



UNIVERSITY OF CAGLIARI
COURSE: STRATEGIC MANAGEMENT (9 ECTS/54 H)
2025–2026 | 2nd Semester

GENERAL INFORMATION	DAYS & ROOM
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COURSE DESCRIPTION

This course aims to provide the theoretical foundations and practical tools for understanding and analyzing various types of businesses, including multinational corporations. In addition to providing a general theoretical background, the course aims to develop students' ability to analyze a wide range of approaches to business studies and business management. It illustrates the main managerial and operational functions and critically evaluates the influences of controversial issues in the business context.

PREREQUISITES

Basic concepts of business and management.

COURSE CONTENT

1. What is Strategy?
2. Strategic Leadership: Managing the Strategy Process
3. External Analysis: Industry Structure, Competitive Forces, and Strategic Groups
4. Internal Analysis: Resources, Capabilities, and Core Competencies
5. Business Strategy: Differentiation, Cost Leadership, and Blue Oceans
6. Corporate Strategy: Vertical Integration and Diversification
7. Corporate Strategy: Strategic Alliances, Mergers, and Acquisitions
8. Global Strategy: Competing Around the World

LEARNING OBJECTIVES		
Objective	By the end of this course, students should be able to:	Addressed via:
1	<ol style="list-style-type: none"> 1. Explain the role of strategy in a firm's quest for competitive advantage. 2. Define competitive advantage, sustainable competitive advantage, competitive disadvantage, and competitive parity. 3. Assess the relationship between stakeholder strategy and sustainable competitive advantage. 4. Conduct a stakeholder impact analysis. 5. Explain the Analysis, Formulation, Implementation (AFI) Strategy Framework. 	Lectures, cases, tutorials, and exam
2	<ol style="list-style-type: none"> 1. Explain the role of strategic leaders and what they do. 2. Outline how you can become a strategic leader. 3. Compare and contrast the roles of corporate, business, and functional managers in strategy formulation and implementation. 4. Describe the roles of vision, mission, and values in a firm's strategy. 5. Evaluate the strategic implications of product-oriented and customer-oriented vision statements. 6. Justify why anchoring a firm in ethical core values is essential for long-term success. 7. Evaluate top-down strategic planning, scenario planning, and strategy as planned emergence. 8. Explain the causes of strategic dissonance and how to navigate strategic inflection points. 9. Describe and evaluate the two distinct modes of decision making. 10. Compare and contrast devil's advocacy and dialectic inquiry as frameworks to improve strategic decision making. 	Lectures, cases, tutorials, and exam
3	<ol style="list-style-type: none"> 1. Generate a PESTEL analysis to evaluate the impact of external factors on the firm. 2. Differentiate the roles of firm effects and industry effects in determining firm performance. 3. Apply Porter's five competitive forces to explain the profit potential of different industries. 4. Examine how competitive industry structure shapes rivalry among competitors. 5. Describe the strategic role of complements in creating positive-sum co-opetition. 6. Explain the five choices required for market entry. 7. Appraise the role of industry dynamics and industry convergence in shaping the firm's external environment. 8. Generate a strategic group model to reveal performance differences between clusters of firms in the same industry. 9. 	Lectures, cases, tutorials, and exam

<p>4</p>	<ol style="list-style-type: none"> 1. Explain why and how internal firm differences are the root of competitive advantage. 2. Differentiate among a firm's core competencies, resources, capabilities, and activities. 3. Compare and contrast tangible and intangible resources. 4. Evaluate the two critical assumptions about the nature of resources in the resource-based view. 5. Apply VRIO framework to assess competitive implications of a firm's resources. 6. Evaluate different conditions that allow a firm to sustain a competitive advantage. 7. Outline how dynamic capabilities let a firm sustain a competitive advantage. 8. Apply a value chain analysis to understand which of the firm's activities in transforming input into outputs generate differentiation and which drive costs. 9. Identify competitive advantage as residing in a network of distinct activities. 10. Conduct a SWOT analysis to generate insights from external and internal analysis and to derive strategic implications. 	<p>Lectures, cases, tutorials, and exam</p>
<p>5</p>	<ol style="list-style-type: none"> 1. Define business-level strategy and describe how it determines a firm's strategic position. 2. Examine the relationship between value drivers and differentiation strategy. 3. Examine the relationship between cost drivers and cost-leadership strategy. 4. Assess the benefits and risks of differentiation and cost-leadership strategies vis-vis the five forces that shape competition. 5. Evaluate value and cost drivers that may allow a firm to pursue a blue ocean strategy. 6. Assess the risks of a blue ocean strategy and explain why it is difficult to succeed at value innovation. 	<p>Lectures, cases, tutorials, and exam</p>
<p>6</p>	<ol style="list-style-type: none"> 1. Define corporate strategy and describe the three dimensions along which it is assessed. 2. Explain why firms need to grow, and evaluate different growth motives. 3. Describe and evaluate different options that firms have to organize economic activity. 4. Describe the two types of vertical integration along the industry value chain: backward and forward vertical integration. 5. Identify and evaluate benefits and risks of vertical integration. 6. Describe and examine alternatives to vertical integration. 7. Describe and evaluate different types of corporate diversification. 8. Apply core competence–market matrix to derive different diversification strategies. 	<p>Lectures, cases, tutorials, and exam</p>

	9. Explain when a diversification strategy creates a competitive advantage and when it does not.	
7	<ol style="list-style-type: none"> 1. Apply the Build-Borrow-Buy framework to guide corporate strategy. 2. Define strategic alliances, explain why firms enter into them, and summarize why they are important to implement corporate strategy. 3. Describe three alliance governance mechanisms and evaluate their pros and cons. 4. Describe the three phases of alliance management and how an alliance management capability can lead to a competitive advantage. 5. Differentiate between mergers and acquisitions, and explain why firms use them to execute corporate strategy. 6. Define horizontal integration and evaluate the advantages and disadvantages of this option to execute corporate-level strategy. 7. Explain why firms engage in acquisitions. 8. Evaluate whether mergers and acquisitions lead to competitive advantage. 	Lectures, cases, tutorials, and exam
8	<ol style="list-style-type: none"> 1. Define globalization, multinational enterprise (MNE), foreign direct investment (FDI), and global strategy. 2. Explain why companies expand internationally, and evaluate the advantages and disadvantages of competing globally. 3. Apply the CAGE distance framework to guide MNE decisions on which countries to enter. 4. Compare and contrast the different options MNEs have for entering foreign markets. 5. Apply the cost-responsiveness framework to evaluate the four different strategies MNEs can pursue when competing globally. 6. Apply Porter's diamond framework to explain why certain industries are more competitive in specific nations than in others. 	Lectures, cases, tutorials, and exam

TEACHING METHODS

Teaching methods include face-to-face or online classes and the discussion of short cases focused primarily on multinational companies.

EVALUATION AND GRADING CRITERIA

Attending students (those who attend 18-27 classes):

- Mid-term exam [\[check the dates here\]](#):
 - Test on Chapters 1, 2, 3, and 4 [April 2025]
 - 1-hour quiz | Validity: 1 year. After April 2025, students must take the full exam.

- Final Exam [\[check the dates here\]](#):
 - Written exam with two open questions and one case on Part II (Chapters 6, 8, 9, and 10) [June, July, and September 2025].

Non-attending students:

- Final Exam [\[check the dates here\]](#): The exam is written, with five open questions (including case and examples to be analyzed). These questions aim at verifying the acquisition of a proper language; the ability to correctly adapt and use what students have learned during the course. Students who do not attend classes on a regular basis will not be eligible to take the mid-term exam.

The grading criterion is based on the following elements:

- Accuracy and rigor;
- Completeness in describing and discussing the key elements related to the topic;
- Ability to discuss, connect key elements of the topic in an original and appropriate way.

Grades are on a 30/30 basis and the assessment logic is summarized in the table below.

Assessment Logic	
30/30	<i>Excellent</i> – Students know in depth the topic that is described in detail and rigorously. They prove to have a comprehensive view of what is learned, allowing them to make innovative and appropriate theoretical connections. They discuss the topic in coherence with the questions, and their answers are accurate and complete.
27/30– 29/30	<i>Good</i> – Students show to know all the contents appropriately. In their discussion, they make interesting connections, and they are accurate in developing their answers.
24/30 - 26/30	<i>Quite good</i> – Students show to know the contents and have understood principles surrounding the topic, even if their discussion presents some weakness and inaccuracy (the ability to create connections among theoretical concepts).
21/30 - 23/30	<i>Sufficient but poor discussion</i> – Students know the basic definitions. However, there are some gaps in the critical analysis to support the discussion of cases and the formulation of examples.
18/30 - 20/30	<i>The basic knowledge is acquired</i> – Students know the basic definitions, but the answers present relevant gaps, and the discussion is absent, or inaccurate, poor, and incomplete.
0 - 17/30	<i>Not sufficient</i> – More learning efforts are required to know better and understand the contents of the course.

TEXTBOOK AND ADDITIONAL MATERIALS

- Rothaermel, F. Strategic Management. McGraw-Hill. ISBN: 1266191860 (6th Edition)
 - Purchase/Rental options:
 - *McGraw Hill official website:* [click here](#)
 - Borrowing options:
 - Library: Via S. Ignazio, 80 - 09123 Cagliari | Further information [here](#)

Additional Readings

- Porter, E. (1996) What is Strategy? Harvard Business Review
- Zaitsava, M., Marku, E., & Di Guardo, M. C. (2022). Is data-driven decision-making driven only by data? When cognition meets data. *European Management Journal*, 40(5), 656-670.
- Porter, M. E. (2008). The five competitive forces that shape strategy. *Harvard Business Review*, 86(1), 78.
- Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99-120.
- Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, 18(7), 509-533.
- Kim, W. C. (2005). Blue ocean strategy: from theory to practice. *California Management Review*, 47(3), 105-121.
- Di Guardo, M. C., Harrigan, K. R., & Marku, E. (2019). M&A and diversification strategies: what effect on quality of inventive activity?. *Journal of Management and Governance*, 23(3), 669-692.

Additional materials such as slides, cases, papers, etc., will be provided during the course.

Note: Slides do NOT replace the textbook; they support active learning, but they are insufficient to pass the exam.