

BUS359

Contemporary Strategic Analysis

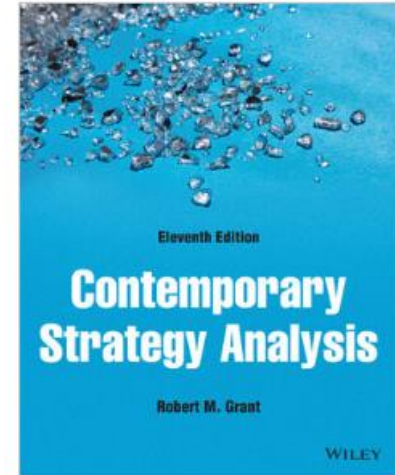
Lecture 1: What is strategy and why does it matter?

Toan L.D. Huynh
T.Huynh@qmul.ac.uk

Main textbook

Contemporary Strategy Analysis: Text and Cases, 8th/9th/10th/11th edition, by Robert Grant. Wiley & Sons publishing, 2013, 2016, 2019, 2021.

Hard copies available or [E-book](#) via QMUL library.



Outline

- What is strategy?
- How is strategy made?

Class activity: What is strategy?

Individual reflection (1 minute):

- Write buzzwords or bullet points to answer (use whatever form of idea generation works for you)
- Own knowledge – no references, what do you know?

Join at **www.kahoot.it**
or with the **Kahoot! app**

Class activity (5 minutes): Lady Gaga

Read: Strategy capsule 1.2, Grant, Chapter 1 – Contemporary Strategy Analysis (QMUL library)



(Source: [Financial Times](#))



“Lady Gaga launched her new beauty brand Haus Laboratories on Amazon Prime this week, enabling her fans to pre-order collections of lip gloss and colour for delivery in September.”

(Source: [Financial Times](#))

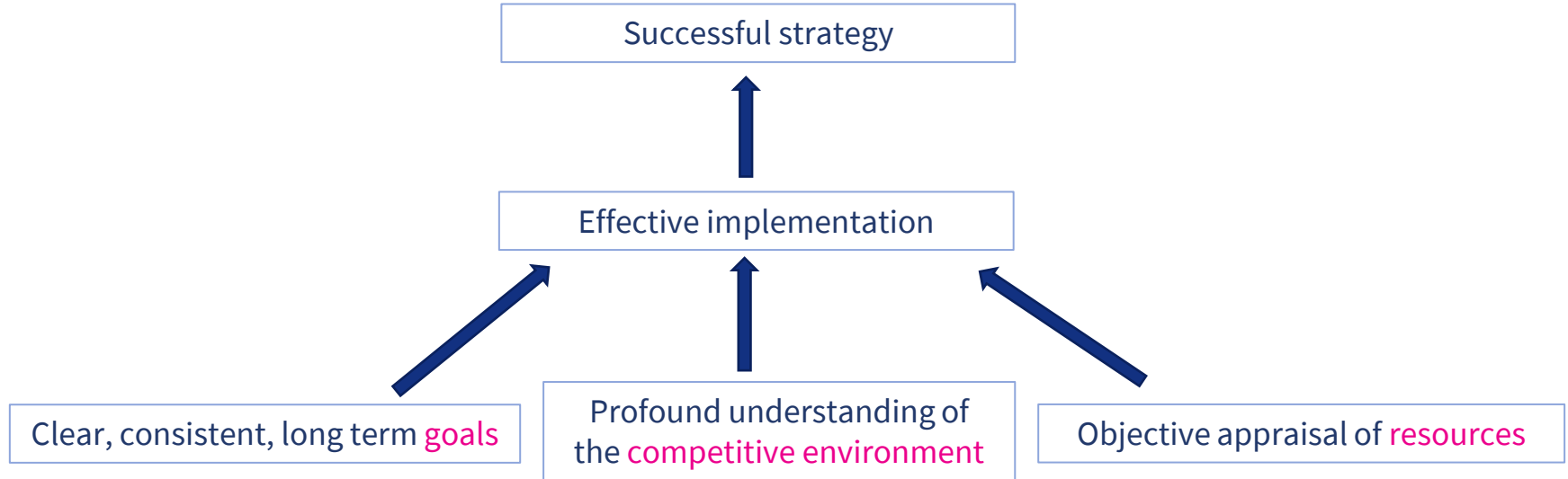
Case discussion:

- Why has Lady Gaga been so successful in the world of entertainment?
- Does she have a strategy?
- If yes, what are the key elements in her strategy?

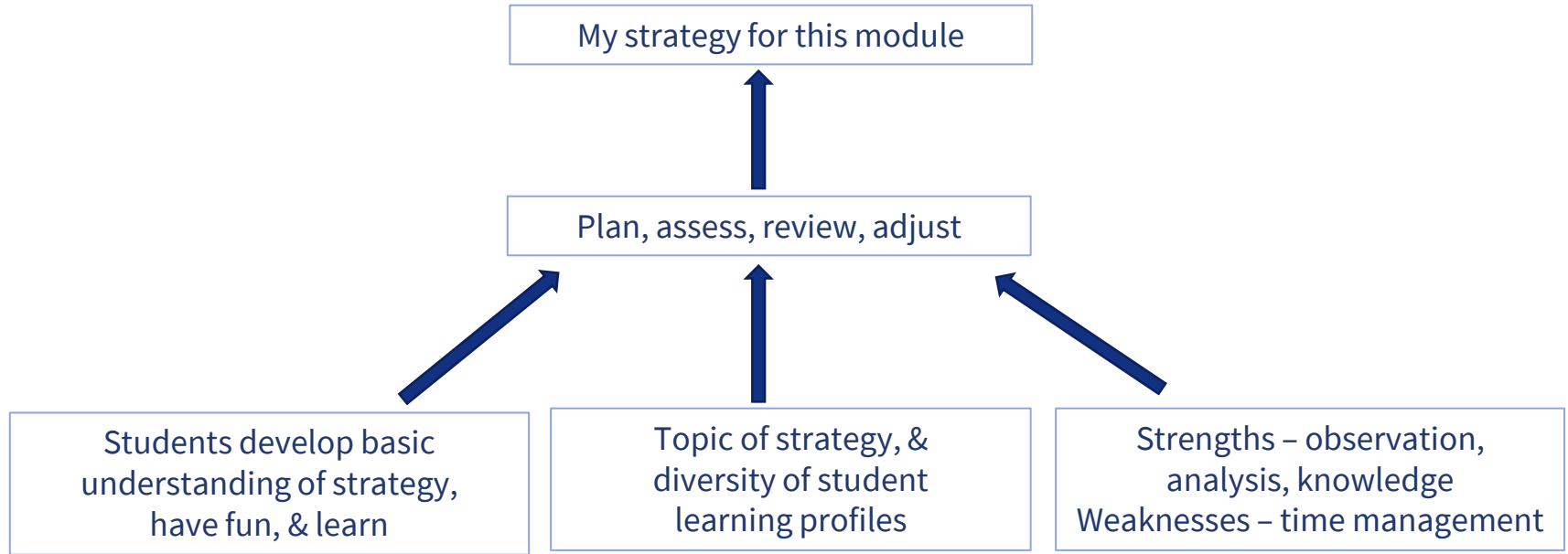
Common elements in successful strategy



Think about the case of Lady Gaga again?



Do you have any strategies?



Class activity (5 minutes): Your strategy for this module

Think (5 minutes):

What is your goal(s) for this module?

E.g., a good grade, to catch up with friends

What do you need to do to achieve that?

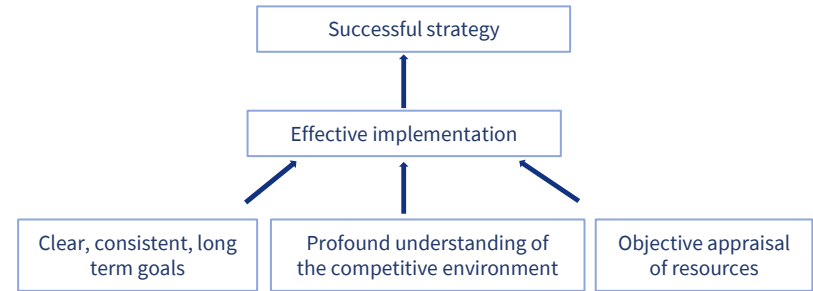
E.g., spend 5 hours per week reading additional material, turn up to webinars

What do you do well in terms of learning? What works for you?

E.g., working in the library or café, going for a walk

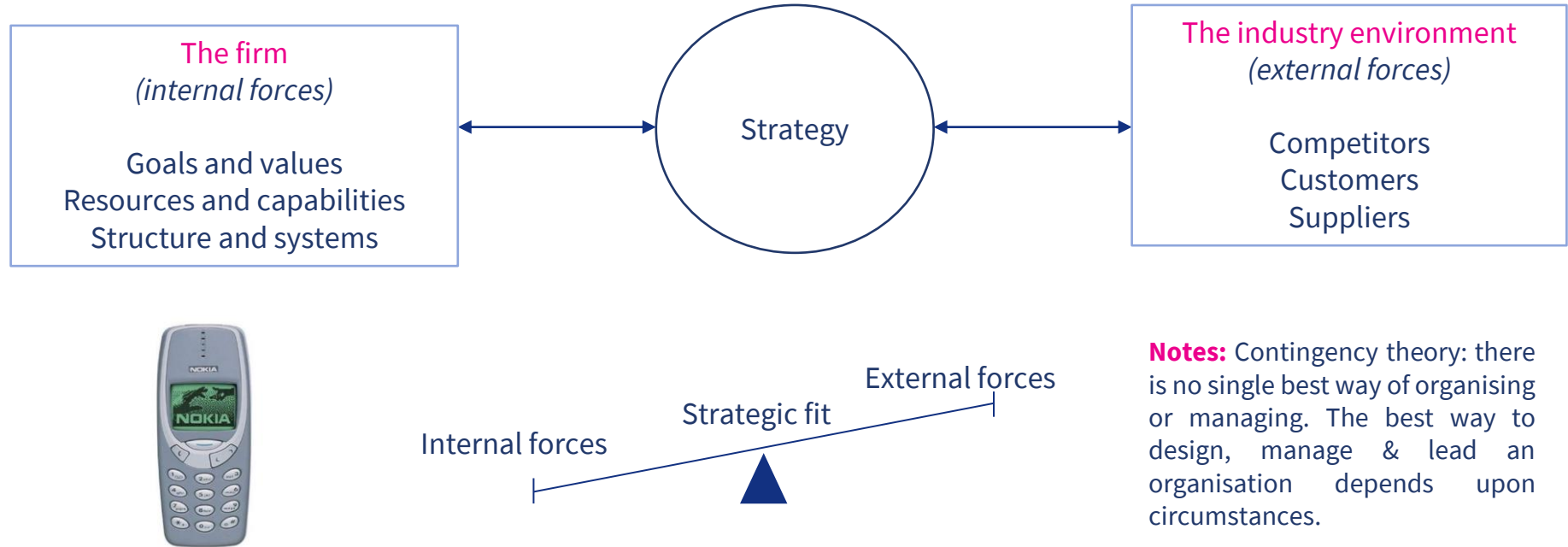
How will you implement that?

E.g., arrange a time to study & have fun, reward myself after study



Join at **www.kahoot.it**
or with the **Kahoot! app**

The basic framework: Strategy (analysis) as the link between the firm and its environment



Notes: Contingency theory: there is no single best way of organising or managing. The best way to design, manage & lead an organisation depends upon circumstances.

Class activity: Defining strategy

“the determination of the long-run goals and objectives of an enterprise and the adoption of courses of action and the allocation of resource necessary for carrying out these goals”

Alfred D. Chandler

“competitive strategy is about the being different – it means deliberately choosing a different set of activities to deliver a unique mix of value”

Michael Porter

“a pattern in a stream of decisions”

Henry Mintzberg

“the long-term direction of an organisation”

Exploring Strategy (textbook)

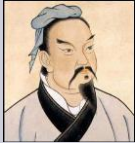


“means by which individuals & organisations achieve their objectives”

A simple definition

“Strategy is about understanding where you are now, where you are heading and how you will get there...”

The Economist

Class activity: Defining strategy

Strategist		Reference	An issue and a quote
Sun Tzu		The Art of War, approx. 500 - 400 A.D.	<i>Redefining the game:</i> The best approach is to focus the attack on the other side's strategy.
Niccolo Machiavelli		El Principe, 1513	<i>A player with convincing leadership:</i> It is unnecessary for a prince to have all the good qualities, but it is very necessary to appear to have them.
Carl von Clausewitz		Vom Kriege, 1830	<i>What is strategy and what it is not:</i> Strategy is the planning of a whole campaign and tactics is the planning of a single battle.

Source: Photo from Wikipedia

There are various ways to approach strategy: Strategic thinkers with a military background

Strategy – not to be confused with tactics

Distinguishing strategy from tactics:

- Strategy is the **overall plan** and **direction** for deploying **resources** to establish **a favourable position**.
- Tactic is a scheme for a specific action.

Characteristics of strategic decisions:

- Important
- Involve a significant commitment of resources and capabilities
- Not easily reversible



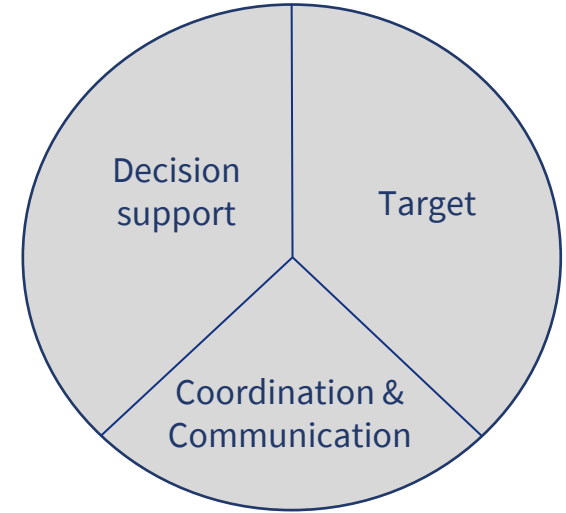
Why do firms need strategy?

Individual reflection (3 minutes):

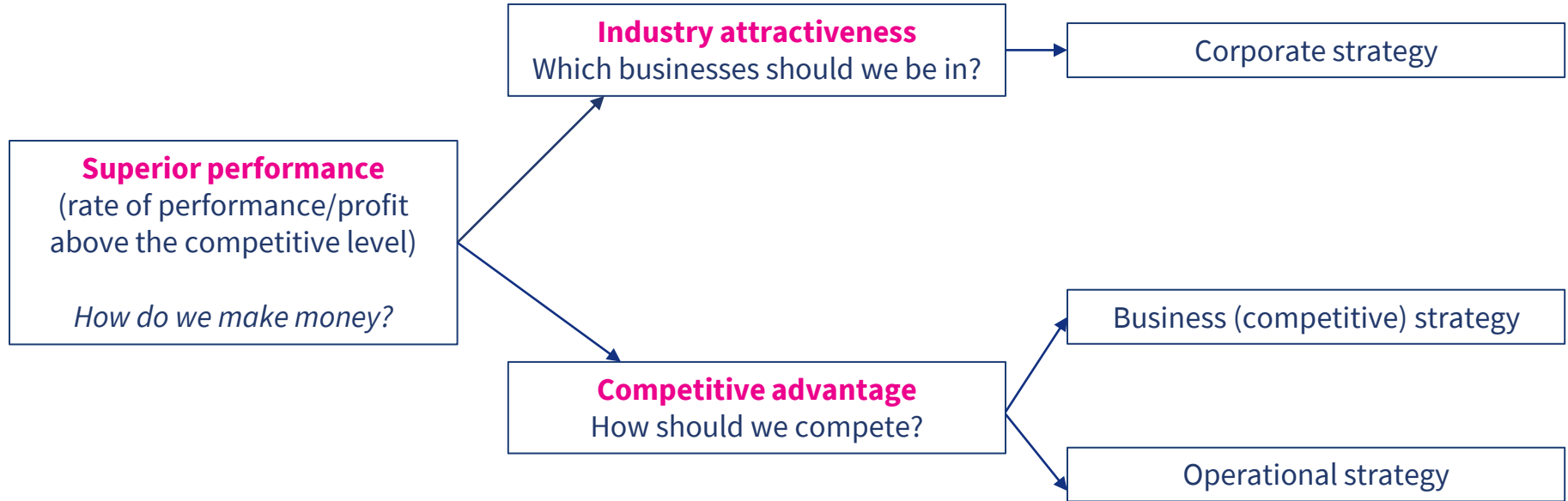
- Write bullet points to answer

Strategy making processes within the company, the multiple roles of strategy:

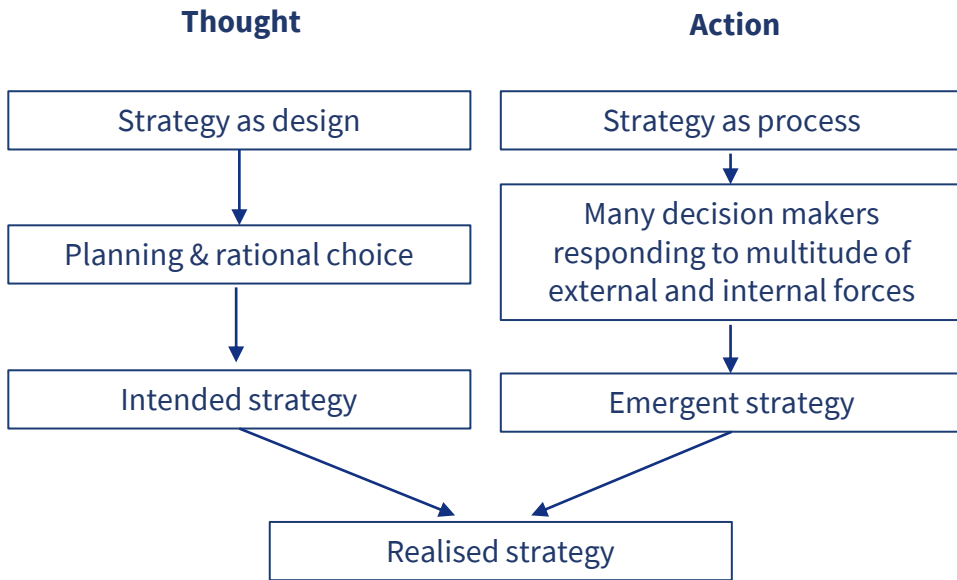
- As decision support – improves the quality of decision making
- As coordination and communication – creates consistency and unity
- As a target – improves performance by setting high aspirations



Sources of superior performance (profitability)



How is strategy really made?



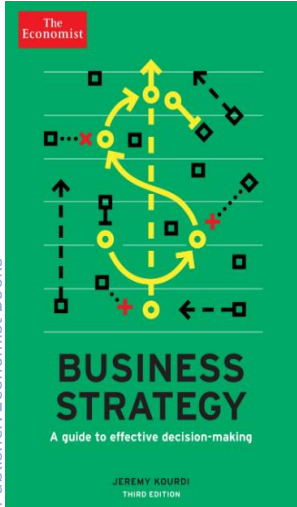
Pitfalls of formal planning

Mintzberg's critique of formal strategic planning:

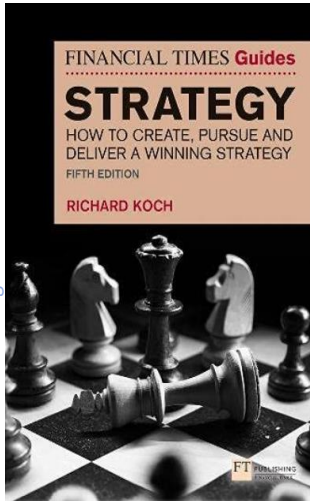
- The fallacy of prediction – the future is unknown.
- The fallacy of detachment – impossible to divorce formulation from implementation.
- The fallacy of formalisation – inhibits flexibility, spontaneity, intuition, and learning.



Why learn strategy?



“Strategy is about understanding where you are now, where you are heading and how you will get there...”



“Incisive overview of both corporate level and business unit level strategy...”

Improves decision processes, but does not give answers

Assists us to identify and understand the main issues

The role of analysis in strategy formulation

Helps use to manage complexity

Can enhance flexibility and innovation by supporting learning

Summary and next week

Recap:

- Common elements in successful strategy
- Basic framework
- Sources of superior performance
- Realised strategy as a function of intended strategy and emergent strategy

Forthcoming:

Lecture 2: Goals, values & performance

- Profit as a measure of success?
- Value for whom?

Webinar 1: Lego case study (we will watch this in class)

Required reading: Grant, Chapter 2

Student Engagement



<https://forms.gle/qCbe3VLEqwDVAvD68>



Queen Mary

University of London