# Firm Strategy and Policy (Management)

## Prof. Donatella Depperu; Prof. Luigi Geppert

### Module I: Prof. Donatella Depperu

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

The course aims at teaching students the methodologies and tools to understand and be prepared to act in different stages of the strategy process, from the assessment of the actual strategy to the implementation and control of a new strategy.

At the end of the course, students:

– will be able to identify which tools use in each stage of the strategy process, in order to reach firm purpose and objectives.

– identify which risks are typical of each stage, finding solutions to go over them.

– ask questions to identify problems, risks and opportunities linked to the strategy process in different types of firms, from multinationals to SMEs.

***COURSE CONTENT***

The course is focused on the strategy process, therefore on the stages that go from strategy assessment through the implementation of a new strategy. The approach will be equally theoretical and practical, and lectures will be frequently based on real managing practices and interventions by subject matter experts working in national and multinational companies. For each topic there will be a focus on theories, frameworks, tools, sources of information.

***READING LIST***

Teaching material is listed, session by session, on the e-learning Blackboard platform and reading will be available on the same platform or found in the University online library.

***TEACHING METHOD***

The active participation in class is fundamental. Students are invited to check the course content and the analytic calendar. Some of the lectures, aimed to introduce the key theoretical concepts of the course, will necessarily be frontal; however, they will be complemented by practical case studies and the experiences of subject matter experts, in order to help students exchange their ideas and opinions, feel more involved, and therefore develop their managerial skills.

***ASSESSMENT METHOD AND CRITERIA***

The active participation in class is fundamental. Students are invited to attend lectures regularly, and take part to the activities proposed in class: discussions on case studies, exercises, lectures held by subject matter experts, debates with the lecturer, group works, ecc.

Regarding the exam, the following apply:

1. The exam is written.
2. The Module I exam is on all the contents dealt with during the course through readings, examples, business cases, exercises and testimonials.
3. The Module I exam is based on a written test which can comprise exercises with open-ended and closed-ended answers, exercises and short cases.
4. The overall assessment is the arithmetic mean of the marks obtained in the tests on Module I and Module II (if the result of each test is greater than or equal to 18). There is also a mid-term test at the end of Module I: in case this test is passed, the test on Module II will take place only once and student will have the possibility to choose one date out of the first three examination dates (between January and February).
5. The exam procedure is the same for all exam sessions (with the exception of students who pass the mid-term test).

The exam is written.

***NOTES AND PREREQUISITES***

In order to get the most out of this course, students should have a basic knowledge of business strategic management. Class attendance and an active participation in class are highly recommended.

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.

***OFFICE HOURS***

Dates and time of prof. Depperu’s office hours are on her personal webpage. Prof. Depperu meets students in her office, via Necchi 5, ex-conventino.

Module II: Prof. Luigi Geppert

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

The aim of the course is to develop students' knowledge of systemic tools and models so as to better understand and analyse the dynamic evolution of business strategy from the control and alignment perspective of the business manager.

In an increasingly “dynamic” business context that is difficult to plan, much like the current one, the process of defining managerial decisions appears particularly complex, making it difficult to compare a priori and predict the consequences of the most critical options.

This process requires the support of *methods* and *tools* to represent and measure the dynamic complexity of the reality, which the manager can use to improve and increase his understanding of the phenomena.

The course aims to provide the *methods* and *tools* of *simulation modelling* (or rather - in the context of this course - Systems Thinking and System Dynamics) for the conception and creation of "micro worlds" and *management flight simulators* that allow managers to explore the effects of long-term strategic decisions, to evaluate new strategies, and to develop and understand complex systems.

At the end of the course, students will be able to:

- improve their analysis and assessment of business strategies and business policies over time;

- understand complexity through counter-intuitive dynamics;

- build, at least qualitatively, appropriate dynamic micro-worlds to represent the many situations for which the "right" managerial decision becomes the critical success factor;

- use the methodological paradigms of Systems Thinking and System Dynamics.

***COURSE CONTENT***

With regard to Module 2, the course initially provides a brief introduction to the dynamic modelling of systems and then focuses on the execution of appropriate dynamic models (micro-worlds) that exemplify recurrent managerial situations.

The presentation of a number of business cases illustrates the application of the tools and methods presented.

Depending on the time available, a few hours will be dedicated to tutorials.

In particular, the topics covered concern:

- the definition and representation of complex systems: *Policy Resistance*;

- the elementary modes of dynamic behaviour;

- causal circular diagrams;

- level and flow diagrams;

- examples of application;

- business cases;

- tutorials (optional).

During the course, students will be gathered together in groups (teams); each group will be entrusted with the analysis of an already existing micro-world, to be used as a *business game* to achieve certain objectives through the appropriate dynamic combination of a number of control levers (which represent corporate decisions).

***READING LIST***

For Module 2

L. Geppert, *Introduzione alla Dinamica dei Sistemi: concetti generali di modellazione della complessità e applicazioni per la strategia e la gestione aziendale,* lecturer's notes published on Blackboard, 2007.

L. Geppert, *Modelli e applicazioni d’esempio*, lecturer's software models published on Blackboard, 2011.

J. Sterman, *Business Dynamics: Systems Thinking and Modeling for a Complex World,* Irwin McGraw-Hill, 2000.

P.M. Senge, *The fifth discipline: the art and practice of the learning organization,* DoubleDay, 1994.

During the course, to support the concepts presented in Module 2, a number of models prepared with appropriate modelling software will be used (for example: iThink by iseesystems and Vensim PLE by Ventana Systems, which can be respectively downloaded for free from the websites: www.iseesystems.com and [www.vensim.com](http://www.vensim.com)).

***TEACHING METHOD***

Frontal lectures with classroom exercises. Testimonials from managers and consultants may be provided during the course.

***ASSESSMENT METHOD AND CRITERIA***

Regarding the exam, the following apply:

1. The Module 2 exam is based on a written test comprising exercises with open-ended and closed-ended answers.
2. The overall assessment is the arithmetic mean rounded up of the marks obtained in the 2 tests (if the result of each test is greater than or equal to 18).
3. The exam procedure is the same for all exam sessions.
4. In the first exam session that follows the course (usually comprising 3 sessions), students may add the credits (maximum 3) earned from the business game played in class.
5. The marking rules are also indicated on Blackboard.

***NOTES AND PREREQUISITES***

No special prerequisites are required. Attendance at and active participation in lectures is strongly recommended. On the lecturer's webpage, the time of receipt and the thesis request form are indicated.

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.