

MGT 312: Strategic Management

*Credits: 3
Lecture Hours: 48*

Course Objectives

This course aims to familiarize students with the basic concepts of strategic management and enable them to formulate, implement, and evaluate strategies for businesses. The course also aims to develop comprehensive and integrated view of business. The ultimate objective is to develop skill of practical and integrated application of different fields of management in order to make strategic decisions.

Course Description

Starting from the establishment of a company's direction by preparing mission statement and vision, this course will proceed to the identification of opportunities and threats emerging from the external environment and assessment of strengths and weaknesses arising from the internal environmental forces. Development of tools needed to match opportunities and threats with strengths and weaknesses will be the next step. Concepts of removing possible hurdles in the implementation of strategy will be followed by the discussion on the implementation of strategy. Finally, issues related to strategic evaluation and control will be discussed.

Course Outcomes

Upon completion of this course, students should be able to:

- Establish and evaluate mission statement, long term objective, vision, and short term plan for the business;
- Analyze the external and internal environment and identify opportunities, threats, strengths, and weaknesses of the firm and thereby formulate appropriate strategies for business;
- Plan pre-implementation and implementation phase; and
- Monitor and evaluate implemented strategies.

Course Details

Unit 1: Introduction

LH 4

Meaning of strategy and strategic management; Strategic Management Model; Characteristics of strategic management; Formality in strategic management.

Unit 2: Company Direction

LH 3

Mission and mission statement; Vision; Strategic intent; Strategic objective vs. Financial objective; Policies; Long term and short term objectives.

Unit 3: External Environment Analysis

LH 10

PEST analysis - political, legal, economic, socio-cultural, technological, ecological, and international environment analysis framework (individualism vs. collectivism, totalitarian system vs. democracy, common law vs. civil law system; Determinants of culture; State of technological stage; Impact of ecological and international factors); Industry and competitive analysis - Porter's five force model; Monitoring competition.

Unit 4: Internal Analysis

LH 5

Resource to competitive advantage pyramid; internal analysis approaches - value chain; functional approach; and Resource based view (RBV); Benchmarking.

Unit 5: Strategic Options and Choice Techniques**LH 10**

Porter's five generic strategies, Grand Strategies (concentration, market development, product development, innovation, vertical and horizontal integration, concentric and conglomerate diversification, retrenchment/turnaround, divestiture, liquidation, bankruptcy, joint venture, and strategic alliance); Corporate level analytical tools - BCG and GE nine cell matrices; Business level analytical tools - grand strategy selection matrix and grand strategy cluster.

Unit 6: Post-formulation and Pre-implementation Phase**LH 6**

Matching existing organizational structure, leadership, and organizational culture with newly chosen strategy.

Unit 7: Implementation Phase**LH 5**

Functional plan - finance, Marketing, HR, R & D, Production operations, MIS, and general management work plan.

Unit 8: Strategic Evaluation and Control**LH 5**

Difference between strategic and operational control; Strategic control tools - premise control, strategic surveillance, Implementation control, and special alert.

References

Adhikari, D.R., Strategic Management, Kathmandu: Buddha Publication

Dess, G. G., Lumpkin. G. T. & Eisner, A. B. *Strategic Management: Text and Cases*. New Delhi: Tata McGraw Hill,

Hitt, M. A., Ireland, R. D., Hoskisson, R. E. & Manikutty, S., *Strategic Management: A South-Asian Perspective* New Delhi: Cengage Learning.

Pearce, J. A., Robinson, R. B. & Mital, A, *Strategic Management: Formulation, Implementation, and Control*, New Delhi: Tata McGraw Hill,

Thomson, A., & Strickland, A. J. *Strategic Management*, New Delhi: Tata McGraw Hill