-ups) that require considerable financing in order to be realised, as well as managerial competences and a very high rate of innovation. Venture capital may represent a solution for those who are able to present a business plan that is interesting from the point of view of its financial performance, and original in terms of innovation.

The first part of this module will be focused on the behaviour of the actors involved in the risk capital, the rules of the game, and the opportunities and risks that must be kept in mind while dealing with this world.

The second part of the module will introduce the business plan and the best *modus operandi* for the presentation of a business idea to venture capitalists, banks, or anyone who wants to invest into the business in various ways.

At the end of the course, students will be able to complete the module having acquired an extensive knowledge of the startup logics required to present a micro project based on their business idea.

***COURSE CONTENT***

 The lectures will be based on these 3 points:

1. *The planning of the idea. How to promote it and to whom it should be addressed*: how to develop a business idea that represents a concrete answer to market needs. How to present it to the risk capital market.
2. *How to set up a successful business model*: the ‘right’ rules and models. The Business Model Canvas and the Business Plan can help better rationalise the idea and be accepted as qualified spokespeople by other interlocutors. Furthermore, they allow the acquisition of the typical entrepreneurial mindset: having very clear ideas and being able to face the inevitable difficulties, after having made adequate predictions.
3. *The funding of the idea. How to get it*: how to manage to be persuasive with the risk capital market, that is addressed by all the new entrepreneurs.

***READING LIST***

S. Blank-B. Dorf, *Startupper. Guida alla creazione di imprese innovative*, Egea.

C. de Braud, coursepacks.

***ASSESSMENT METHOD AND CRITERIA***

Written exam at the end of the course: three open-ended questions on the topics explained in class and the teaching material.

 This is one of the elective courses that constitute the module 2 of the Business strategy and policies course. The mark obtained in this module (representing 50% of the final mark) will be used to calculate the average with the one obtained by students in the first module of the course, in order to get an overall final mark. The students who fail the exam based on module 2 will have to take the exam on the whole course content on the following official exam date. There will be no supplementary oral exam. Students will not be allowed to repeat only the exam on module 2.

## 2. *Business strategy, from the Sharing to the Platform Economy and the new business models* (Prof. Enrico Aprico)

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

 The course aims to provide students with the knowledge and methodology they need to deal with the new business models, the new value chain, and the fact that the economic and industrial system is evolving so rapidly thanks to the use of technology. The rise and diffusion of highly-scalable, resilient, and flexible platform businesses has impressively promoted the proliferation of new economies, from the Sharing Economy (economia della condivisione) to the Platform economy, passing through the *Gig Economy*, the *Subscription Economy*, the *Circular Economy*, the *Space Economy,* the *Creator economy*, the *Token Economy*, and beyond, up to the opportunities offered by the Metaverse and Web 3.0.

***COURSE CONTENT***

 In terms of content, the course analyses the ongoing *‘revolution’*.

Until 20 years ago, traditional companies like Citigroup, General Electric, Exxon Mobil, and Bank of America used to dominate the market, but, since then, the context has drastically changed. Platform businesses like Apple, Amazon, Alphabet, and Airbnb have radically changed whole industries and created value faster than ever before. For this reason, the *Platform Economy* – in all the accepted meanings of the expression – is a sensational paradigm, encouraged by the explosion of digital technologies, that is starting to transform also a series of other economic and social arenas, from healthcare to education, energy, Public Administration, and finance. The understanding and acquisition of the competences required to follow its evolution can be considered as an essential element for a complete learning process, that is divided into two parts:

Part 1: *Vision*

 From the capitalist system to the Fourth Industrial Revolution

 Definition of *Platform* and *Sharing Economy*, *Gig* and *Circular Economy*, *Crowd Based Capitalism*, the *Subscription Economy* , the *Space Economy*, the *Creator Economy*, and the *Token Economy* through the *Key Factors* of the *Digital Transformation*.

 The economic environment before and after COVID – 19: the industries and technologies that changed it.

Part 2: *Strategy*

 The course aims to

1. provide students with the tools they need for a correct and effective understanding of the strategies generating value in the most capitalised companies of the contemporary world, such as Apple, Tesla, Airbnb, Tik Tok, Facebook, Amazon, and Google.
2. How to apply them to real-life case studies through specific analytical frameworks.
3. Understand and concretely assimilate their structure and functioning through adequate analytical tools.

***READING LIST***

E. Aprico, coursepacks.

G.G. Parker-M.W. Van Alstyne-S.P. Choudary, *Platform revolution:How networked markets are Transforming the Economy and how to make them work for you,* 2016.

***ASSESSMENT METHOD AND CRITERIA***

Written exam at the end of the course: three open-ended questions on the topics explained in class and the teaching material.

This is one of the elective courses that constitute the module 2 of the Business strategy and policies course. The mark obtained in this module (representing 50% of the final mark) will be used to calculate the average with the one obtained by students in the first module of the course, in order to get an overall final mark. The students who fail the exam based on module 2 will have to take the exam on the whole course content on the following official exam date. There will be no supplementary oral exam. Students will not be allowed to repeat only the exam on module 2.

3. *Family business (impresa di famiglia) Strategies and Problems* (Prof. Claudio Devecchi)

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course aims to help students acquire useful knowledge and understand how family businesses are managed, organised, and run in Italy.

The intended learning outcomes are related to the peculiarities of this particular type of business in terms of: *i)* management features, *ii)* the relationships between business and family, *iii)* the assessment of the economic and capital structure, and *iv)* the types of risk to which they are subject. During the course, students will be given also the opportunity to acquire other soft skills, in order to be able to complete their cognitive development process, form independent judgments (‘is this family business successfully addressing its critical issues?’), and develop their communication (‘am I able to suggest virtuous paths?’) and learning skills (‘what have I learned from the analysis?’). Therefore, at the end of the course students will be able to carry out a comprehensive diagnosis of a family business, as well as make suggestions to improve their situation.

***COURSE CONTENT***

Students will have to choose between an ‘active’ or ‘passive’ learning method. According to the first type, in addition to the lectures, students will have to find a business family that is willing to cooperate and interested in a diagnosis made through a survey provided by the lecturer. In order to complete the course, students will have to write a final report and submit it to the lecturer for the assessment. The second type, instead, is based on listening and the active participation of students during the course. In order to complete the course, students will have to study the textbook and take the exam to test their preparation.

The course content will be structured as follows: *a)* types of family businesses, their life cycle, and their strategic discontinuities; *b)* the four big groups of critical issues: the business model profile adopted, the business-family relationships, the economic and capital structure, and the risk level; *c)* the variables contained in every big group; *d)* the literature at the basis of this macro groups; *e)* a map of the critical issues and their evolution over time. Transversal to this approach *f)* generational transfer models.

In conclusion, students will be left free to choose if they want to adopt an active or passive learning method, therefore following the related cognitive development process.

***READING LIST***

The textbook of reference for the course is:

C. Devecchi, *Problemi, criticità e prospettive dell’impresa di famiglia*, V&P, Reprint October 2013.

Further teaching material will be made available for students on Blackboard and it will be considered as an integral part of the study material for the final exam.

The students opting for the ‘active’ learning method, will have to use the textbook simply as a tutorial for the diagnostic Project Work. The final assessment will take into account only and exclusively the Project Work and, if the mark obtained is positive (please see the ‘Assessment method and criteria’ section below) and accepted by the student, it will replace the exam based on the textbook.

The students opting for the ‘passive’ learning method, or those who do not accept the mark obtained in their Project Work, will have to prepare the exam on the following chapters of the textbook: I, II, III, IV, Conclusions, and on the supplementary teaching material that will be made available for students on Blackboard. The following pages of the textbook must be excluded: from 327 to 362.

***TEACHING METHOD***

In order to promote the acquisition of the intended learning outcomes, the lecturer uses a combination of teaching methods: frontal lectures for the acquisition of contents, success stories to help students understand in which ways (how) these contents have been put into practice, field work (Project work) for those who want to challenge themselves with a concrete analytical activity, the discussion of case studies to improve and develop the knowledge of engaged students.

***ASSESSMENT METHOD AND CRITERIA***

The assessment criteria are different depending on the choice made by students between ‘active’ or ‘passive’ learning method.

In the first case, the well-planned development of the Project work is aimed to allow students to apply their newly-acquired knowledge to real-life phenomena, so the assessment criteria must include options allowing to assess these skills according to the rules written and made available by the lecturer on the Blackboard page, and respect the timing and the structure of the final report.

In the second case, the ‘passive’ learning method relies on assessment methods and criteria consisting in the evaluation of the students’ preparation through a written test. This includes open-ended questions/exercises placing great emphasis on the ability to be concise and the capacity to find relevant arguments and conceptual representations of the topics, and closed-ended questions/exercises, focused on mnemonics and anamnesis. In order to guarantee a correct balance between the active and the passive learning method, the questions and the exercises (both open-ended and closed-ended) at the basis of the written exam are conceived and submitted trying to match/equalise the effort made by students in both cases. Therefore, the students opting for the passive learning method are invited to study very well the textbooks in all its parts: theories, mini cases, tables, charts, pictures, the teaching material on blackboard, and the slides of the lecturer, as all this will be considered as an integral part of the study material on which the questions will insist more.