



Master's programme in Family Business Management (FAB)



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Co-funded by the
Erasmus+ Programme
of the European Union



Synthesis Report 2.8

FAB professional/VET courses

Responsible WP,

WP2 MC



Work package:	WP 2.8 FAB professional/VET courses
Type:	Synthesis Report
Dissemination level:	Confidential
Version:	1.1
Delivery date:	6/4/2022
Keywords:	Curricula, learning outcomes, professionals/VET courses, MOOCs
Abstract:	This deliverable aims to record professional/VET courses tailored to the training needs of the family business and the specific characteristics of the 6 countries (Cambodia, Malaysia, Malaysia, Philippines, Bangladesh, Bhutan, and Nepal).
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Executive Summary

This deliverable aims to highlight FAB professional/VET courses tailored to training needs of the family businesses and the specific characteristics of the 6 partnering countries (Cambodia, Malaysia, Malaysia, Philippines, Bangladesh, Bhutan, and Nepal).

To that effect, each Asian partner HEIs developed 1 new professional training course dividing it to 4 modules related to training needs of the regional industry and the special characteristics of each partnering country.

Finally, the training material was developed according to a template being provided by Asian HEIs, under the guidance of ReadLab and AMC.

1. BACKGROUND

1.1. FAB Objectives

The FAB project aims to improve the quality of higher education and enhance its relevance to the labor market and society. The FAB aims to develop new specialized curricula and an innovative MSc programme on Family Business Management thus helping build the capacity of the partner countries (PC) HEIs, improve the level of competencies and skills offered, and address the existing absence of a similar programme. The FAB project will also promote cooperation, exchange of know-how, and good practices in the subject area between EU and PC HEIs. Viable synergies and links with the regional labor industry will be established in order to address their needs in specialized personnel in FAB, training needs, and enhance the employability of FAB graduates.

FAB project provides entrepreneurship education and family-business-specific management training and Capacity Building in the field of higher education – FAB research into family-business-specific topics ensured by the size of the Consortium and the different expertise of partners in these fields.

1.2 Methodological Framework

The current methodological framework aims to introduce the Asian Universities participating in the FAB project to the design and development of professional training courses aimed to be delivered within the piloting phase of the project.

More specifically, the idea of the creation of the FAB professional training courses lies at the very heart of the project. FAB aims not only to develop a Master's program in order to develop professionals ready to enter the labor market but also to help current professionals working in the sector in order to cover any skills gaps and enhance their knowledge and competencies in accordance with market's needs. The needs have already been identified in the Deliverable 1.3. via focus groups help with businesses of the family business sector in participating countries of Bangladesh, Bhutan, Cambodia, Malaysia, The Philippines, and Nepal.

Following the results, each country has identified both common and different necessities in terms of staff skills and competencies needed. Taking upon these results, the Asian HEIs, have agreed to a division among them so that each HEI develops a different professional training course.

Worth to note that to-be-designed courses will be designed and available fully online. Regardless of the learners' nationality, (s)he will be available to express his/her interest and participate in any of the developed courses. This means that a professional from Cambodia will be available to take a course developed by one of the Malaysian Universities etc.

The professional courses' profile is:

- Professionals already working within the family business sector
- Graduates who aim to get into the sector's labor market

Building blocks:

- The course outline is the container for all the course content. The outline contains one or more Modules/Weeks.
- **Modules/Weeks** are at the top level of the course and typically represent a time period of one week. A Module contains one or more Lessons.
- **Lessons** are parts of a Module, and usually represent a topic or other organizing principle. A lesson contains one or more units.
- Course **units** are parts of a lesson that participants view as single pages. A unit contains one or more components.
- Course **components** are objects within units that contain the actual course content: Videos, reading material, problems/quizzes, and discussion forums.

Assessment Tasks	Learning Outcomes
Attendance	Get a certificate of completion
Business Plan Model/Plan	Design the business plan outline
Knowledge Check	Quiz, Case Studies, Peer review, Project work

Similarly, to the Master's Course, in order to design the core material, the Asian HEIs took into consideration the below key points:

- **Learning Outcomes:** What participants (target groups identified in the introduction) will be able to know/do after the completion of each module.
- **Training Materials:** What training materials need to be developed and what materials will include, in order to achieve the programme's goals.
- **Training Methods:** The methods that will be used so that participants meet the learning objectives and acquire the necessary skills and competencies.
- **Logistics:** Where and when the piloting will take place and what type of logistics will be needed.



Finally, Asian HEIs complete a template designed by Readlab and AMC in order to guide them in the correct choice of courses.

The template for the design for each module is presented in the Annex.

2. Country Course outline

2.1. Cambodia

Cambodia HEIs creates a course with the title “**Entrepreneurship for Family Business**”. Specifically, the Entrepreneurship for Family Business (EFB) training is focused on developing the basic skills needed by entrepreneurs who are planning to start a family business or improve the management of the family business. During the training, participants will develop plans for business ideas or support each other to develop plans for a personal business.

The EFB training is designed for individuals who aspire to establish a new business with innovation. Participants do not need a clear business idea before joining and may already have had experience operating an enterprise. The training has four modules with a duration of 8 weeks and an estimated effort of 6 hours per week.

Having this as a compass, Cambodia selected to design the modules below:

Module 1: Introduction to Entrepreneurship

Module 2: Innovation and Technology for Family Business

Module 3: Family Business Model and Prototype

Module 4: Family Business Management

Course Learning Outcomes (LOs)

By the end of this course, participants should be able to:

- LO1: Understand the fundamental concepts of business innovation and important factors that can contribute to better preparation before starting up a business and to better management of existing businesses.
- LO2: Come up with new business ideas and how to assess them.
- LO3: Design a business plan and develop a prototype for the products or services.
- LO4: Analyze common issues in the family business by applying appropriate knowledge resources.
- LO5: Apply the specific practices and skills of effective family businesses management.

2.2 Nepal

Nepal HEIs creates a course with the title “Managing Family Business Growth”. A key challenge for family businesses in Nepal is developing their capacity to scale up and manage business growth. Hence, the course aims to provide conceptual and practical knowledge and develop the skills and competence required for managing the growth of family business firms. This 6-week vocational education and training course with an estimated effort of 6 - 8 hours per week is designed for family business owners, the next generation of family business leaders, and managerial level employees of the family business.

The course will also appeal to those who are interested in starting up their own business, as well as those interacting with small firms and family businesses as advisors, managers, and policy-makers. Topics include family business characteristics and significance, developing a business plan, planning for growth and continuity, choice of organizational structure and implications, dynamics of family interactions, conflict resolution in family firms, preparing the next generation for entry into and management of family firms, succession strategies, professionalization, sales and promotion, financial analysis and planning, and human resource management. The course also focuses on strategic planning including different types of strategic choices for family business growth, innovation, and internationalization.

Having this as a compass, Nepal selected to design the modules below:

Module 1: Introduction to Family business management

Module 2: Business Model and Managing Business Growth

Module 3: Financial Analysis and Planning

Module 4: Sales, Promotion, and Marketing Research

Course Learning Outcomes (LOs)

By the end of this course, students should be able to:

- LO1: Develop an understanding of knowledge, skills, and attitudes required for entrepreneurship within a family business;
- LO2: Apply management concepts and frameworks for solving family business problems and strengthening family business performance;
- LO3: Develop capacity for planning and managing growth of family businesses;
- LO4: Apply business strategies, tools, and models to lead and orchestrate the family business;
- LO5: Enhance skills to manage the human resources, marketing and promotion, and financial planning for the growth of the family business;
- LO6: Evaluate the progress of the family business firm and make appropriate and timely adjustments to the business operations and strategy.

2.3 Malaysia

Malaysia HEIs creates a course with the title **“Digital Family Entrepreneurship”**. This introductory course is designed to give participants exposure and an overview of what and how to move their businesses towards digitalization. In this course, participants learn the management, marketing, and financial aspect of the digitalized business. Participants will be exposed to current practices in areas such as types of digital business models, digital media for marketing, and managing finances for Digital Entrepreneurs.

The training course has four modules with an estimated duration of 4 to 8 weeks and an estimated effort of 6 to hours per week.

Having this as a compass, Malaysia selected to design the modules below:

Module 1: Introduction to Digital Entrepreneurship

Module 2: Digital Marketing

Module 3. Managing Finances for Digital Entrepreneurs

Module 4. Taking off your digital marketing

Course Learning Outcomes (LOs)

By the end of this course, students should be able to:

- LO1: To describe the concept of digital entrepreneurship and different types of digital business models
- LO2: To describe the digital innovations that currently dominate consumer and commercial life, and select the right digital media for the right audience with search engine optimization and digital analytics
- LO3: To demonstrate competencies to design a sound financing plan, analyzing the company's performance, and managing the company's financial position
- LO4: Apply digital media for marketing family business products.

2.4 Bhutan

Bhutan HEIs creates a course with the title **“Family Business and Property Management”**. This professional certificate course will equip learners associated with or interested in family-owned businesses with knowledge and skills for effectively managing family businesses and property. The learners will be trained in creating a knowledgeable workforce and motivating employees for better retention. Additionally, the course will help learners seeking to acquire strategies for negotiating and avoiding conflicts in the family business, leadership skills to cope with uncertain conditions in the market, developing single-family property management systems, and leveraging technology for better efficiency and sustainability of family businesses.



The training course has four modules with an estimated duration of 2 weeks and an estimated effort of 4 hours per week.

Having this as a compass, Malaysia selected to design the modules below:

Module 1: Organizational Learning and Strategy

Module 2: Leadership in Family Business

Module 3: Property management in Family Business

Module 4: Technology in Family Business

Course Learning Outcomes (LOs)

By the end of this course, students should be able to:

- LO1: Identify strategies to create and manage a knowledge workforce in the family business
- LO2: Apply the negotiation skills in the family business
- LO3: Comprehend the role of motivation, influence, and bias in leadership
- LO4: Explain the importance of ethics and integrity for both individuals and businesses
- LO5: Manage and maintain commercial and private properties
- LO6: Comprehend the existing rules, regulations, and laws pertaining to the family business and property management
- LO7: Evaluate and apply appropriate analytics tools and techniques
- LO8: Use emerging cloud computing and cyber security tools for efficient business management and business information security.

2.5 Bangladesh

Bangladesh HEIs creates a course with the title “**Marketing for Family Business**”. Specifically, the Marketing for Family Business course is focused on developing the basic skills needed by entrepreneurs who are planning to start a family business or improve the management of the family business. During the training, participants will develop marketing plans for business ideas.

This course will teach the participants about the marketing process and the various marketing decisions that a company must make in order to sell its goods and services. Also, they’ll learn how to think like a marketer, and they’ll discover that marketing has always been about the customer. They’ll start to consider who the consumer of goods and services is, what they require, and what they desire. Marketing is characterized by four activities: developing products and services that serve consumers, articulating a clear value proposition, delivering products and services in a way that maximizes value, and exchanging (or trading) value for

those offers. ***The training course has three modules with an estimated duration of 8 weeks and an estimated effort of 6 hours per week.***

Having this as a compass, Bangladesh selected to design the modules below:

Module 1: Defining Marketing and the Marketing Process

Module 2: Understanding the Marketplace and Consumers

Module 3: Designing a customer-driven strategy and mix

Course Learning Outcomes (LOs)

By the end of this course, participants should be able to:

- LO1: Understand the fundamental concepts of marketing which are important to managing a family business
- LO2: Explain and describe influences on consumer behavior
- LO3: Demonstrate an understanding of the marketing mix and how it is used in the family business.
- LO3: Design marketing plan
- LO4: Analyze common issues of marketing in the family business
- LO5: Apply the specific practices and skills in marketing for effective family businesses management.

2.6 The Philippines

The Philippines HEIs create a course with the title **“Introduction to Strategic Management”**. Specifically, the Introduction to Strategic Management course is focused on:

- a. conducting strategic analysis in a variety of industries and competitive situations whether small or large, startup or ongoing, local or global;
- b. demonstrating why and how the different parts of the business need to be managed in strategic harmony for the organization to operate in a winning fashion, using the knowledge gained in earlier management courses and;
- c. assessing business risk, making sound decisions, and achieving effective outcomes.

The training course has 4 modules with an estimated duration of 4 to 8 weeks and an estimated effort of 4 to 6 hours per week.

Having this as a compass, The Philippines selected to design the modules below:

Module 1: The Strategic Management Process and the Vision of the Firm

Module 2: The External and Internal Assessments

Module 3: Selecting Strategies



Module 4: Strategy Evaluation

Course Learning Outcomes (LOs)

By the end of this course, students should be able to:

CLO1: Explain and apply the process of strategic management – strategy formulation and strategy evaluation as well as think strategically about an organization by:

CLO2: Define and analyze the different types of strategies

CLO3: Discuss the strategy-evaluation process, criteria and methods used

CLO4: Apply exemplary ethical principles, sound personal and company values, and socially responsible and sustainable management practices.



ANNEXES

ANNEX 1. Common template on Family Business Management (FAB)

ANNEX 2. Completed template from Cambodia

ANNEX 3. Completed template from Nepal

ANNEX 4. Completed template from Malaysia

ANNEX 5. Completed template from Bhutan

ANNEX 6. Completed template from Bangladesh

ANNEX 7. Completed template from The Philippines





Professional/VET Course outline

Project Acronym: FAB

Project full title: Master's programme in Family Business Management / FAB

Project No: 619264-EPP-1-2020-1-KH-EPPKA2-CBHE-JP

Funding Scheme: Erasmus+ KA2 Capacity Building in the field of Higher Education

Coordinator: National University of Management (NUM)

Project website: <https://fab-project.eu/>

Work package:	WP2. Design of the FAB MS Curriculum & Development of the FAB VLE
Type:	Training Material
Dissemination level:	Public
Version:	1.0
Delivery date:	
Keywords:	Curricula, learning outcomes, professionals/VET courses, MOOCs
Abstract:	The course outline is the container for all the course content of the FAB professionals/VET courses.
Authors:	ReadLab P.C./AMC Contributions from Asian Partner HEIs

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A. Course information

Course title	
Prerequisites (if any)	
Department	
Instructors (Name and short CV)	

B. Course description

C. Course Learning Outcomes (LOs)

By the end of this course, students should be able to:

- LO1:
- LO2:
- ...

D. Course outline

Course Outline	Learning Outcomes	Estimated effort (hours)
Module 1		
Module 2		
Module 3		
Module 4		
....		

E. Assessments

Assessment Tasks	Learning Outcomes

F. Teaching and learning methods

Teaching & Learning methods and activities	Learning Outcomes

Massive Open Online Course Structure

COURSE NAME: *to be defined*

Duration: 4 to 8 weeks

Estimated effort: 4-6 hours per week

Building blocks:

- The course outline is the container for all the course content. The outline contains one or more Modules/Weeks.
- **Modules/Weeks** are at the top level of the course and typically represent a time period of one week. A Module contains one or more Lessons.
- **Lessons** are parts of a Module, and usually represent a topic or other organizing principle. A lesson contains one or more units.
- Course **units** are parts of a lesson that students view as single pages. A unit contains one or more components.
- Course **components** are objects within units that contain the actual course content: Videos, reading material, problems/quizzes and discussion forums.

Module 1. *Title*

Lesson	Unit name	Component Type	Title/Source description	Notes
<i>[Lesson 1 Title]</i>	Introduction- Learning objectives	Video	[Title] The videos will be 5 minutes- to 10 minutes- long and as modular or standalone as possible.	
		Text	[Title] Full text or link to external doc	
	Lecture 1	Text	[Title] -> Link to the file	
		Video	[Title] -> Link to the file	

	Lecture 1 part II	pdf	[Title] -> Link to the file	
	Knowledge check	text	Information regarding the assessment types	
		Prob	Number of MCQ, retry limit, feedback information	
	Discussion	Forum		
[Lesson 2 Title]	....		

Module 2. *Title*

Lesson	Unit name	Component Type	Title/Source description	Notes
<i>[Lesson 1 Title]</i>	Introduction- Learning objectives	Video	[Title] The videos will be 5 minutes- to 10 minutes- long and as modular or standalone as possible.	
		Text	[Title] Full text or link to external doc	
	Lecture 1	Text	[Title] -> Link to the file	
		Video	[Title] -> Link to the file	
	Lecture 1 part II	pdf	[Title] -> Link to the file	

	Knowledge check	text	Information regarding the assessment types	
		Prob	Number of MCQ, retry limit, feedback information	
	Discussion	Forum		
[Lesson 2 Title]	....		

Module 3. *Title*

Lesson	Unit name	Component Type	Title/Source description	Notes
<i>[Lesson 1 Title]</i>	Introduction- Learning objectives	Video	[Title] The videos will be 5 minutes- to 10 minutes- long and as modular or standalone as possible.	
		Text	[Title] Full text or link to external doc	
	Lecture 1	Text	[Title] -> Link to the file	
		Video	[Title] -> Link to the file	
	Lecture 1 part II	pdf	[Title] -> Link to the file	
	Knowledge check	text	Information regarding the assessment types	

		Prob	Number of MCQ, retry limit, feedback information	
	Discussion	Forum		
[Lesson 2 Title]	....		

Module 4. *Title*

Lesson	Unit name	Component Type	Title/Source description	Notes
<i>[Lesson 1 Title]</i>	Introduction- Learning objectives	Video	[Title] The videos will be 5 minutes- to 10 minutes- long and as modular or standalone as possible.	
		Text	[Title] Full text or link to external doc	
	Lecture 1	Text	[Title] -> Link to the file	
		Video	[Title] -> Link to the file	
	Lecture 1 part II	pdf	[Title] -> Link to the file	
	Knowledge check	text	Information regarding the assessment types	
		Prob	Number of MCQ, retry limit, feedback information	

	Discussion	Forum		
[Lesson 2 Title]	....		



Professional/VET Course outline

Project Acronym: FAB

Project full title: Master's programme in Family Business Management / FAB

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Project website: <https://fab-project.eu/>

Work package:	WP2. Design of the FAB MS Curriculum & Development of the FAB VLE
Type:	Training Material
Dissemination level:	Public
Version:	1.0
Delivery date:	18-02-2022
Keywords:	Curricula, learning outcomes, professionals/VET courses, MOOCs
Abstract:	The course outline is the container for all the course content of the FAB professionals/VET courses.
Authors:	ReadLab P.C./AMC Contributions from Asian Partner HEIs

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A. Course information

Course title	Entrepreneurship for Family Business
Prerequisites (if any)	To be eligible to enter the VET online course, participants are usually required to have completed basic literacy and numeric requirements. Also, have a clear motivation for participating in the family business. English and ICT proficiency is preferred.
Department	Family Business Management/Entrepreneurship.
Instructors (Name and short CV)	To be confirmed

B. Course description

The Entrepreneurship for Family Business (EFB) training is focused on developing the basic skills needed by entrepreneurs who are planning to start a family business or improve the management of the family business. During the training, participants will develop plans for business ideas or support each other to develop plans for a personal business.

The EFB training is designed for individuals who aspire to establish a new business with innovation. Participants do not need a clear business idea before joining and may already have had experience operating an enterprise. The training has five modules.

C. Course Learning Outcomes (LOs)

By the end of this course, participants should be able to:

- LO1: Understand the fundamental concepts of business innovation and important factors that can contribute to better preparation before starting up a business and to better management of existing businesses.
- LO2: Come up with new business ideas and how to assess them.
- LO3: Design business plan and develop a prototype for the products or services.
- LO4: Analyze common issues in family business by applying appropriate knowledge resources.
- LO5: Apply the specific practices and skills of effective family businesses management.

D. Course outline

Course Outline	Learning Outcomes	Estimated effort (hours)
Module 1: Introduction to Entrepreneurship	Gain a better understanding and knowledge of goal setting and entrepreneurial empowerment that can help maximize personal success and leadership	12 Hrs
Module 2: Innovation and Technology for Family Business	Obtain basic knowledge of finance, sales and marketing, and general operations of starting up a business.	12 Hrs
Module 3: Family Business Model and Prototype	Formulate a practical business plan that can be turned into real business, design and testing to introduce to investors before officially launching to a wider market.	12 Hrs

Module 4: Family Business Management	Design sustainable solutions for common situations in family businesses	12 Hrs
Total		48 Hrs

E. Assessments

Assessment Tasks	Learning Outcomes
Attendance	Get certificate of completion
Business Plan Model/Plan	Design the business plan outline
Knowledge Check	Quiz, Case Studies, Peer review, Project work

F. Teaching and learning methods

Teaching & Learning methods and activities	Learning Outcomes
Online lecture	Understanding concept of entrepreneurship for family business, gathering knowledge on different theories and issues on entrepreneurship for family business
Group Discussion	Sharing experiences on functioning of different family businesses
Project work	Applying practical aspects of family business
Practical exercises and case studies	Understanding specific operation of family business, their problems and solutions, and successful family business enterprises.

Massive Open Online Course Structure

COURSE NAME: ***Entrepreneurship for Family Business***

Duration: 8 weeks

Estimated effort: 6 hours per week

Building blocks:

- The course outline is the container for all the course content. The outline contains one or more Modules/Weeks.
- **Modules/Weeks** are at the top level of the course and typically represent a time period of one week. A Module contains one or more Lessons.
- **Lessons** are parts of a Module, and usually represent a topic or other organizing principle. A lesson contains one or more units.
- Course **units** are parts of a lesson that participants view as single pages. A unit contains one or more components.
- Course **components** are objects within units that contain the actual course content: Videos, reading material, problems/quizzes and discussion forums.

Module 1. Entrepreneurship

Lesson	Unit name	Component Type	Title/Source description	Notes
	Introduction- Learning objectives	Text		
Introduction	Entrepreneurship	Text/Slide Presentation	What is Entrepreneurship? What are different steps of Entrepreneurship?	Tex.1 – Part 1
Entrepreneurship and Business mindset	Lecture 1	Slide Presentation	-Types of business and determine the most suitable business type -Maximize entrepreneurial mindset, potential and self-confidence -Be inspired to become entrepreneur link to slide presentation extract from <i>Architect and Entrepreneur A Field Guide to Building, Branding, and Marketing Your Startup Design Business, Eric Reinholdt, 2015</i>	Tex.5 – Part 1
Business Experience Sharing	Experience Sharing	Forum	[Guest Speaker] Link to the video/ online conference (<i>Subjects to be confirmed</i>)	
Family Firms: Leadership	Lecture 2	Text	- the importance of leadership, how to create personal vision, mission and value, as well as how to build a team full of trust.	Tex.1 – Part II

			Link to the file – <i>Entrepreneurship and Family Business Vitality: Surviving and Flourishing in the Long Term, Springer Nature Switzerland AG, 2020</i>	
Team Building	Discussion	Video	-Family Business in Five: How can you build trust within your team? Link to video/YouTube - https://www.youtube.com/watch?v=55d65NwW2sA	Vid.1

Module 2. Innovation and Technology for Family Business

Lesson	Unit name	Component Type	Title/Source description	Notes
	Introduction- Learning objectives	Text		
Marketing Management and Strategies	Lecture 1	Text	- Apply their creative and innovative talents while sharpening their analytical abilities. Link to the file - <i>Managing the Family Business - THEORY AND PRACTICE, Thomas Zellweger, 2017</i>	Tex.3 – Part 6 Rec.1 & Rec.2
Digital marketing	Lecture 2	Video	-Digital Marketing In 5 Minutes | What Is Digital Marketing? Link to the video - https://www.youtube.com/watch?v=bixR-KIJKYM	Vid.2
	Lecture 2 Part II	Text	- Digital marketing foundation - Digital marketing strategy - Relationship marketing using digital platforms Link to the file - <i>Digital Marketing: Strategy, Implementation and practice, Pearson, 2016</i>	Tex.4 – Part 1,2,3 Rec.1 & Rec.2
Financial budget and control	Lecture 3	pdf	-Financial knowledge and skills to be utilized in running their real business. Link to the file - <i>Managing the Family Business - THEORY AND PRACTICE, Thomas Zellweger, 2017</i>	Tex.3 – Part 9
	Knowledge check	text	Number of MCQs related to Marketing, Digital, Financial...etc	
Business Creativity	Discussion	Case Study	-Creative and innovative in order to stay one step ahead of their competitors. Link to online case studies - https://www.businessinnovationbrief.com/case-	Cas.1

			<i>study/creativity/</i>	
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Module 3. Family Business Model

Lesson	Unit name	Component Type	Title/Source description	Notes
	Introduction- Learning objectives	Text		
Business idea verification	Lecture 1	Text	-Clarify what problem or value they want to address through their business idea. -Use of Lean Canvas to help them draft their business model Link to the file – <i>HBR's 10 MUST READS on Business Model Innovation, Harvard Business Review,2019</i>	Tex.2 Part 1
Business plan Vs Business Model	Discussion	Slide presentation	What's the difference between the 2? Link to slide presentation extract from website - https://www.thebusinessplanshop.com/blog/en/entry/business_model_vs_business_plan	Cas.2
		Prob	Number of MCQ, retry limit, feedback information	
Business model canvas	Lecture 2	Chart/Text	-Understanding of inter-relationships of the 9 key elements of Business Model Canvas. -Using the 9 elements to create their business model with their prototype Link to the file – <i>HBR's 10 MUST READS on Business Model Innovation, Harvard Business Review,2019</i>	Tex.2 Part 1,2,4,5
<i>What is Prototype?</i>	Lecture 3	Video	What is prototype? Simple explanation! https://www.youtube.com/watch?v=A4SkA9kGChA	Vid.3
Design and Create Prototype	Lecture 4	Video	-Design and develop a prototype for their business products or services. Link to the Video - https://www.youtube.com/watch?v=FoqUvDN8tFA	Vid.4
	Knowledge Check	Prob	Project work, MCQs, Quiz, Exam	

Module 4. Family Business Management

Lesson	Unit name	Component Type	Title/Source description	Notes
	Introduction- Learning objectives	Text		
Family Business, introduction and characteristics	Lecture 1	Text	-Family Relationships and Family Systems -Meaning of family -Family systems link to image/chart Link to the file - <i>Managing the Family Business - THEORY AND PRACTICE, Thomas Zellweger, 2017</i>	Tex.3 Part 2
Family Business Ownership	Lecture 2	Slide Presentation	-Common choices and decisions that family business owners and managers face when approaching time of succession -The typical factors driving internal vs external ownership transition Link to the file - <i>Managing the Family Business - THEORY AND PRACTICE, Thomas Zellweger, 2017</i>	Tex.3 Part 7
Family Business Governance	Lecture 3	PDF	-Family governance Structure -Family governance mechanisms considered are family meetings, family councils and family constitution Link to the file - <i>Managing the Family Business - THEORY AND PRACTICE, Thomas Zellweger, 2017</i>	Tex.3 Part 5
Successful Family business sharing	Experience sharing	Slide Presentation	Guest speaker	
	Knowledge check	Quiz	Family Business Planning	

References:

Textbooks:

Tex.1 - Entrepreneurship and Family Business Vitality: Surviving and Flourishing in the Long Term, Springer Nature Switzerland AG, 2020

Tex.2 - HBR's 10 MUST READS on Business Model Innovation, Harvard Business Review, 2019

Tex.3 - Managing the Family Business - THEORY AND PRACTICE, Thomas Zellweger, 2017

Tex.4 - Digital Marketing: Strategy, Implementation and practice, Pearson, 2016

Tex.5 - Architect and Entrepreneur A Field Guide to Building, Branding, and Marketing Your Startup Design Business, Eric Reinholdt, 2015

Recommend Books:

Rec.1 - *Marketing 5.0: Technology for Humanity*, Kotler, Philip, Kartajaya, Hermawan, Setiawan, Iwan, 2021

Rec.2 - *Digital Marketing For Dummies, 2nd Edition*, Ryan Deiss, Russ Henneberry, 2020

Videos:

Vid.1 - Family Business in Five: How can you build trust within your team? <https://www.youtube.com/watch?v=55d65NwW2sA>

Vid.2 - Digital Marketing In 5 Minutes | What Is Digital Marketing? <https://www.youtube.com/watch?v=bixR-KIJKYM>

Vid.3 - What is prototype? Simple explanation! <https://www.youtube.com/watch?v=A4SkA9kGChA>

Vid.4 - Design Thinking Step 4: Prototype <https://www.youtube.com/watch?v=FoqUvDN8tFA>

Case Studies:

Cas.1 - <https://www.businessinnovationbrief.com/case-study/creativity/>

Cas.2 - https://www.thebusinessplanshop.com/blog/en/entry/business_model_vs_business_plan



Professional/VET Course outline

Project Acronym: FAB

Project full title: Master's programme in Family Business Management / FAB

Project No: 619264-EPP-1-2020-1-KH-EPPKA2-CBHE-JP

Funding Scheme: Erasmus+ KA2 Capacity Building in the field of Higher Education

Coordinator: National University of Management (NUM)

Project website: <https://fab-project.eu/>

Work package:	WP2. Design of the FAB MS Curriculum & Development of the FAB VLE
Type:	Training Material
Dissemination level:	Public
Version:	1.0
Delivery date:	
Keywords:	Curricula, learning outcomes, professionals/VET courses, MOOCs
Abstract:	The course outline is the container for all the course content of the FAB professionals/VET courses.
Authors:	KU-P15 and PU-P16, Nepal

Disclaimer:

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A. Course information

Course title	Managing Family Business Growth
Prerequisites (if any)	
Department	
Instructors (Name and short CV)	Faculty from KU (P15) and PU (P16)

B. Course description

A key challenge for family businesses in Nepal is developing their capacity to scale up and managing business growth. Hence, the course aims to provide conceptual and practical knowledge and develop skills and competence required for managing growth of family business firms. This 6 weeks' vocational education and training course is designed for family business owners, next generation of family business leaders, and managerial level employees of family business. The course will also appeal to those who are interested in starting up their own business, as well as those interacting with small firms and family businesses as advisors, managers and policy-makers. Topics include family business characteristics and significance, developing a business plan, planning for growth and continuity, choice of organizational structure and implications, dynamics of family interactions, conflict resolution in family firms, preparing the next generation for entry into and management of family firms, succession strategies, professionalization, sales and promotion, financial analysis and planning, and human resource management. The course also focuses on strategic planning including different type of strategic choices for family business growth, innovation and internationalization.

C. Course Learning Outcomes (LOs)

By the end of this course, students should be able to:

- LO1: develop understanding of knowledge, skills and attitudes required for entrepreneurship within a family business;
- LO2: apply management concepts and frameworks for solving family business problems and strengthening family business performance;
- LO3: develop capacity for planning and managing growth of family businesses;
- LO4: apply business strategies, tools and models to lead and orchestrate the family business;
- LO5: enhance skills to manage the human resources, marketing and promotion, and financial planning for growth of family business;
- LO6: evaluate the progress of family business firm and make appropriate and timely adjustments to the business operations and strategy.

D. Course outline

Course Outline	Learning Outcomes	Estimated effort (hours)
Module 1: Family business management	LO1, LO2	6 Hrs
Module 2: Business Model and Growth Planning	LO1, LO3	8 Hrs
Module 3: Business Growth Strategies	LO4, LO6	8 Hrs
Module 4: Financial Analysis and Planning	LO5	7 Hrs
Module 5: Sales and Promotion	LO5	6 Hrs
Module 6: Human resource management	LO5	6 Hrs
Module 7: Marketing Research	LO6, LO4	7 Hrs

E. Assessments

Assessment Tasks	Weightage	Learning Outcomes
Family business case analysis	20%	Understand key issues facing family business and develop problem solving skills
Business plan formulation	25%	Assess and develop business model and strategies for family business growth
MCQ	15%	Build conceptual foundation required for family business management
Group discussion and presentation	15%	Develop team building, communication and leadership skills
Term paper	25%	Enhance knowledge, skills and attitude and develop entrepreneurial mindset for managing family business growth.

F. Teaching and learning methods

Teaching & Learning methods and activities	Learning Outcomes
Case studies	Develop analytical and problem solving skills
Group discussion	Enhance comprehension and critical abilities

Project work	Integrating conceptual foundation of management in family business practices
Lecture	Develop knowledge base for effective management and growth of family business

Massive Open Online Course Structure

COURSE NAME: *to be defined*

Duration: 4 to 8 weeks

Estimated effort: 4-6 hours per week

Building blocks:

- The course outline is the container for all the course content. The outline contains one or more Modules/Weeks.
- **Modules/Weeks** are at the top level of the course and typically represent a time period of one week. A Module contains one or more Lessons.
- **Lessons** are parts of a Module, and usually represent a topic or other organizing principle. A lesson contains one or more units.
- Course **units** are parts of a lesson that students view as single pages. A unit contains one or more components.
- Course **components** are objects within units that contain the actual course content: Videos, reading material, problems/quizzes and discussion forums.

Module 1. *Title*

Lesson	Unit name	Component Type	Title/Source description	Notes
[Lesson 1 Title]	Introduction- Learning objectives	Video	[Title] The videos will be 5 minutes- to 10 minutes- long and as modular or standalone as possible.	
		Text	[Title] Full text or link to external doc	
	Lecture 1	Text	[Title] -> Link to the file	
		Video	[Title] -> Link to the file	
	Lecture 1 part II	pdf	[Title] -> Link to the file	
	Knowledge check	text	Information regarding the assessment types	
		Prob	Number of MCQ, retry limit, feedback information	
	Discussion	Forum		
[Lesson 2 Title]	....		

Module 2. *Title*

Lesson	Unit name	Component Type	Title/Source description	Notes
[Lesson 1 Title]	Introduction- Learning objectives	Video	[Title] The videos will be 5 minutes- to 10 minutes- long and as modular or standalone as possible.	
		Text	[Title] Full text or link to external doc	
	Lecture 1	Text	[Title] -> Link to the file	
		Video	[Title] -> Link to the file	
	Lecture 1 part II	pdf	[Title] -> Link to the file	
	Knowledge check	text	Information regarding the assessment types	
		Prob	Number of MCQ, retry limit, feedback information	
	Discussion	Forum		
[Lesson 2 Title]	....		

Module 3. *Title*

Lesson	Unit name	Component Type	Title/Source description	Notes
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<i>[Lesson 1 Title]</i>	Introduction-Learning objectives	Video	[Title] The videos will be 5 minutes- to 10 minutes- long and as modular or standalone as possible.	
		Text	[Title] Full text or link to external doc	
	Lecture 1	Text	[Title] -> Link to the file	
		Video	[Title] -> Link to the file	
	Lecture 1 part II	pdf	[Title] -> Link to the file	
	Knowledge check	text	Information regarding the assessment types	
		Prob	Number of MCQ, retry limit, feedback information	
	Discussion	Forum		
<i>[Lesson 2 Title]</i>	....		

Module 4. *Title*

Lesson	Unit name	Component Type	Title/Source description	Notes
<i>[Lesson 1 Title]</i>	Introduction-Learning objectives	Video	[Title] The videos will be 5 minutes- to 10 minutes- long and as modular or standalone as possible.	

		Text	[Title] Full text or link to external doc	
	Lecture 1	Text	[Title] -> Link to the file	
		Video	[Title] -> Link to the file	
	Lecture 1 part II	pdf	[Title] -> Link to the file	
	Knowledge check	text	Information regarding the assessment types	
		Prob	Number of MCQ, retry limit, feedback information	
	Discussion	Forum		
[Lesson 2 Title]	....		



Professional/VET Course outline

Project Acronym: FAB

Project full title: Master's programme in Family Business Management / FAB

Project No: 619264-EPP-1-2020-1-KH-EPPKA2-CBHE-JP

Funding Scheme: Erasmus+ KA2 Capacity Building in the field of Higher Education

Coordinator: National University of Management (NUM)

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Work package:	WP2. Design of the FAB MS Curriculum & Development of the FAB VLE
Type:	Training Material
Dissemination level:	Public
Version:	1.0
Delivery date:	
Keywords:	Curricula, learning outcomes, professionals/VET courses, MOOCs
Abstract:	The course outline is the container for all the course content of the FAB professionals/VET courses.
Authors:	UiTM & UTM Contributions from Asian Partner HEIs

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A. Course information

Course title	Digital Family Entrepreneurship
Prerequisites (if any)	This Digital Family Entrepreneurship course is a beginner-friendly course for family businesses. Participants has experience in doing family business and willing to digitalize their family business.
Department	
Instructors (Name and short CV)	

B. Course description

This introductory course is designed to give participants exposure and an overview of what and how to move their businesses towards digitalization. In this course, participants learn the management, marketing, and financial aspect of the digitalized business. Participants will be exposed to current practices in areas such as types of digital business models, digital media for marketing, and managing finances for Digital Entrepreneurs.

C. Course Learning Outcomes (LOs)

By the end of this course, students should be able to:

- LO1: To describe the concept of digital entrepreneurship and different types of digital business models
- LO2: To describe the digital innovations that currently dominate consumer and commercial life, and select the right digital media for the right audience with search engine optimization and digital analytics
- LO3: To demonstrate competencies to design a sound financing plan, analyze the company's performance and manage the company's financial position
- LO4: Apply digital media for marketing family business products

D. Course outline

Course Outline	Learning Outcomes	Estimated effort (hours)
Module 1	Analyze the suitability for each type of digital business model for the organization	14 hours
Module 2	Use search engine optimization and digital analytics in selecting the right digital media for the right customers.	14 hours
Module 3	Demonstrate competencies to design a sound financing plan, analyze the company's performance and manage the company's financial position	14 hours
Module 4	Use the digital media for marketing family business products	14 hours

E. Assessments

Assessment Tasks	Learning Outcomes
Quiz	L01, LO2, LO3
Assignment	LO1, LO2, LO3,
Group work	LO1, LO3, LO4
Mini project	LO4

F. Teaching and learning methods

Teaching & Learning methods and activities	Learning Outcomes
Video presentation	LO1, LO2, LO3, LO4
Powerpoint	LO1, LO2, LO3, LO4
Lecture	LO1, LO2, LO3, LO4
Discussion	LO1, LO2, LO3, LO4
Hands-on activity using Excel	LO3

Problem-based learning and case-based learning	LO3
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Massive Open Online Course Structure

COURSE NAME: Digital Family Entrepreneurship

Duration: 4 to 8 weeks

Estimated effort: 4-8 hours per week

Building blocks:

- The course outline is the container for all the course content. The outline contains one or more Modules/Weeks.
- **Modules/Weeks** are at the top level of the course and typically represent a time period of one week. A Module contains one or more Lessons.
- **Lessons** are parts of a Module, and usually represent a topic or other organizing principle. A lesson contains one or more units.
- Course **units** are parts of a lesson that students view as single pages. A unit contains one or more components.
- Course **components** are objects within units that contain the actual course content: Videos, reading material, problems/quizzes and discussion forums.

Module 1. Introduction to Digital Entrepreneurship

Lesson	Unit name	Component Type	Title/Source description	Notes
Overview to Digital Entrepreneurship	Introduction-Learning objectives	Video Power-point	Overview and emergence of digital entrepreneurship concept 3 - 5 minutes video Lecture via online	Week 1 0.5 hour

	Opportunities and challenges of going digital	Video Power-point	Identify the opportunity and challenges of going digital 3 - 5 minutes video Lecture via online	1 hour
Ethics in Digital Entrepreneurship	Role of digital family entrepreneurship in Environmental, Social and Governance	Video Power-point	Identify the ethical aspects in Digital Entrepreneurship 3 - 5 minutes video Lecture via online	1 hour
	Knowledge Check	Assignment	Assignment 1: – Reflection on lesson learned and relate the lesson to their current workplace Assignment 2: Group work – Video Presentation – Emerging digital business trends	4 hours (SLT*)
		Forum	Discussion	1 hour (SLT*)
Types of Digital Business Models	Selecting Digital Business Model	Video Powerpoint	Analyzing the suitability of each type for the family business a) SWOT analysis 3 - 5 minutes video Lecture via online b) Types of Digital Business Models 3 - 5 minutes video Lecture via online	Week 2 1 hour 1 hour
	Knowledge check	Online Quiz	15 MCQ Questions	0.5 hour

		Assignment	Simple Individual Assignment – Types of Business Model for your Business	3.5 hours
		Forum	Discussion	0.5 hour

*Student Learning Time (SLT)

Module 2. Digital Marketing

Lesson	Unit name	Component Type	Title/Source description	Notes
An overview of latest digital media and advertising	Introduction to latest digital media	Video Powerpoint	Introduction to the latest digital media The videos will be 3 to 5 minutes Lecture 1 via online platform	Week 3 2.75 hours
	Advertising channels in using digital media	Video Powerpoint	Latest digital media use for advertising products The videos will be 5 minutes - to 10 minutes- Lecture 2 via online platform	
		Knowledge check	Online Quiz	0.25 hour
Marketing your product using social media, Facebook, YouTube, email and mobile marketing, and marketing automation.	Digital marketing strategies and automation	Powerpoint	Lecture 3 via online platform	3 hours
		Knowledge check	Simple assignment: List out the social media which are suitable to be used to promote your product	3 hours (SLT*)
Getting into the right digital channels to target the right audience			Matching knowledge with real practice Assignment – Suggest a right digital channels to target the different types of customers for your product and write the rational and reasons of your choice.	Week 4 2 hours
		Knowledge check	Submit via online platform Presentation – Present the assignment	2 hours

Introduction to search engine optimization and digital analytics	What is search engine optimization (SEO)	Video Powerpoint	Introduction of SEO The videos will be 3 to 5 minutes Lecture 4 via online platform	1 hour
	What is data analytic?	Video Powerpoint	Introduction of data analytic The videos will be 3 to 5 minutes Lecture 5 via online platform	1 hour
		Knowledge check	Group work How to maximize SEO and digital analytics in marketing your products	2 hours

*Student Learning Time (SLT)

Module 3. Managing Finances for Digital Entrepreneurs

Lesson	Unit name	Component Type	Title/Source description	Notes
Overview of Entrepreneur Finance	Introduction to entrepreneur finance	Video presentation	In this unit, the students will be exposed to the principal ideas of finance. In addition, the difference between personal, entrepreneurial, and corporate finance will be discussed.	Week 5 0.5 hour
	Sources of financing	Interactive lecture (using slides presentation)	This unit will expose the students to identifying the source of financing for their entrepreneurial venture. Advantages and drawbacks of different financing strategies include loan investments, venture capital, and angel investing. In addition, students will explore how financial technology platforms have introduced new, experimental forms of financing, such as crowdfunding.	0.5 hour
	Understanding financial statement	Directed discussion	This unit gives an overview and guide to reading, understanding, and preparing financial statements, including balance sheets, income statements, and cash flow statements. The students will also be exposed to strategies to read the annual report. A specific focus will be given to enhance the ability of the students to review the financial health of a company.	1.5 hours
	The emerging trend of digital finance	Discussion and quiz	This unit is specifically designed to expose the students to the basics, applications, limitations and trends in digital finance. In addition, the emerging issues, challenges and opportunities in the fintech revolution and how they can affect businesses are discussed, including how is fintech helping digital entrepreneurs.	1.5 hours

Financial planning and strategy	Financial strategy	Hands-on activity using Excel	The strategy to manage a startup's financing is outlined in this unit. In addition, students will learn how to build capitalization tables which is helpful for the digital entrepreneurs in exploring different financing strategies for the digital startup company and determining which financing decisions are best for their entrepreneurial venture.	Week 6 3 hours
	Financial planning	Case-based learning	This unit focus on designing a sound financing plan and strategy to attract and negotiate with investors.	2 hours
Financial Risk Management	Treasury and cash management	Problem-based learning	The varying roles, functions, responsibilities, and techniques to ensure venture liquidity and profitability will be deliberated. In addition to that, the students will be exposed to cash management best practices and procedures.	1.5 hours
	Managing liquidity and solvency	Interactive lecture (using slides presentation)	This unit covers fundamental concepts in risk management, including liquidity risk, credit risk, market risk, and operational risk. In addition, students are also exposed to the importance of liquidity on the longevity of the business and solvency management.	0.5 hour
	Assessing risk and return	Directed discussion	This unit aims to help the students understand how an assessment of risk and its association with a return. Students also learn to assess risk tolerance.	0.5 hour (SLT*)
	Monitoring and forecasting	Assignment	In this unit, the students will learn on monitoring the finances across the project lifecycle or business span. In addition, students are exposed to the art of planning for unforeseen events that can delay their project and the strategy in reviewing the milestones and achievements in a different stage of business.	1 hour
	Risk management tools and techniques	Discussion and group wok	A complete guide to the risk assessment process will be discussed in this unit. The students will also learn the qualitative and quantitative risk assessment tools and techniques, including the advantages and drawbacks of each technique.	1.5 hours (SLT*)

*Student Learning Time (SLT)

Module 4. Taking off your digital marketing

Lesson	Unit name	Component Type	Title/Source description	Notes
Case study of digital marketing	Digital marketing	Video	Market your products via Shopee Malaysia and Facebook The videos will be 15 minutes for each case	Week 7 0.5 hour
		Discussion	The pro and con of the methods	2.5 hours
		Knowledge check	Work in group to plan and create a digital marketing	3 hours
Create your own digital marketing - mini project	Mini project	Powerpoint	Students need to create one project by creating a digital marketing platform Gather information Create a digital marketing strategies for family business	Week 8 2 hours 6 hours (SLT*)
		Powerpoint	Project presentation	4-6 hours

*Student Learning Time (SLT)



Professional/VET Course outline

Project Acronym: FAB

Project full title: Master's programme in Family Business Management / FAB

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Delivery date:	
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Authors:	ReadLab P.C./AMC Contributions from Asian Partner HEIs

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A. Course information

Course title	Family Business and Property Management
Prerequisites (if any)	Work experience in family-owned business
Department	Gedu College of Business Studies, Royal University of Bhutan
Instructors (Name and short CV)	xxxxx

B. Course description

This professional certificate course will equip learners associated with or interested in family-owned businesses with knowledge and skills for effectively managing family business and property. The learners will be trained in creating knowledge workforce and motivating employees for better retention. Additionally, the course will help learners seeking to acquire strategies for negotiating and avoiding conflicts in family business, leadership skills to cope with uncertain conditions in the market, developing single-family property management system, and leveraging technology for better efficiency and sustainability of family businesses.

C. Course Learning Outcomes (LOs)

By the end of this course, students should be able to:

- LO1: Identify strategies to create and manage knowledge workforce in the family business
- LO2: Apply the negotiation skills in family business
- LO3: Comprehend the role of motivation, influence and bias in leadership
- LO4: Explain the importance of ethics and integrity for both individuals and businesses
- LO5: Manage and maintain commercial and private properties
- LO6: Comprehend the existing rules, regulations and laws pertaining to family business and property management
- LO7: Evaluate and apply appropriate analytics tools and techniques
- LO8: Use emerging cloud computing and cyber security tools for efficient business management and business information security.

D. Course outline

Course Outline	Learning Outcomes	Estimated effort (hours)
Module 1 Organizational Learning and Strategy	<ul style="list-style-type: none"> • LO1 and LO2 	2 Weeks [4 hours]
Module 2 Leadership in Family Business	<ul style="list-style-type: none"> • LO3 and LO4 	2 Weeks [4 hours]
Module 3 Property management in Family Business	<ul style="list-style-type: none"> • LO5 and LO6 	2 Weeks [4 hours]
Module 4 Technology in Family Business	<ul style="list-style-type: none"> • LO7 and LO8 	2 Weeks [4 hours]

E. Assessments

Assessment Tasks	Learning Outcomes
Quiz [weekly]	<ul style="list-style-type: none"> • LO3, LO6, LO7
Peer Assessment (Analytical report)	<ul style="list-style-type: none"> • LO2,
Self-assessment (Reflective report)	<ul style="list-style-type: none"> • LO1, LO6, LO5, LO7
Project	<ul style="list-style-type: none"> • LO4, LO8

F. Teaching and learning Methods

Teaching & Learning methods and activities	Learning Outcomes
Pre-recorded Video Lectures	<ul style="list-style-type: none"> • LO1 – LO8
Case Discussion (Massive participation)	<ul style="list-style-type: none"> • LO2, LO3 and LO4
Social Learning (discussion forums/ class blog)	<ul style="list-style-type: none"> • LO6 and LO7
Live-Online Discussion/ Flip Classroom	<ul style="list-style-type: none"> • LO1 – LO8

Massive Open Online Course Structure

Module 1 Organizational Learning & Strategy

Estimated Efforts: 2 Weeks [4 hours/Week] 8 hours

Learning Outcomes

- Describe the impact of knowledge sharing culture within the organisation
- Identify strategies to create knowledge workforce in the organisation and knowledge management
- Apply Learning curve organizational management
- Apply employee onboarding and motivation strategies
- Describe the power of negotiating in family business

Content (probable)

1. Knowledge Management

- a. Organizational culture: building strong knowledge-sharing culture
- b. Creating knowledge workforce for economic value addition
- c. Knowledge management Cycle and its importance to organisation

2. Organizational Learning Curve (LC)

- a. Theory and types of learning curves
- b. Accelerating the LC of new joiners and Shorten LC of new employee
- c. Application of learning curve in production
- d. Application of learning curve in operations management

3. Employee Onboarding and Motivation

- a. Employee Onboarding process- preparation, setting expectations, Resiliency, and flexibility, assigning work, and providing feedback
- b. Employee Motivation: Psychological Approach & Theories such as Object-oriented, Reinforcement, Expectancy; Building a personal motivational toolbox, creating motivational organisation

4. Negotiating in family Business

- a. Power of negotiating in family business
- b. Five-Steps to better family negotiations

Module 2 Leadership in Family Business

Estimated Efforts: 2 Weeks [4 hours/week] 8 hours

Learning Outcomes: Upon the completion of this module, the learners should be able to:

1. Differentiate between family businesses and other types of businesses
2. Comprehend the importance of leadership in business.
3. Explain the role of motivation, influence and bias in leadership
4. Articulate the ethical challenges facing business leaders
5. Apply the governance structure in family business
6. Demonstrate effective written and oral communication skills
7. Explain the different types of leadership styles
8. Explain the importance of ethics and integrity for both individuals and businesses

*This course will have a research project where the learners are required to interview a business leader of their choice and determine certain attribute such as leadership style, governance of the business, etc.

Probable Content:

1. Leadership Styles
 - a. Different leadership styles – transformational, transactional, democratic, autocratic, etc.
2. Ethics in Leadership
 - a. Introduction to ethical decision making
 - b. Difference between legal and ethical decision
 - c. Ethics and cultural diversity
3. Role of Business Leaders
 - a. Different types of business leaders
 - b. Roles of the Property Manager
 - c. CSR
 - d. Business and the community
 - e. Public and private morality
4. Succession of Leadership
 - a. Culture and values
5. Governance Structures for Family Business

Module 3 Property Management in Family Business

Learning Outcomes:

1. Explain the types of commercial properties
2. Apply risk management strategies
3. Manage and maintain commercial properties and private properties
4. Explain the existing rules, regulations and laws pertaining to family business and property management
5. Compute profitability and tax
6. Use the latest technologies in property management

Module content:

1. Principles of Commercial Property Management
 - a. Types of Commercial Leases; Trade Fixtures
 - b. Abstracting Leases and Enforcement of Lease Terms
 - c. Financial, Physical and Legal Management Consideration
 - d. Budgeting/Operating Budgets/Forecasting/Reserves
 - e. Elements of Net Operating Income (NOI)
2. Risk Management
 - a. Maintenance
 - b. Health and Safety
 - c. Insurance
 - d. Fair Debt Collection Practices
3. Use of technology for efficient management
4. Managing the Office and Reports
 - a. Establishing the Management Office
 - b. Computers and Property Management
 - c. Staffing the Management Office
 - d. Income and Expense Statement for Tax Purposes
 - e. Determining Profitability
 - f. Tax Records
5. Country and Business Laws
 - a. Commercial Sale of Goods Act, 2001
 - b. Consumer Protection Act of Bhutan, 2012
 - c. Companies Act of Bhutan, 2016

- d. Goods and Services Tax Act of Bhutan, 2021
- e. Income Tax Act of Bhutan, 2020
- f. Land Act of Bhutan, 2007
- g. Tenancy Act of Bhutan, 2015

Module 4 Technology in Family Business

Learning Outcomes:

By the end of this course, students should be able to:

- 1. Use e-payment systems and internet banking
- 2. Explain cloud computing and the emerging technologies enabled by cloud
- 3. Apply digital marketing for multiple goals within a larger marketing and/or media strategy
- 4. Evaluate and choose appropriate analytics tools and techniques in family business
- 5. Discuss technological innovation and its importance to the family business and society
- 6. Use defense mechanisms against cyber security threat

Probable Content

- 1. Fundamental of E Commerce
 - a. Introduction to E Commerce
 - b. World Wide Web (WWW) and its Elements
 - c. Categories of E Commerce.
 - d. Introduction to new internet Business Models and its Application
 - e. E-Payment System and Internet Banking
 - f. E-Commerce Security Systems
 - g. Trends and Challenges of E Commerce.
- 2. Cloud Computing
 - a. Trends in Hardware Platform
 - b. Concept of Grid, Cloud and Mobile Computing
 - c. Characteristic of Cloud Computing
 - d. Emerging technology
 - e. Creating a cloud account

3. Digital Marketing
 - a. Introduction to Digital Marketing
 - b. Concept of Digital marketing in various family business environments
 - c. Business Models for Digital Marketing
 - d. Uses of Websites and Applications
 - e. Web Analytics tools and techniques.
 - f. Measuring Consumer's Digital Action

4. Technology and Innovation
 - a. Concepts of technology and innovation
 - b. Emerging technology
 - c. Creating and deciding on Value
 - d. Technology Transfer
 - e. Ethical and Societal Challenges of IT in Family Business

COURSE NAME: Family Business and Property Management

Duration: 4 to 8 weeks

Estimated effort: 4-6 hours per week

Building blocks: [to be completed after confirmation of the course outline]

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Module 1. *Title*

Lesson	Unit name	Component Type	Title/Source description	Notes
<i>[Lesson 1 Title]</i>	Introduction- Learning objectives	Video	[Title] The videos will be 5 minutes- to 10 minutes- long and as modular or standalone as possible.	
		Text	[Title] Full text or link to external doc	
	Lecture 1	Text	[Title] -> Link to the file	
		Video	[Title] -> Link to the file	
	Lecture 1 part II	pdf	[Title] -> Link to the file	
	Knowledge check	text	Information regarding the assessment types	
		Prob	Number of MCQ, retry limit, feedback information	
	Discussion	Forum		
<i>[Lesson 2 Title]</i>	....		

Module 2. *Title*

Lesson	Unit name	Component Type	Title/Source description	Notes
<i>[Lesson 1 Title]</i>	Introduction- Learning objectives	Video	[Title] The videos will be 5 minutes- to 10 minutes- long and as modular or standalone as possible.	
		Text	[Title] Full text or link to external doc	
	Lecture 1	Text	[Title] -> Link to the file	
		Video	[Title] -> Link to the file	
	Lecture 1 part II	pdf	[Title] -> Link to the file	
	Knowledge check	text	Information regarding the assessment types	
		Prob	Number of MCQ, retry limit, feedback information	
	Discussion	Forum		
<i>[Lesson 2 Title]</i>	....		

Module 3. *Title*

Lesson	Unit name	Component Type	Title/Source description	Notes
<i>[Lesson 1 Title]</i>	Introduction- Learning objectives	Video	[Title] The videos will be 5 minutes- to 10 minutes- long and as modular or standalone as possible.	
		Text	[Title] Full text or link to external doc	
	Lecture 1	Text	[Title] -> Link to the file	
		Video	[Title] -> Link to the file	
	Lecture 1 part II	pdf	[Title] -> Link to the file	
	Knowledge check	text	Information regarding the assessment types	
		Prob	Number of MCQ, retry limit, feedback information	
	Discussion	Forum		
<i>[Lesson 2 Title]</i>	....		

Module 4. *Title*

Lesson	Unit name	Component Type	Title/Source description	Notes
<i>[Lesson 1 Title]</i>	Introduction- Learning objectives	Video	[Title] The videos will be 5 minutes- to 10 minutes- long and as modular or standalone as possible.	
		Text	[Title] Full text or link to external doc	
	Lecture 1	Text	[Title] -> Link to the file	
		Video	[Title] -> Link to the file	
	Lecture 1 part II	pdf	[Title] -> Link to the file	
	Knowledge check	text	Information regarding the assessment types	
		Prob	Number of MCQ, retry limit, feedback information	
	Discussion	Forum		
<i>[Lesson 2 Title]</i>	....		



Professional/VET Course outline

Project Acronym: FAB

Project full title: Master's programme in Family Business Management / FAB

Project No: 619264-EPP-1-2020-1-KH-EPPKA2-CBHE-JP

Funding Scheme: Erasmus+ KA2 Capacity Building in the field of Higher Education

Coordinator: Shahjalal University of Science and technology (SUST)

Project website: <https://fab-project.eu/>

Work package:	WP2.Design of the FAB MS Curriculum & Development of the FAB VLE
Type:	Training Material
Dissemination level:	Public
Version:	1.0
Delivery date:	01-03-2022
Keywords:	Curricula, learning outcomes, professionals/VET courses, MOOCs
Abstract:	The course outline is the container for all the course content of the FAB professionals/VET courses.
Authors:	Prof. Dr. Md. Monirul Islam, SUST, Bangladesh

Disclaimer:

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A. Course information

Course title	Marketing for Family Business
Prerequisites (if any)	
Department	Family Business Management
Instructors (Name and short CV)	To be confirmed

B. Course description

The Marketing for Family Business course is focused on developing the basic skills needed by entrepreneurs who are planning to start a family business or improve the management of the family business. During the training, participants will develop marketing plans for business ideas.

This course will teach you about the marketing process and the various marketing decisions that a company must make in order to sell its goods and services. You'll also learn how to think like a marketer, and you'll discover that marketing has always been about the customer. You'll start to consider who the consumer of goods and services is, what they require, and what they desire. Marketing is characterized by four activities: developing products and services that serve consumers, articulating a clear value proposition, delivering products and services in a way that maximizes value, and exchanging (or trading) value for those offers. The training has three modules.

C. Course Learning Outcomes (LOs)

By the end of this course, participants should be able to:

- LO1: Understand the fundamental concepts of marketing which are important to managing a family business
- LO2: Explain and describe influences on consumer behavior
- LO3: Demonstrate an understanding of the marketing mix and how it is used in family business.
- LO3: Design marketing plan
- LO4: Analyze common issues of marketing in family business
- LO5: Apply the specific practices and skills marketing for effective family businesses management.

D. Course outline

Course Outline	Learning Outcomes	Estimated effort (hours)
Module 1: Defining Marketing and the marketing Process	To introduce basic concepts of marketing which are essential to family business management	12 Hrs
Module 2: Understanding the Marketplace and Consumers	Obtain basic knowledge of environmental forces and customer insight that affect family business ability to serve consumers	12 Hrs
Module 3: Designing a customer driven strategy and mix	Formulate a practical marketing strategy and mix that can be helped to success in real business market.	12 Hrs
Total		36 Hrs

E. Assessments

Assessment Tasks	Learning Outcomes
Attendance	Get certificate of completion
Developing a demo Marketing Plan	Design the Marketing plan outline
Knowledge Check	Quiz, Case Studies, Peer review, Project work
Written Exam	Writing capability, creative writing

F. Teaching and learning methods

Teaching & Learning methods and activities	Learning Outcomes
Online lecture	Understanding concept of marketing for family business, gathering knowledge on different marketing strategies, and marketing mix for family business
Group Discussion	Sharing experiences on marketing policy of different family businesses
Project work	Applying practical aspects of family business
Practical exercises and case studies	Understanding specific operation of family business, their problems and solutions, and successful family business enterprises.

Massive Open Online Course Structure

COURSE NAME: **Marketing for Family Business**

Duration: **8 weeks**

Estimated effort: **6 hours per week**

Building blocks:

- The course outline is the container for all the course content. The outline contains one or more Modules/Weeks.
- **Modules/Weeks** are at the top level of the course and typically represent a time period of one week. A Module contains one or more Lessons.
- **Lessons** are parts of a Module, and usually represent a topic or other organizing principle. A lesson contains one or more units.
- Course **units** are parts of a lesson that participants view as single pages. A unit contains one or more components.
- Course **components** are objects within units that contain the actual course content: Videos, reading material, problems/quizzes and discussion forums.

Module 1. Defining Marketing and the marketing Process

Lesson	Unit name	Component Type	Title/Source description	Notes
Marketing: Creating and Capturing Value	Lecture 1	Text/Slide Presentation	Define Marketing and outline the marketing process, and its description.	Tex.1 – Chapter 1
Family Business and Marketing Strategy	Lecture 2	Slide Presentation	Companywide strategic Planning: Defining Marketing's role, Planning marketing: partnering to build customer relationships, Marketing Strategy and the marketing mix, Managing the marketing effort.	Tex.1 – Chapter 1 Tex.2 – Part 6

Module 2. Understanding the Marketplace and Consumers

Lesson	Unit name	Component Type	Title/Source description	Notes
Analyzing the marketing environment	Lecture 3	Text	Micro and Macro environment of Family business	Tex.1 – Chapter 3

Managing the Marketing Research	Lecture 4	Text and Video	Defining Research Problem and objectives, Developing and implementing research plan Link to the video - https://www.youtube.com/watch?v=YWtRjZff59A	Tex.1 – Chapter 4; Rec.1 Vid.1
Consumer Markets and Consumer Behavior	Lecture 5	Text	Characteristics affecting consumer behavior, Types of buying decision behavior, buyer decision process	Tex.1 – Chapter 5; Rec.2

Module 3. Designing a customer driven strategy and mix

Lesson	Unit name	Component Type	Title/Source description	Notes
Customer-Driven Marketing Strategy	Lecture 6	Text	Market segmentation, Market Targeting, Differentiation and positioning	Tex.1 – Chapter 7
Product, service, and Brands: Building Customer value	Lecture 7	Slide presentation	Define Product, service, Levels of product, Product line decision, Branding Strategy.	Tex.1 – Chapter 8
New Product development and Life Cycle	Lecture 8	Slide presentation	Steps of New product development, Product life cycle analysis	Tex.1 – Chapter 9
<i>Pricing Strategies</i>	Lecture 9	Text and Slide presentation	Cost based pricing vs value based pricing, Skimming Vs Penetration pricing, Product mix pricing, Responding to price change	Tex.1 – Chapter 11
Supply Chain Management	Lecture 10	Video	Managing chain of raw material supply Link to the Video - https://www.youtube.com/watch?v=R8rYsCmAEEY	Vid.2
Distribution Strategies	Lecture 11	Video	Link to the Video - https://www.youtube.com/watch?v=cuPnPJCWJwU	Vid.3
Promotion Management	Lecture 12	Slide presentation	Promotional tools, Promotion Budget, Integrating the promotion mix	Tex.1 – Chapter 14 Tex.3 – Chapter 1

References:

Textbooks:

Tex.1 – Principles of Marketing, 15th Edition, Pearson Education Inc. Philip Kotler and Gary Armstrong,

Tex.2 - Managing the Family Business - THEORY AND PRACTICE, Thomas Zellweger, 2017

Tex.3 – Advertising and Promotion management, McGRAW Hill Ltd. Belch and Belch.

Recommend Books:

Rec.1 - Marketing Research, N. K. Malhotra,

Rec.2 – Consumer Behavior, Pearson, Schiffman and Kunak

Case Studies:

Cas.1 –<https://www.icmrindia.org/casestudies/catalogue/Marketing/MKTG434.htm>

Cas.2 – <https://www.icmrindia.org/casestudies/catalogue/Family%20Business%20Management/FBM001.htm>

Research Paper Reading: 1. <https://www.diva-portal.org/smash/get/diva2:133346/FULLTEXT01.pdf>



Professional/VET Course outline

Project Acronym: FAB

Project full title: Master's programme in Family Business Management / FAB

Project No: 619264-EPP-1-2020-1-KH-EPPKA2-CBHE-JP

Funding Scheme: Erasmus+ KA2 Capacity Building in the field of Higher Education

Coordinator: National University of Management (NUM)

Project website: <https://fab-project.eu/>

Work package:	WP2. Design of the FAB MS Curriculum & Development of the FAB VLE
Type:	Training Material
Dissemination level:	Public
Version:	1.0
Delivery date:	
Keywords:	Curricula, learning outcomes, professionals/VET courses, MOOCs
Abstract:	The course outline is the container for all the course content of the FAB professionals/VET courses.
Authors:	ReadLab P.C./AMC Contributions from Asian Partner HEIs

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A. Course information

Course title	Introduction to Strategic Management
Prerequisites (if any)	
Department	
Instructors (Name and short CV)	

B. Course description

C. Course Learning Outcomes (LOs)

By the end of this course, students should be able to:

CLO1: Explain and apply the process of strategic management – strategy formulation and strategy evaluation as well as think strategically about an organization by:

- a. conducting strategic analysis in a variety of industries and competitive situations whether small or large, startup or ongoing, local or global;
- b. demonstrating why and how the different parts of the business need to be managed in strategic harmony for the organization to operate in a winning fashion, using the knowledge gained in earlier management courses and;
- c. assessing business risk, making sound decisions, and achieving effective outcomes.

CLO2: Define and analyze the different types of strategies

CLO3: Discuss the strategy-evaluation process, criteria and methods used

CLO4: Apply exemplary ethical principles, sound personal and company values, and socially responsible and sustainable management practices.

D. Course outline

Course Outline	Learning Outcomes	Estimated effort (hours)
Module 1: The Strategic Management Process and the Vision of the Firm	<ol style="list-style-type: none">1. renew your understanding of Strategic Management2. appreciate the need and importance of Strategic Management3. understand the framework of the Strategic Management Process4. know the definition of key terms often used in Strategic Management5. understand the nature and role of Vision and Mission statements in strategic management6. learn how to develop and evaluate vision and mission statements of organizations7. write a good mission and vision statement for your envisioned business venture	4

Module 2: The External and Internal Assessments	<ol style="list-style-type: none"> 1. To have expanded knowledge of available frameworks and analytical tools from the External and Internal Assessments on which to build a solid foundation for the formulation and design of the business model and strategies. 2. To have developed an eye for spotting Strategic Issues, whether these be Opportunities or Threats, Strengths or Weaknesses of an organization, and the Critical Success Factors of the Industry and a mindset to address them in strategy. 	8
Module 3: Selecting Strategies	<ol style="list-style-type: none"> 1. Discuss the different types of strategies 2. Describe the strategy analysis and choice process 	12
Module 4: Strategy Evaluation	<ol style="list-style-type: none"> 1. Learn about the Three Stages of the Strategy <i>Evaluation</i> Process and its importance to the Strategic Management Cycle 2. Get a working knowledge of the process, criteria and tools used in the Strategy Evaluation Process 3. Review the Key Principles and Perspectives of the Balanced Scorecard (BSC) and learn more about developing Key Performance Indicators (or Measures) called KPIs 4. Refine the Strategic Objectives, Performance Measures and Targets 	8
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E. Assessments

Assessment Tasks	Learning Outcomes
Discussion Boards	Discuss the relevance to each individual

Module Exams	Check understanding and grasp of concepts discussed in the modules
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F. Teaching and learning methods

Teaching & Learning methods and activities	Learning Outcomes
Discussion Boards	Discuss and check relevance
Lectures - text	Give a comprehensive view of the topic
Video Lecture explanations	Discuss in details the topics
Module assessments	Check understanding and grasp of concepts discussed in the modules

Massive Open Online Course Structure

COURSE NAME: to be defined

Duration: 4 to 8 weeks

Estimated effort: 4-6 hours per week

Building blocks:

- The course outline is the container for all the course content. The outline contains one or more Modules/Weeks.
- Modules/Weeks are at the top level of the course and typically represent a time period of one week. A Module contains one or more Lessons.
- Lessons are parts of a Module, and usually represent a topic or other organizing principle. A lesson contains one or more units.
- Course units are parts of a lesson that students view as single pages. A unit contains one or more components.
- Course components are objects within units that contain the actual course content: Videos, reading material, problems/quizzes and discussion forums.

Module 1. Strategic Management Process, Vision & Mision

Lesson	Unit name	Component Type	Title/Source description	Notes
	Introduction-Learning objectives	Text	Introduction to Module 1, Learning Objectives	
The Strategic Management Process	Strategic Management: Definition and Importance	Text and Video	<p>Strategic Management is defined as the art and science of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives. It focuses on integrating an organization's individual operating areas (marketing, finance and accounting, human resources, operations, research and development, and information systems) to achieve success. The purpose of strategic management is to ensure that the organization finds and maintains competitive advantage, and knows the opportunities it can exploit in the future.</p> <p>Video - https://youtu.be/Fjo1TPe5isw</p> <p>A strategic plan is, in essence, a company's game plan to compete successfully. A strategic plan results from management making deliberate choices among many alternatives, all of which could be good and attractive. In making those choices, the organization commits to specific markets, policies, procedures, and operations.</p> <p>Video - https://youtu.be/TD7WSLeQtVw</p> <p>Ultimately, Strategic Management is all about <i>gaining</i> and <i>maintaining</i> Competitive Advantage. Recall that competitive advantage can be defined as:</p> <ul style="list-style-type: none"> any activity a firm does better than its rival firms, OR 	

			<ul style="list-style-type: none"> any resource a firm possesses that rival firms desire <p>The discipline and process of strategic management is critical in achieving this for an organization.</p>	
	Strategic Management Framework	Text	<p>The Stages of Strategic Management</p> <p>The previous video underscores the need for an organization to have a strong strategy. However, developing a good strategy is only one stage, and the beginning of, the Strategic Management Process. The strategic management process, critical to achieving success in business, begins with Strategy Formulation, but has to be followed through with good Strategy Implementation, then consistently monitored and course-corrected by sound Strategy Evaluation. (LAS 120.03 will focus on Strategy Formulation, while LAS 120.04 will focus on Strategy Implementation and Evaluation.)</p> <p>As an organization's strategic plan is basically its game plan, Strategy Formulation could include making many types of decisions such as:</p> <ul style="list-style-type: none"> What new businesses to enter What businesses to abandon Whether to expand operations or diversify Whether to enter international markets Whether to merge or form a joint venture How to avoid a hostile takeover <p>To formulate a strategic plan, an organization takes the following steps:</p> <ul style="list-style-type: none"> developing vision and mission statements 	

- identifying an organization's external opportunities and threats
- determining their internal strengths and weaknesses
- establishing its long-term objectives
- generating alternative strategies, and then
- choosing particular strategies to pursue

In the **Strategy Implementation** stage, the organization takes the strategic plan and operationalizes it. This is often called the action stage. Here, the organization should:

- establish *annual* objectives
- devise organizational policies
- motivate employees
- allocate resources

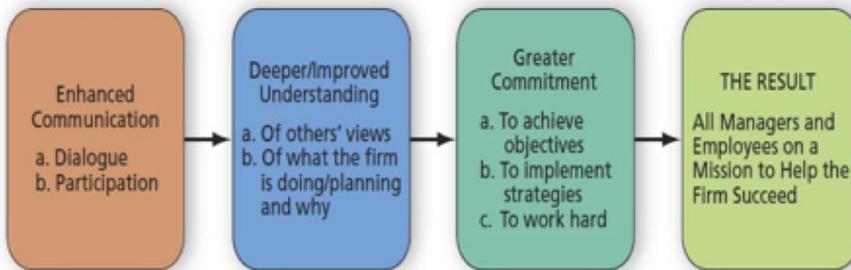
Strategy implementation therefore includes developing a strategy-supportive culture, creating an effective organizational structure, redirecting marketing efforts, preparing budgets, developing and using information systems, and linking employee compensation to organizational performance.

The third stage, **Strategy Evaluation**, is how the organization determines which strategies are working well, and which are not. All strategies are subject to modification because external and internal factors constantly change. Strategy Evaluation involves three fundamental activities:

- reviewing external and internal factors that are the bases for current strategies
- measuring performance
- taking corrective actions

Benefits of Strategic Planning

The figure below shows the intrinsic benefits enjoyed by a firm from doing strategic planning. Communication is a key to successful strategic management, and this figure shows how that is so:



Copyright © 2017 Pearson Education, Inc.

Video - https://youtu.be/Ydt6Nm_F-RI

Benefits of Strategic Planning

Text and Video

<p>The Business Vision and Mission</p>	<p>Vision and Mission Statements, Defined</p>	<p>Text and Video</p>	<h1 data-bbox="764 142 1493 310">Vision and Mission Statements, Defined</h1> <p data-bbox="764 354 1661 727">The first step of the Strategic Management Process is developing a Vision and Mission Statement. This is the first step because an organization’s Vision and Mission Statements encapsulate its overall direction and reason for being. It is an organization’s first strategic decision because at the very outset, it sets for an organization what it dreams of and aims for (and in doing so, implicitly states what it does not), what it does as a business (and what it does not), and how it does what it does (and how not). As such, it serves as an organization’s “true north.”</p> <h2 data-bbox="764 821 1577 857">VISION AND MISSION STATEMENTS, DEFINED</h2> <ul data-bbox="863 906 1661 1466" style="list-style-type: none"> • A Vision Statement answers the basic question: <i>“What do we want to become?”</i> • A Mission Statement is a declaration of an organization’s “reason for being.” It answers the question: <i>“What is our business?”</i> • Some organizations explicitly add to the vision-mission a third element, which is a values statement. This is a statement of what values or principles are important to an organization in the course of doing its business. • In some organizations, the vision and mission (and values) statement are combined and called a creed statement, a statement of purpose, a statement of philosophy, a statement of principles, or a statement of beliefs. 	
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			<ul style="list-style-type: none"> • <i>(For our purposes in this course, we will refer to all these as vision & mission statements.)</i> • Taken together, the vision and mission statements reveal the following: <ul style="list-style-type: none"> ○ what an organization wants to be and achieve, ○ whom it wants to serve, what business it is in, and ○ how it conducts its business. • As it establishes all these “true north” elements for an organization, the vision and mission statements become essential for effectively establishing objectives and formulating strategies. <p>Video - https://youtu.be/DzhJNiQ3vMM</p> <p>Video - https://youtu.be/k_VLcyYSKmo</p>	
	<p>Importance of Vision and Mission Statements</p>	<p>text</p>	<p>Well-crafted and well-communicated vision and mission statements that are subscribed to by the members of an organization are useful to organizations in a variety of ways.</p> <p><u>Internally</u></p> <ul style="list-style-type: none"> • Guide management’s thinking on strategic issues, especially during times of significant change • Help define performance standards (e.g. Is the organization, or particular units of it, performing towards the ultimate achievement of the organization's goals?) • Inspire employees to work more productively by providing focus and common goals • Guide employee decision making 	

			<ul style="list-style-type: none"> • Help establish a framework for ethical behavior <p><u>Externally</u></p> <ul style="list-style-type: none"> • Enlist external support • Create closer linkages and better communication with customers, suppliers and alliance partners • Serve as a public relations tool 	
	<p>How to Write the Vision and Mission Statement</p>	<p>Video and Text</p>	<p>Video - https://youtu.be/pu40g1XN-U4</p> <p>Text - So remember:</p> <p>1. In writing your Vision statement, think about:</p> <ul style="list-style-type: none"> • Where do we want to be at some point in the future? • Where are we going? • Why should we go there? • What does winning look like? • If success was a place, how would we know if we got there? <p>2. In writing your Mission statement, answer:</p> <ul style="list-style-type: none"> • Who are we doing it for? Who are our customers? • What is our product or service? • Geographically, where do we compete? • Is our technology current? • Are we committed to growth and financial soundness? • What are our basic beliefs, values, aspirations, and ethical priorities? • What do we do differently than others (our competitors)? What is our competitive advantage? • Are we responsible to social, community and environmental concerns? 	

			<ul style="list-style-type: none"> • How do we treat our employees? Are they a valuable asset? <p>3. Be inspiring</p> <p>4. Be concise.</p> <p>5. Vision & Mission statements may change over time, so revisit and tweak them periodically.</p>	
	Assignment	Text and Video	<p>Write a Vision & Mission Statement for the business that your group will be venturing into.</p> <p>To set you off on this assignment, view this video which again underscores the definitions vision, mission, and values, as well as how they relate to each other in setting strategy. The following video introduces the concept of "Purpose" which further underpins and guides your vision, mission, and values. The video is directed more towards envisioning your personal vision and mission, but it is equally applicable to understanding the concepts we have learned in this section, that is for developing the vision and mission for an organization.</p> <p>Video - https://youtu.be/f5L8dNw5PF0</p>	
	Module 1 Summary	Text	<p>This module is the introduction to strategic management. Discussed was the definition, the stages and its importance in an organization. The process starts with the determining what the vision statement of the organization is. Answering the question "What do we want to become?" should reveal the type of business the firm engages in. The mission statement, in turn, answers the question "What is our business?" which distinguishes one organization from other similar enterprises.</p>	

	Assessment		Quiz – True/False; Multiple Choice	
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Module 2. External and Internal Assessments

Lesson	Unit name	Component Type	Title/Source description	Notes
	Introduction-Learning objectives	Video	Introduction, Module Learning Outcomes	
External Assessment	External Assessment	Text and Video	<h1>External Assessment</h1> <p>Welcome to the External Assessment portion of this module.</p> <p>The purpose of an External Audit is to develop a finite list of opportunities that could benefit a firm as well as threats that should be avoided. Firms should be able to respond either offensively or defensively to the factors by formulating strategies that take advantage of external opportunities or that minimize the impact of potential threats.</p> <p>External Forces (or commonly called STEP-C) can be divided into five broad categories: (1) Social, Cultural, Demographic, and Natural Environment Forces; (2) Technological Forces;</p>	

			<p>(3) Economic forces; (4) Political, Governmental, and Legal Forces; and (5) Competitive Forces.</p> <p>Video - https://youtu.be/Cts4QVuVVbs</p>	
	Key Factors of the Step-C framework	Text and Video	<p>External Assessment is performed by gathering competitive intelligence and information about economic, social, cultural, demographic, environmental, political, governmental, legal, and technological trends. STEP-C is the acronym for easy recall.</p> <p>The STEP-C is similar to PESTEL as used by certain sectors but with the inclusion of competitive forces.</p> <p>These framework provide you with a checklist so that you may identify and assess the Key External Factors behind these changes.</p> <p>Video - https://youtu.be/bYn4CyL3r5w</p> <p>Changes in these Key External Forces translate into changes in demand for both consumer and industrial products and services. These in turn affect the types of products developed and/or services offered. Leading to a chain reaction across various stakeholders (e.g. suppliers, distributors, employees, stockholders, competitors, creditors, government).</p> <p>Let's go through each factor.</p>	
	Social, Cultural, Demographic, Natural Environment Forces	Text, Video, Discussion	<p>Social, cultural, demographic, and environmental trends are shaping the way Filipinos live, work, produce, and consume. New trends are creating a different type of consumer and, consequently, a need for different products, new services, and updated strategies. For example, the growing awareness for healthy lifestyle has given birth to multiple niche products (e.g.</p>	

			<p>organic vegetables) and services (e.g. personal trainers). Though the millennial and post-millennial generation is a worldwide phenomenon, the large number of youth in the Philippines makes the local market more susceptible than in other countries. Among the many sources for this type of data is Euromonitor's periodic Consumer Lifestyles</p> <p>Video - https://youtu.be/GWDxTUdxo9A</p> <p>Please share below your thoughts on the following guide questions:</p> <ol style="list-style-type: none"> 1. Cite specific strategies KFC employed that enable it to succeed in China. What social, cultural or demographic forces were they able to take advantage of? 2. Contrast this to what happened to McDonald's. What social, cultural or demographic variable did they overlook? 3. Applying this to the your country, what are the current social, cultural, demographic, and environmental trends, affecting the food service industry in yourcountry? 	
	<p>Technological Forces</p>	<p>Text, Video, Discussion</p>	<p>Technology has been instrumental in shaping the way businesses work. We see this transformation especially in Southeast Asian countries. Indonesia, in particular, is a hotspot for tech investment due to its size and potential. By 2025, the digital economy in SEA is expected to be worth \$300 Billion, 3x its size in 2019. The Digital 2019 Philippines report by Hootsuite & We Are Social, estimates about 70% of our population uses the internet and social media, up by over 10% from 2018.</p> <p>Aside from the digital economy, other technological advances worth monitoring include:</p> <ul style="list-style-type: none"> • 3D printing • virtual and augmented reality 	

- biotech
- human augmentation
- machine learning
- data analytics
- robotic process automation
- artificial intelligence
- re-skilling human workforce

Video - <https://youtu.be/R3ZaTzqYQVs>

Digital businesses referenced in the video can be divided into 5 key sectors:

- Online Media - advertising, gaming, video, music streaming
- E-commerce - buying and selling of goods, an online marketplace
- Ride-Hailing and Logistics - parcel and food delivery, and transport services
- Online Travel - flights, vacation, hotel rentals
- Digital Financial Services - payments, remittances, lending, investments, insurance

These sectors will further evolve given that the COVID pandemic has accelerated the digital push. This can be seen in the:

- adoption of users to e-payment channels like PayMaya and Gcash
- adoption of users to online delivery services like GrabFood, Food Panda and Lalamove
- adoption of users to e-commerce (both as consumers and sellers)

Please share below your thoughts on the following guide questions:

			<ol style="list-style-type: none"> 1. What digital business opportunity do you see that you can benefit from? 2. How can you take advantage of this opportunity? 	
	Economic Factors	Text, Video, Discussion	<p>It goes without saying that economic factors have a direct and significant impact on strategy. For example, when interest rates rise, funds needed for capital expansion become more costly, while the demand for discretionary goods falls with the decline in discretionary income. When looking at economic factors, strategists are mainly concerned about the health of the economy, sources of employment and how this will potentially impact their business.</p> <p>Video - https://youtu.be/SQCFn8t4MKo</p> <p>Please share below your thoughts on the following guide questions:</p> <ol style="list-style-type: none"> 1. How can the BPO sector help the economy after quarantine? 2. What opportunities and threats are BPO's facing today? 	
	Political, Government and Legal Forces	Text, Video, Discussion	<p>National, provincial and municipal governments are major regulators, deregulators, employers, and customers of organizations. Political, governmental, and legal factors, therefore, can represent key opportunities or threats for both small and large institutions. This is even more important in industries that depend heavily on government contracts and licenses, like broadcast networks, which can be closed without government support. Changes in laws, tax rates and lobbying activities can also affect firms significantly.</p>	

			<p>Some questions strategists have to consider are:</p> <ul style="list-style-type: none"> • What role(s) does the government have in business? • How does the political climate affect businesses? • What are the most discussed topics in politics and legislation? • How are businesses affected by government policies? <p>Video - https://youtu.be/3C455VwtqxA</p> <p>Please share below your thoughts on the following guide questions:</p> <ol style="list-style-type: none"> 1. What opportunities and threats do you perceive arising from the TRAIN law? 2. Will this law be good for the Philippine business environment? Why or why not? 	
	Competitive Foreces	Text	<p>An important part of an external assessment is identifying rival firms and determining their strengths, weaknesses, capabilities, opportunities, threats, objectives, and strategies.</p> <p>Collecting and evaluating information on competitors is essential for successful strategy formulation. Identifying major competitors is not always easy because many firms have divisions that compete in different industries. Many multidivisional firms do not provide sales and profit information on a divisional basis for competitive reasons. Also, privately held firms do not publish any financial or marketing information.</p> <p>A way to overcome this is through COMPETITIVE INTELLIGENCE (CI). It is a systematic and ethical process for gathering and analyzing information about the competition's activities and general business trends to further a business's own goals. Good competitive intelligence in business is one of the keys to success. The more information and knowledge a firm can</p>	

			<p>obtain about its competitors, the more likely the firm can formulate and implement effective strategies. Major competitors' weaknesses can represent external opportunities, major competitors' strengths may represent key threats.</p> <p>The three basic objectives of a CI program are:</p> <p>(1) to provide a general understanding of an industry and its competitors,</p> <p>(2) to identify areas in which competitors are vulnerable and to assess the impact strategy actions would have on competitors, and</p> <p>(3) to identify potential moves that a competitor might make that would endanger a firm's position in the market.</p>	
	<p>Porter's Five Competitive Forces of the Industry</p>	<p>Text and Video</p>	<p>Porter's Five Forces is a groundbreaking business framework developed by Michael Porter in 1979. The Harvard Business Review published the framework in an article entitled, How Competitive Forces Shape Strategy.</p> <p>This framework is a robust and powerful tool in assisting potential new social entrepreneurs like you in making an assessment of the attractiveness of the industry you are intending to enter. In doing so, you will get a better picture of the threats and opportunities in your industry, which should alert you on the compelling issues you need to address for your business. As this video below highlights, "understanding the forces that shape industry is the starting point of strategy."</p>	

			 <p>RIVALRY AMONG EXISTING COMPETITORS:</p> <ul style="list-style-type: none"> ▪ Number of competitors ▪ Diversity of competitors ▪ Industry concentration ▪ Industry growth ▪ Quality differences ▪ Brand loyalty ▪ Barriers to exit ▪ Switching costs <p>THREAT OF NEW ENTRANTS:</p> <ul style="list-style-type: none"> ▪ Barriers to entry ▪ Economies of scale ▪ Brand loyalty ▪ Capital requirements ▪ Cumulative experience ▪ Government policies ▪ Access to distribution channels ▪ Switching costs <p>BARGAINING POWER OF SUPPLIERS:</p> <ul style="list-style-type: none"> ▪ Number and size of suppliers ▪ Uniqueness of each supplier's product ▪ Focal company's ability to substitute <p>BARGAINING POWER OF BUYERS:</p> <ul style="list-style-type: none"> ▪ Number of customers ▪ Size of each customer order ▪ Differences between competitors ▪ Price sensitivity ▪ Buyer's ability to substitute ▪ Buyer's information availability ▪ Switching costs <p>THREAT OF SUBSTITUTE PRODUCTS:</p> <ul style="list-style-type: none"> ▪ Number of substitute products available ▪ Buyer propensity to substitute ▪ Relative price performance of substitute ▪ Perceived level of product differentiation ▪ Switching costs <p>Videos:</p> <p>https://youtu.be/XCWHSeDU-zk</p> <p>https://youtu.be/Dfp23xSqpdK</p>	
	External Factor Evaluation Matrix	Video and Text	<p>External Factor Evaluation (EFE) Matrix allows strategists to summarize and evaluate economic, social, cultural, demographic, political, governmental, legal, technological, and competitive information.</p> <p>Video – https://youtu.be/p3bnOFQQmxQ</p> <p>1. List key external factors as identified in the external-audit process, including both opportunities and threats. List 10 opportunities and 10 threats. Be as specific as possible, using percentages, ratios, and comparative numbers whenever possible.</p>	

		<p>2. Assign to each factor a weight that ranges from 0.0(not important) to 1.0 (very important). The weight indicates the relative importance of the factor to being successful in the firm's industry. Opportunities often receive higher weights than threats, but threats can receive higher weights if they are especially severe or threatening.the sum of all weights assigned to the factors must equal 1.0.</p> <p>3. Assign a rating between 1 and 4 to each external factor to indicate how effectively the firm's current strategies repond to the factor, where 4 = the response is superior, 3 = the response is above average, 2 = the response is average, and 1 = the response is poor. Ratings are thus company-based, whereas the weights in step 2 are industry based. It is important to note that both threats and opportunities can receive 1,2,3, or 4.</p> <p>4. Multiply each factor's weoght by its rating to determine a weighted score.</p> <p>5. Sum the weighted scores for each variable to determine the total weighted score for the organization.</p> <p>The highest possible total weighted score for an organization is 4.0 and the lowest possible total weighted score is 1.0. the average total weighted score is 2.5. A total weighted score of 4.0 indicates that an organization is responding in an outstanding way to existing opportunities and threats in the industry. In other words, the firm's strategies effectively take advantage of existing opportunities and minimize the potential adverse effects of external threats. A total score of 1.0 indicates that the firm's strategies are not capitalizing on opportunities or avoiding external threats.</p>	
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	Competitive Profile Matrix	Text and Video	<p>The competitive profile matrix (CPM) identifies a firm's major competitors and plots their strengths & weaknesses in relation to the sample firm's strategic position. Critical success factors (also known as Key Success Factors or KSF) needed are identified and weight is given to each, depending on their importance to the industry. Factors include both internal and external issues. Firms are then given a rating versus each critical success factor. These ratings are then multiplied with the weights to give a weighted score per company per factor. Each company in the matrix will then receive a total weighted score by adding the values from each factor. The higher the score, the better. The matrix also shows which critical success factors are more important and reveals specific areas where a firm needs to improve and focus.</p> <p>Video - https://www.youtube.com/watch?v=VIHeb4mThOA</p> <p>The Competitive Profile Matrix is one way to compare competitors within an industry. In real life, each Weight and Rating should have some objective basis. For class purposes, we will allow you to make a subjective estimate if data is not available. By comparing the organization's performance against the industry's KSFs vis-a-vis competitors, we should be able to find more opportunities and weaknesses. It is also possible to obtain the organization's strengths and weaknesses using the CPM, however, we will tackle that in greater detail in the next module.</p>	
Internal Assessment	Internal Assessment	Text and Video	Video - https://youtu.be/g-6BiM45Xi0	

Nature of an Internal Audit

All organizations have strengths and weaknesses in the different functional areas of business. Objectives and strategies are established with the intention of capitalizing on internal strengths and overcoming weaknesses. A complete internal assessment is vital to help a firm formulate, implement, and evaluate strategies to enable it to gain and sustain **COMPETITIVE ADVANTAGE**.

The Process of Gaining Competitive Advantage

Strengths that cannot be easily matched or imitated by competitors are called **distinctive competencies**. Building competitive advantages involves taking advantage of distinctive competencies. Strategies are designed in part to improve on a firm's weaknesses, turning them into strengths - and maybe even into distinctive competencies. All firms should continually strive to improve on their weaknesses, turning them into strengths, and ultimately develop distinctive competencies that can provide the firm with competitive advantage over rival firms.

The Process of Performing an Internal Audit

The process of performing an internal audit or assessment closely parallels the process of performing the external audit. It requires the gathering, assimilating, and prioritizing information about the firm's management, marketing and sales, finance and accounting, production and operations, R&D, and MIS operations to reveal the firm's most important strengths and most severe weaknesses.

	<p>Internal Factor Evaluation Matrix</p>	<p>Text and Video</p>	<p>Internal Factor Evaluation (IFE) Matrix is essentially similar to how we arrived at an EFE Matrix except we identify strengths and weaknesses in the functional areas of business.</p> <p>Video - https://youtu.be/zuxsHX88uLw</p> <ol style="list-style-type: none">1. List key internal factors of your social enterprise as identified in your internal-audit process. List 10 strengths and 10 weaknesses. Be specific as possible, using percentages, ratios, and comparative numbers. Include actionable factors that can provide insight regarding strategies to pursue.2. Assign a weight that ranges from 0.0 (not important) to 1.0 (all important) to each factor. The weight assigned to a given factor indicates the relative importance of the factor to being successful in the firm's industry. The sum of all weights must equal 1.0.3. Assign a 1 - 4 rating to each factor to indicate whether that factor represents a major weakness (rating = 1), a minor weakness (rating = 2), a minor strength (rating = 3), or a major strength (rating = 4). Note that strengths must receive a 3 or 4 rating and weaknesses must receive a 1 or 2 rating.4. Multiply each factor's weight by its rating to determine a weighted score for each variable.5. Sum the weighted scores for each variable to determine the total weighted score for the organization. <p>The total weighted score can range from a low of 1.0 to a high of 4.0 with the average score being 2.5. Total weighted scores well below 2.5 characterize organizations that are weak internally, whereas scores significantly above 2.5 indicate a strong internal position.</p>	
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	SWOT Analysis	Text and Video	<p>SWOT Analysis is a tool that you have probably learned in previous classes. This tool will allow you to summarize your current situation in terms of:</p>  <p>Videos:</p> <p>https://youtu.be/JXXHqM6RzZQ</p> <p>https://youtu.be/mR9eICQJLXA</p>	
	SWOT Matrix	Text and Video	<p>The Strengths-Weaknesses-Opportunity-Threats (SWOT or sometimes called TOWS) Matrix is an important matching tool that helps managers develop four types of strategies: SO (strengths-opportunities) strategies, WO (weaknesses-opportunities)</p>	

			<p>strategies, ST (strengths-threats) strategies, and WT (weaknesses-threats) strategies. Matching key external and internal factors is the most difficult part of developing a SWOT Matrix, as it requires good judgement - and there is no best set of matches.</p> <p>SO strategies use a firm's internal strengths to take advantage of external opportunities</p> <p>WO strategies aim at improving internal weaknesses by taking advantage of external opportunities.</p> <p>ST strategies use a firm's strengths to avoid or reduce the impact of external threats.</p> <p>WT strategies are defensive tactics directed at reducing internal weaknesses and avoiding external threats.</p> <p>Video - https://youtu.be/SUzh7thZQq0</p>	
	Module 2 Summary	Text	<p>This module is the opportunity screening, designing your business model. You have examined and assessed the external and internal environment, and reviewed the value chain. These activities have enabled you to come up with your SWOT analysis and the SWOT Matrix which have given you several alternative strategies.</p> <p>We now move to doing a more in-depth analysis of your strategies, and making a choice strategy for implementation along with the making of your product or service a reality.</p>	
	Assessment		Quiz – True/False; Multiple Choice	

Module 3. Selecting Strategies

Lesson	Unit name	Component Type	Title/Source description	Notes
	Introduction-Learning objectives	Text	Introduction and Learning Objectives	
SWOT/TOWS Matrix	SWOT/TOWS Matrix	Text & Videos	<p>In this section we will review two tools often used in strategic planning: SWOT analysis and the TOWS matrix. You may say, oh no! not again. these are the most important tools in strategy formulation. What happened yesterday is no longer relevant today. External forces and internal capabilities have to be reassessed regularly to continue to sustain competitive advantage.</p> <p>First, let talk again about SWOT analysis.</p> <p>SWOT analysis is the process of identifying strengths, weaknesses, opportunities and threats. It can be applied to a whole business or organization, or to specific functions or groups within the business. It is a popular framework often used and is a good brainstorming tool. Here 's a video on SWOT analysis:</p> <p>Videos:</p> <p>https://youtu.be/JXXHqM6RzZQ</p> <p>https://youtu.be/H8FANR-2u2Q</p>	
11 Types of Corporate Strategies	11 Types of Corporate Strategies	Text	In the following pages, we will learn about eleven (11) Types of Corporate Strategies, as well as Michael Porter's three (3)	

Generic Competitive Business Strategies. Specifically, these strategies are as follows:

A. Types of Corporate Strategies

Integration Strategies

- - - 1. Forward Integration
 - 2. Backward Integration
 - 3. Horizontal Integration

Intensive Strategies

- - - 4. Market Penetration
 - 5. Market Development
 - 6. Product Development

Diversification Strategies

- - - 7. Related Diversification
 - 8. Unrelated Diversification

Defensive Strategies

- - - 9. Retrenchment
 - 10. Divestiture
 - 11. Liquidation

			<p>B. Porter's Generic Competitive Business Strategies</p> <ul style="list-style-type: none"> • <ul style="list-style-type: none"> ○ Cost Leadership ○ Differentiation ○ Focus <p>There are clearly many different types of strategies that an organization can choose to pursue, based on its vision, mission, and objectives. While it may be tempting to pursue many different strategies at the same time, organizations really need to make difficult decisions and prioritize and focus only on those that they can realistically do so, within the bounds of their resources. Many organizations simultaneously pursue a combination of two or more strategies, but a combination strategy can be exceptionally risky if carried too far.</p>	
	<p>Integration Strategies</p>	<p>Text & Videos</p>	<p>Forward integration and backward integration are sometimes collectively referred to as vertical integration. Vertical integration strategies allow a firm to gain control over distributors and suppliers, whereas horizontal integration refers to gaining ownership and/or control over competitors.</p> <p>1. Forward Integration involves gaining ownership or increased control over a company's distributors or retailers. An example of this would be when a company which manufactures cakes and pastries, ordinarily supplying these to coffee shops, decides to put up their own coffee shop or bake/cake shop to sell directly to end-consumers.</p> <p>Forward integration can be particularly effective when:</p> <ul style="list-style-type: none"> • 	

			<ul style="list-style-type: none">○ An organization's present distributors are especially expensive, unreliable, or incapable of meeting the firm's distribution needs.○ The availability of quality distributors is so limited as to offer a competitive advantage to those firms that promote forward integration.○ An organization competes in an industry that is growing and is expected to continue to grow markedly; this is a factor because forward integration reduces an organization's ability to diversify if its basic industry falters.○ An organization has both the capital and human resources needed to manage the new business of distributing its own products.○ The advantages of stable production are particularly high; this is a consideration because an organization can increase the predictability of the demand for its output through forward integration.○ Present distributors or retailers have high profit margins; this situation suggests that a company could profitably distribute its own products and price them more competitively by integrating forward. <p>2. Backward Integration is the strategy of seeking ownership or increased control of a firm's suppliers. For example, when a coffee shop acquires or establishes its own coffee farm to supply its coffee beans.</p>	
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			<p>Backward integration can be particularly effective when:</p> <ul style="list-style-type: none">•<ul style="list-style-type: none">○ An organization's present suppliers are especially expensive, unreliable, or incapable of meeting the firm's needs for parts, components, assemblies, or raw materials.○ The number of suppliers is small and the number of competitors is large.○ An organization competes in an industry that is growing rapidly; this is a factor because integrative-type strategies (forward, backward, and horizontal) reduce an organization's ability to diversify in a declining industry.○ An organization has both capital and human resources to manage the new business of supplying its own raw materials.○ The advantages of stable prices are particularly important; this is a factor because an organization can stabilize the cost of its raw materials and the associated price of its product(s) through backward integration.○ Present suppliers have high profit margins, which suggest that the business of supplying products or services in a given industry is a worthwhile venture.○ An organization needs to quickly acquire a needed resource. <p>3. Horizontal Integration is the strategy of seeking ownership or increased control over a firm's</p>	
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competitors. This is seen in mergers, acquisitions, and takeovers among directly-competing businesses.

Horizontal integration can be particularly effective when:

- - An organization can gain monopolistic characteristics in a particular area or region without being challenged by the federal government for “tending substantially” to reduce competition.
 - An organization competes in a growing industry.
 - Increased economies of scale provide major competitive advantages.
 - An organization has both the capital and human talent needed to successfully manage an expanded organization.
 - Competitors are faltering as a result of a lack of managerial expertise or a need for particular resources that an organization possesses; note that horizontal integration would not be appropriate if competitors are doing poorly because in that case overall industry sales are declining.

Videos:

<https://youtu.be/NVyPNy-pZS0>

<https://youtu.be/qc36Hfz5Fsw>

	<p style="text-align: center;">Intensive Strategies</p>	<p style="text-align: center;">Text & Videos</p>	<p>Intensive strategies require intensive efforts in order to improve the competitive position of a firm's products. These include Market Penetration, Market Development, and Product Development.</p> <p>4. A Market Penetration strategy seeks to increase market share for present products or services in present markets through greater marketing efforts. This strategy is widely used alone and in combination with other strategies. Market penetration includes increasing the number of salespersons, increasing advertising expenditures, offering extensive sales promotion items, or increasing publicity efforts.</p> <p>Market Penetration can be effective when:</p> <ul style="list-style-type: none"> • <ul style="list-style-type: none"> ○ Current markets are not saturated with a particular product or service. ○ The usage rate of present customers could be increased significantly. ○ The market shares of major competitors have been declining while total industry sales have been increasing. ○ The correlation between dollar sales and dollar marketing expenditures historically has been high. ○ Increased economies of scale provide major competitive advantages. <p>5. Market Development involves introducing present products or services into new geographic areas. This strategy can be employed when:</p> <ul style="list-style-type: none"> • <ul style="list-style-type: none"> ○ New channels of distribution are available that are reliable, inexpensive, and of good quality. 	
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- An organization is successful at what it does.
- New untapped or unsaturated markets exist.
- An organization has the needed capital and human resources to manage expanded operations.
- An organization has excess production capacity.
- An organization's basic industry is rapidly becoming global in scope.

6. **Product Development** is a strategy that seeks increased sales by improving or modifying present products or services. Product development usually entails large research and development expenditures. Opportunities for product development strategies are endless, given rapid technological changes occurring daily.

Product development is worth pursuing when:

- - An organization has successful products that are in the maturity stage of the product life cycle; the idea here is to attract satisfied customers to try new (improved) products as a result of their positive experience with the organization's present products or services.
 - An organization competes in an industry that is characterized by rapid technological developments.
 - Major competitors offer better-quality products at comparable prices.

			<ul style="list-style-type: none"> ○ An organization competes in a high-growth industry. ○ An organization has especially strong research and development capabilities. <p>Video - https://youtu.be/TscHge1POhw</p>	
	Diversification Strategies	Text & Videos	<p>The two general types of diversification strategies are Related Diversification and Unrelated Diversification. Businesses are said to be related when their value chains possess competitively valuable cross-business strategic fits; businesses are said to be unrelated when their value chains are so dissimilar that no competitively valuable cross-business relationships exist.</p> <p>Diversification must do more than simply spread business risks across different industries; after all, shareholders could accomplish this by simply purchasing equity in different firms across different industries or by investing in mutual funds. Diversification makes sense only to the extent that the strategy adds more to shareholder value than what shareholders could accomplish acting individually. Any industry chosen for diversification must be attractive enough to yield consistently high returns on investment and offer potential across the operating divisions for synergies greater than those entities could achieve alone.</p> <p>7. Related Diversification</p> <p>Most companies favor related diversification strategies to capitalize on synergies as follows:</p> <ul style="list-style-type: none"> ● Transferring competitively valuable expertise, technological know-how, or other capabilities from one business to another ● Combining the related activities of separate businesses into a single operation to achieve lower costs 	

			<ul style="list-style-type: none"> • Exploiting common use of a well-known brand name • Cross-business collaboration to create competitively valuable resource strengths and capabilities <p>An example of Related Diversification is the case of Honda Motor Company (Honda). Honda leveraged a core competency through related diversification. Although Honda is best known for its cars and trucks, the company started out in the motorcycle business. Through competing in this business, Honda developed a unique ability to build small and reliable engines. When executives decided to diversify into the automobile industry, Honda was successful in part because it leveraged this ability within its new business. Honda also applied its engine-building skills in the all-terrain vehicle, lawn mower, and boat motor industries.</p> <p>Related diversification can be an effective strategy when:</p> <ul style="list-style-type: none"> • An organization competes in a no-growth or a slow-growth industry. • Adding new, but related, products would significantly enhance the sales of current products. • New, but related, products could be offered at highly competitive prices. • New, but related, products have seasonal sales levels that counterbalance an organization's existing peaks and valleys. • An organization's products are currently in the declining stage of the product's life cycle. • An organization has a strong management team. <p>8. Unrelated Diversification</p> <p>An unrelated diversification strategy favors capitalizing on a portfolio of businesses that are capable of delivering excellent financial performance in their respective industries, rather than striving to capitalize on value chain strategic fits among the businesses. Firms that employ unrelated</p>	
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		<p>diversification continually search across different industries for companies that can be acquired for a deal and yet have potential to provide a high return on investment. Pursuing unrelated diversification entails being on the hunt to acquire companies whose assets are under-valued, companies that are financially distressed, or companies that have high-growth prospects but are short on investment capital.</p> <p>An example of successful unrelated diversification is the case of conglomerate San Miguel Corporation which began in the food and beverages sector, and has since grown into real estate (San Miguel Properties), oil refining and marketing (Petron), power and energy (SMC Global Power), and infrastructure (tollways, airports, harbors, mass transport).</p> <p>Unrelated diversification may be employed when:</p> <ul style="list-style-type: none">• Revenues derived from an organization's current products or services would increase significantly by adding the new, unrelated products.• An organization competes in a highly competitive or a no-growth industry, as indicated by low industry profit margins and returns.• An organization's present channels of distribution can be used to market the new products to current customers.• New products have countercyclical sales patterns compared to an organization's present products.• An organization's basic industry is experiencing declining annual sales and profits.• An organization has the capital and managerial talent needed to compete successfully in a new industry.• An organization has the opportunity to purchase an unrelated business that is an attractive investment opportunity.• Financial synergy exists between the acquired and acquiring firm. (Note that a key difference between related and unrelated diversification is that the former should be based on some commonality in markets, products, or technology, whereas the latter is based more on profit considerations.)	
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			<ul style="list-style-type: none"> Existing markets for an organization's present products are saturated. <p>Video - https://youtu.be/JU7G-TAnBgQ</p>	
	Defensive Strategies	Text & Videos	<p>At times, an organization's best strategic options are defensive (rather than the aggressive choices enumerated beforehand). These include Retrenchment, Divestiture, and Liquidation.</p> <p>9. Retrenchment occurs when an organization regroups through cost and asset reduction to reverse declining sales and profits. Sometimes called a turnaround or reorganizational strategy, retrenchment is designed to fortify an organization's basic distinctive competence. During retrenchment, strategists work with limited resources and face pressure from shareholders, employees, and the media. Retrenchment can involve selling off land and buildings to raise needed cash, pruning product lines, closing marginal businesses, closing obsolete factories, automating processes, reducing the number of employees, and instituting expense control systems.</p> <p>A retrenchment strategy may be employed when:</p> <ul style="list-style-type: none"> An organization has a clearly distinctive competence but has failed consistently to meet its objectives and goals over time. An organization is one of the weaker competitors in a given industry. An organization is plagued by inefficiency, low profitability, poor employee morale, and pressure from stockholders to improve performance. An organization has failed to capitalize on external opportunities, minimize external threats, take advantage of internal strengths, and overcome internal weaknesses over time; that is, when the organization's strategic managers have failed (and possibly will be replaced by more competent individuals). An organization has grown so large so quickly that major internal reorganization is needed. 	

10. Divestiture

Selling a division or part of an organization is called divestiture. It is often used to raise capital for further strategic acquisitions or investments. Divestiture can be part of an overall retrenchment strategy to rid an organization of businesses that are unprofitable, that require too much capital, or that do not fit well with the firm's other activities. Divestiture has also become a popular strategy for firms to focus on their core businesses and become less diversified.

Here is an article about Shell's divestiture of its stake in the Malampaya gas-to-power project in the Philippines. Shell looking to sell stake in Philippines' Malampaya gas project | Reuters

Divestiture can be an effective strategy for an organization when:

- An organization has pursued a retrenchment strategy and failed to accomplish needed improvements.
- To be competitive, a division needs more resources than the company can provide.
- A division is responsible for an organization's overall poor performance.
- A division is a misfit with the rest of an organization; this can result from radically different markets, customers, managers, employees, values, or needs.
- A large amount of cash is needed quickly and cannot be obtained reasonably from other sources.
- Government antitrust action threatens an organization.

11. Liquidation

Selling all of a company's assets, in parts, for their tangible worth is called liquidation. Liquidation is a recognition of defeat and consequently can be an emotionally difficult strategy. However, it may be better to cease operating than to continue losing large sums of money.

			<p>Liquidation can be an appropriate strategy when:</p> <ul style="list-style-type: none"> • An organization has pursued both a retrenchment strategy and a divestiture strategy, and neither has been successful. • An organization's only alternative is bankruptcy. Liquidation represents an orderly and planned means of obtaining the greatest possible amount of cash for an organization's assets. A company can legally declare bankruptcy first and then liquidate various divisions to raise needed capital. • The stockholders of a firm can minimize their losses by selling the organization's assets <p>Video - https://youtu.be/St_gaAB74xQ</p>	
	<p>Porter's Generic Competitive Business Strategies</p>	<p>Text & Videos</p>	<p>The 11 strategies discussed earlier are mostly applicable at the corporate or division level (if the division is big or complex enough) of large organizations.</p> <p>At the company-level (or at division levels, if these are not too big nor complex), though, an organization must decide on how it is to compete against other companies' offerings in the same marketplace. For this, it is useful to understand and apply the generic competitive strategies proffered by Michael Porter. These are:</p> <ul style="list-style-type: none"> • Cost Leadership • Differentiation • Focus <p>Videos –</p> <p>https://youtu.be/9wXVnBrpZ-U</p> <p>https://youtu.be/TDkuq8-Un9I</p> <p>https://youtu.be/8VzvbXmgwdg</p>	

<https://youtu.be/8VnMLIQfyds>

A refinement to the concept of Cost Leadership is that we now consider two versions of cost leadership, which an organization may choose to employ, as follows:

- **Overall Cost Leadership Strategy:** offering products or services at the absolute lowest price available in the market.
- **Best Value Strategy:** offering products or services at the best price-value on the market. This means offering the lowest price available vis-à-vis a rival's (or a particular rival set's) products or services that have similar attributes to what you are offering.

There are different situations under which each of these strategies is best to employ.

A **Cost Leadership** strategy can be specially effective when:

- Price competition among rival sellers is especially vigorous.
- Products of rival sellers are essentially identical and supplies are readily available from any of several eager sellers.
- There are few ways to achieve product differentiation that have value to buyers.
- Most buyers use the product in the same ways.
- Buyers incur low costs in switching their purchases from one seller to another.
- Buyers are large and have significant power to bargain down prices.
- Industry newcomers use introductory low prices to attract buyers and build a customer base.

			<p>A Differentiation strategy is most applicable when:</p> <ul style="list-style-type: none"> • There are many ways to differentiate the product or service and many buyers perceive these differences as having value. • The buyer's needs and uses are diverse. • Few rival firms are following a similar differentiation approach. • Technological change is fast paced and competition revolves around rapidly evolving product features. <p>A Focus strategy is most attractive when:</p> <ul style="list-style-type: none"> • The target market niche is large, profitable, and growing. • Industry leaders do not consider the niche to be crucial to their own success. • Industry leaders consider it too costly or difficult to meet the specialized needs of the target market niche while taking care of their mainstream customers. • The industry has many different niches and segments, thereby allowing a focuser to pick a competitively attractive niche suited to its own resources. • Few, if any, other rivals are attempting to specialize in the same target segment. 	
Strategy Formulation Analytical Framework	Strategy Formulation Analytical Framework	Text	Strategy analysis and choice seek to determine alternative courses of action that could best enable the firm to achieve its mission and objectives. Strategists never consider all feasible alternatives that could benefit the firm because there are an infinite number of possible actions and an infinite number of ways to implement those actions.	

			<p>Identifying and evaluating alternative strategies should involve many of the managers and employees who earlier assembled the organizational vision and mission statements, performed the external audit, and conducted the internal audit.</p> <p>Involvement provides the best opportunity for managers and employees to gain an understanding of what the firm is doing and why and to become committed to helping the firm accomplish its objectives.</p> <p>Alternative strategies proposed by participants should be considered and discussed in a series of meetings.</p> <p>Here are the Three stages of Strategy Formulation:</p> <p>Stage 1: The input stage - Summarizes the basic input information needed to formulate strategies.</p> <p>Stage 2,: The Matching Stage - Focuses on generating feasible alternative strategies by aligning key external and internal factors.</p> <p>Stage 3: The Decision Stage - Involves a single technique, the Quantitative Strategic Planning Matrix (QSPM)</p> <p>This module will discuss each stage in detail.</p>	
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	<p>Stage 1: Input Stage</p>	<p>Text</p>	<h2 style="text-align: center;">Stage 1: Input Stage</h2> <p>Stage 1 of the strategy-formulation analytical framework consists of the External Factor Evaluation (EFE) Matrix, the Internal Factor Evaluation (IFE) Matrix, and the Competitive Profile Matrix (CPM).</p> <p>The internal factor evaluation, external factor evaluation and competitive profile matrices were introduced by Fred R. David in his book 'Strategic Management'. These tools are used to summarize the information gained from company's external and internal environment analyses. The summarized information is evaluated and used for further purposes, such as, to build SWOT analysis (Links to an external site.) or IE matrix. Even though, the tools are quite simplistic, they do the best job possible in identifying and evaluating the key affecting factors.</p> <p>Benefits</p> <ul style="list-style-type: none"> • Easy to understand. The input factors have a clear meaning to everyone inside or outside the company. There's no confusion over the terms used or the implications of the matrices. • Easy to use. The matrices do not require extensive expertise, many personnel or lots of time to build. • Focuses on the key internal and external factors. Unlike some other analyses (e.g. value chain analysis, 	
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			<p>which identifies all the activities in the company's value chain, despite their importance), the IFE and EFE only highlight the key factors that are affecting a company or its strategy.</p> <ul style="list-style-type: none"> • Multi-purpose. The tools can be used to build SWOT analysis, IE matrix, GE-McKinsey matrix or for benchmarking. <p>Limitations</p> <ul style="list-style-type: none"> • Easily replaced. IFE and EFE matrices can be replaced almost completely by PEST analysis, SWOT analysis, competitive profile matrix and partly some other analysis. • Doesn't directly help in strategy formation. Both analyses only identify and evaluate the factors but do not help the company directly in determining the next strategic move or the best strategy. Other strategy tools have to be used for that. • Too broad factors. SWOT matrix has the same limitation and it means that some factors that are not specific enough can be confused with each other. Some strengths can be weaknesses as well, e.g. brand reputation, which can be a strong and valuable brand reputation or a poor brand reputation. The same situation is with opportunities and threats. Therefore, each factor has to be as specific as possible to avoid confusion over where the factor should be assigned. 	
	<p>External Factor Evaluation Matrix</p>	<p>Text</p>	<p>EFE Matrix</p> <p>External factor evaluation matrix is a strategic tool used for the external evaluation of a firm. External factors consist of opportunities and threats which needs to be identified and should be responded in order to utilize the available</p>	

			opportunities and eliminate or reduce the impact of threats. The EFE matrix template could be used to find out how a firm has been responding to the external factors.	
	Competitive Profile Matrix	Text	The competitive profile matrix identifies a firm's major competitors and plots their strengths & weaknesses in relation to the sample firm's strategic position. Critical success factors (also known as Key Success Factors or KSF) needed are identified and weight is given to each, depending on their importance to the industry. Factors include both internal and external issues. Firms are then given a rating versus each critical success factor. These ratings are then multiplied with the weights to give a weighted score per company per factor. Each company in the matrix will then receive a total weighted score by adding the values from each factor. The higher the score, the better. The matrix also shows which critical success factors are more important and reveals specific areas where a firm needs to improve and focus.	
	Internal Factors Evaluation Matrix	Text	<i>Internal Factor Evaluation (IFE) Matrix</i> is a strategy tool used to evaluate firm's internal environment and to reveal its strengths as well as weaknesses. Strengths and weaknesses are used as the key internal factors in the evaluation. When looking for the strengths, ask what do you do better or have more valuable than your competitors have? In case of the weaknesses, ask which areas of your company you could improve and at least catch up with your competitors?	
	Stage 2: Matching Stage	Text	The matching stage focuses on generating feasible alternative strategies by aligning key external and internal factors. Stage 2 tools include the following:	

			<ul style="list-style-type: none"> • Strengths-Weaknesses-Opportunities-Threats (SWOT) Matrix • Internal-External (IE) Matrix • Boston Consulting Group (BCG) Matrix • Strategic Position and Action Evaluation (SPACE) Matrix • Grand Strategy Matrix. 	
	IE Matrix	Text	<p>The Internal-External (IE) Matrix is based on an analysis of internal and external business factors which are combined into one suggestive model:</p> <ul style="list-style-type: none"> • IFE weighted score (Links to an external site.) on the x - axis • EFE weighted score on the y - axis. <p>The IE matrix works in a way that you plot the total weighted score from the EFE matrix on the y axis and draw a horizontal line across the plane. Then you take the score calculated in the IFE matrix, plot it on the x axis, and draw a vertical line across the plane. The point where your horizontal line meets your vertical line is the determinant of your strategy. This point shows the strategy that your company should follow.</p> <p>The Internal-External (IE) Matrix can be divided into three major regions that have different strategy implications:</p> <ul style="list-style-type: none"> • Regions I, II, or IV - Grow and build. (Links to an external site.) Intensive (market penetration, market development, and product development) (Links to an external site.) or integrative (backward integration, forward integration, and horizontal integration) strategies can be most appropriate for these divisions. 	

			<ul style="list-style-type: none"> • Regions III, V, or VII - Hold and Maintain strategies; Market penetration and product development are two commonly employed strategies for these types of divisions. • Regions VI, VIII, or IX - Harvest or divest Successful organizations are able to achieve a portfolio of businesses positioned in or around cell I in the IE Matrix. 	
	BCG Matrix	Text and Video	<p>BCG Matrix</p> <p>The BCG Matrix is a product portfolio tool; designed to help a business consider growth opportunities by reviewing its portfolio of products or businesses to decide where to invest, to discontinue or develop products. It graphically portrays differences among divisions in terms of relative market share position and industry growth rate.</p> <p>It allows a multi-divisional organization to manage its portfolio of businesses by examining the relative market share position and the industry growth rate of each division relative to all other divisions in the organization</p> <p>Autonomous divisions (also called <i>segments</i> or <i>profit centers</i>) of an organization make up what is called a business portfolio. When a firm's divisions compete in different industries, a separate strategy often must be developed for each business.</p>	

Based on each division's respective (x, y) coordinate, each segment can be properly positioned (centered) in a BCG Matrix. Each circle represents a separate division. The size of the circle corresponds to the proportion of corporate revenue generated by that business unit, and the pie slice indicates the proportion of corporate profits generated by that division.

Question Marks - Quadrant I

- Divisions in Quadrant I (upper right) have a low relative market share position, yet they compete in a high-growth industry.
- Organization must decide whether to strengthen them by pursuing an intensive strategy (market penetration, market development, or product development) or to sell them

Stars - Quadrant II

- Divisions in Quadrant II (upper left) represent the organization's best long-run opportunities for growth and profitability, and are therefore called stars.
- Represent the organization's best long-run opportunities for growth and profitability

Cash Cows - Quadrant III

- Divisions in Quadrant III (lower left) have a high relative market share position but compete in a low-growth industry.

			<ul style="list-style-type: none"> • Generate cash in excess of their needs . should be managed to maintain their strong position for as long as possible <p>Dogs - Quadrant IV</p> <ul style="list-style-type: none"> • Divisions in Quadrant IV (lower right) have a low relative market share position and compete in a slow- or no-market-growth industry • Compete in a slow- or no-market-growth industry • Businesses are often liquidated, divested, or trimmed down through retrenchment <p>The major benefit of the BCG Matrix is that it draws attention to the cash flow, investment characteristics, and needs of an organization's various divisions.</p> <p>Over time, organizations should strive to achieve a portfolio of divisions that are stars.</p> <p>Video - https://youtu.be/gNR49lk5dS0</p>	
	<p>Strategic Position and Action Evaluation Matrix</p>	<p>Text and Video</p>	<p>The Strategic Position and Action Evaluation (SPACE) Matrix, another important Stage 2 matching tool, is illustrated on this slide. Its four-quadrant framework indicates whether aggressive, conservative, defensive, or competitive strategies are most appropriate for a given organization.</p> <p>Steps to develop the SPACE Matrix</p>	

			<ol style="list-style-type: none"> 1. Select a set of variables to define financial position (FP), competitive position (CP), stability position (SP), and industry position (IP). 2. Assign a numerical value ranging from +1 (worst) to +7 (best) to each of the variables that make up the FP and IP dimensions. 3. Assign a numerical value ranging from -1 (best) to -7 (worst) to each of the variables that make up the SP and CP dimensions. 4. Compute an average score for FP, CP, IP, and SP. 5. Plot the average scores for FP, IP, SP, and CP on the appropriate axis. 6. Add the two scores on the <i>x</i>-axis and plot the resultant point on <i>X</i>. Add the two scores on the <i>y</i>-axis and plot the resultant point on <i>Y</i>. Plot the intersection of the new <i>xy</i> point. 7. Draw a <i>directional vector</i> from the origin of the SPACE Matrix through the new intersection point. <p>Video - https://youtu.be/VP_kn_gOQro</p>	
	Grand Strategy Matrix	Text and Video	<p>The Grand Strategy Matrix is based on two evaluative dimensions:</p> <ol style="list-style-type: none"> (1) competitive position on the <i>x</i>-axis and (2) market (industry) growth on the <i>y</i>-axis. <p>Appropriate strategies for an organization to consider are listed in sequential order of attractiveness in each quadrant of the Grand Strategy Matrix. All organizations can be positioned in one of the Grand Strategy Matrix's four strategy quadrants.</p> <p>Quadrant I - Excellent strategic position</p>	

			<ul style="list-style-type: none"> continued concentration on current markets (market penetration and market development) and products (product development) is an appropriate strategy <p>Quadrant II - Need to evaluate present approach</p> <ul style="list-style-type: none"> unable to compete effectively need to determine why the firm's current approach is ineffective and how the company can best change to improve its competitiveness <p>Quadrant III - Weak competitive position, slow growth</p> <ul style="list-style-type: none"> must make some drastic changes quickly to avoid further decline and possible liquidation Extensive cost and asset reduction (retrenchment) should be pursued first <p>Quadrant IV - Strong position, but slow growth</p> <ul style="list-style-type: none"> Have characteristically high cash-flow levels and limited internal growth needs and often can pursue related or unrelated diversification successfully. <p>Video - https://youtu.be/ehZCM1o7gas</p>	
	Step 3: Decision Stage	Text	<p>The Decision Stage</p> <p>The decision stage reveals the relative attractiveness of alternative strategies and thus provides objective basis for selecting specific strategies. Stage 3 uses the Quantitative Strategic Planning Matrix (QSPM). A QSPM uses input information from Stage 1 to objectively evaluate feasible alternative strategies identified in Stage 2. It reveals the relative</p>	

			attractiveness of alternative strategies and thus provides an objective basis for selecting specific strategies.	
	Quantitative Strategic Planning Matrix	Text and Video	<p>The QSPM objectively indicates which alternative strategies are best. It uses input from Stage 1 analyses and matching results from Stage 2 analyses to decide objectively among alternative strategies</p> <p>The left column of a QSPM consists of key external and internal factors (from Stage 1), and the top row consists of feasible alternative strategies (from Stage 2). Specifically, the left column of a QSPM consists of information obtained directly from the EFE Matrix and IFE Matrix. In a column adjacent to the key success factors, the respective weights received by each factor in the EFE Matrix and the IFE Matrix are recorded.</p> <p>Steps in developing a QSPM:</p> <ol style="list-style-type: none"> 1. Make a list of the firm's key external opportunities and threats and internal strengths and weaknesses in the left column. 2. Assign weights to each key external and internal factor. 3. Examine the Stage 2 (matching) matrices, and identify alternative strategies that the organization should consider implementing 4. Determine the Attractiveness Scores (AS). 5. Compute the Total Attractiveness Scores. 6. Compute the Sum Total Attractiveness Score. <p>Positive Features</p> <p>Sets of strategies can be examined sequentially or simultaneously</p> <p>Requires strategists to integrate pertinent external and internal factors into the decision process</p>	

			<p>Can be adapted for use by small and large for-profit and nonprofit organizations</p> <p>Developing a Quantitative Strategic Planning Matrix makes it less likely that key factors will be overlooked or weighted inappropriately.</p> <p>Limitations</p> <p>Always requires informed judgments</p> <p>It is only as good as the prerequisite information and matching analyses on which it is based.</p> <p>Video - https://youtu.be/F9dfRY8nRmY</p>	
	Summary	Text	Summary of the Module	
	Assessment		Quiz – True/False; Multiple Choice	

Module 4. Strategy Evaluation

Lesson	Unit name	Component Type	Title/Source description	Notes
	Introduction-Learning objectives	Text	Introduction and Learning Outcomes	

<p>Rumelt's Criteria for Strategic Performance Evaluation</p>	<p>Rumelt's Criteria for Strategic Performance Evaluation</p>	<p>Text</p>	<h2>Rumelt's Criteria for Strategic Performance Evaluation</h2> <p>Businesses cannot survive without a sound business strategy, but company leaders must understand which strategy is most suited to a company's success. If you own a business, you must evaluate as many business strategies as possible to determine which one will give you the best opportunity to succeed. To help businesses evaluate strategies, Richard Rumelt, a UCLA Anderson School of Management professor, developed four criteria for evaluating business strategies:</p> <ol style="list-style-type: none">1. Consistency: Rumelt believes that a successful strategy is impossible without consistency among all teams and departments within a company. Business owners must determine whether internal objectives are aligned with external goals.2. Consonance: Businesses must determine how well they are prepared to adapt to changes in their industry, as well as how well they adapt to their competitors. The first evaluation deals with the core mission of the business, and the second evaluation deals with the company's competitive position within the industry.3. Competitive Advantage: Possessing a competitive advantage assures success in industries where so many companies offer the same products or services. Rumelt encourages businesses to assess their innovation, technology, and creativity, in comparison to their competitors. The key question is this: How can we perform it either better than, or at least instead of our rivals?4. Feasibility: The final aspect of the evaluation is determining whether the overall strategy that a company wants to pursue is feasible. This requires an evaluation of employee skills and	
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			talents, and an objective review of allocations of financial resources a company has at its disposal.	
	Reviewing Organizational Accomplishments: critical Success Factors		<p>Identifying the Critical Success Factors both for your firm as well as the industry you are in, is another tool for strategy review.</p> <p>Simply, the steps are as follows:</p> <ol style="list-style-type: none"> 1. Identify the CSFs in the industry. Ask the question: What does it take to succeed in this industry? 2. Then, turn your attention to your firm and ask the question: What have we done as regards achieving the CSF in the industry? A corollary question: What have we done to get to where we are now? <p>For a better understanding of CSFs, read the following article: https://www.toolshero.com/strategy/critical-success-factors/ (Links to an external site.)</p> <p>To complete the analysis, look for the Gaps between your firm and the industry.</p>	
	Reviewing Org. Performance: Quantitative Analysis	Text	<p>From your previous Accounting and Finance courses, you learned to analyze a firm's financial performance. As part of the Strategy Evaluation process, a quantitative analysis using financial ratios is a must. As a review, check out this article and the accompanying video in its site for a quick understanding of the relevance of ratio analysis.</p> <p>Remember to also perform:</p> <ol style="list-style-type: none"> 1. the usual horizontal analyses to check on growth say of certain product revenues month on month, or of key cost drivers, and 	

			2. vertical analysis to determine the composition of key financial parameters, say of certain fixed or variable costs. to see which are drivers that need management focus.	
The Balanced Scorecard As a Strategic Performance Measurement System	Introduction	Text and Video	<p>This section delves deeper into the BSC as a tool for strategic performance management.</p> <p>Videos</p> <p>https://youtu.be/TQi9q0Ink2g</p> <p>https://youtu.be/M_IIOlywryw</p> <p>Once developed, the BSC can be used effectively to accomplish Stage 2 of Fred David's suggested Strategy Evaluation Process.</p> <p>The next pages present the key stages in the development of a Balanced Scorecard and its key components.</p> <p>By the end of these discussions and videos, you should be able to refine the initial scorecard you designed for your business last semester, following the guidelines on the selection of Performance Measures in this module.</p>	
	3 Stages of BSC	Text	An organization cannot stop at naming its strategic objectives and then expect its employees to go forth and do whatever they can think about to try and achieve the specified objectives. As explained last semester, the leaders of each operational and functional area of the organization or firm define the the major strategies and programs by which these objectives are to be accomplished. Going further, to ensure clarity for all employees, the relevant performance measures that will best indicate the accomplishment of the objectives are specified for the activities	

			<p>that matter most in the process, along with specific desired targets.</p> <p>As was highlighted, preparing the Strategy Map was just the beginning of the process. After crafting strategic objectives, you were asked to take a shot at identifying performance measures and targets to track progress.</p> <p>As we will learn in the next sections:</p> <ol style="list-style-type: none"> 1. The Strategy Map clarifies a company's business objectives and key strategies; 2. Performance Measures that best capture progress and desired performance must be identified for each of the objectives, along with their targeted results. 3. Lastly, a few key Initiatives that will "help close the performance gap" and bring about the accomplishment of each of the objectives must be developed to support the accomplishment of targets. <p>Let us touch on each of these stages in the next few pages of this module.</p>	
	Stage 1	Text	<p>The Strategy Map is a visual representation of the company's <i>specific yet select and linked set of strategic objectives all geared to accomplish its overarching theme/s in strategy</i>, usually for the next three to five years (for some industries, longer or shorter).</p> <p>Let us first define a strategic objective. A strategic objective is <i>what an organization must set out to achieve as a whole and within its various functions or areas</i>. Under the BSC, it is the set of milestone outcomes in strategy which will move it closer to its Vision.</p>	

			<p>We saw in LS 120.03, particularly from Fred David, that an organization's generic objectives comprise two categories: Financial Objectives or Strategic Objectives. Kaplan and Norton's Balanced Scorecard, objectives further refines these into the four perspectives of Financial, Customer, Internal Process and Learning and Growth. .</p> <p>The four perspectives can also be classified into two main types of Objectives:</p> <ol style="list-style-type: none">1. Outcome Objectives: Each theme in strategy must be articulated in terms of its desired outcomes, or its <i>Financial and Customer Objectives</i>. The Customer Objectives, if fulfilled, will bring about the financial outcomes of the company. A Financial Objective can be about increasing sales while a Customer Objective must be about customer satisfaction. While customer satisfaction is a final outcome in itself, the premise is that high customer satisfaction will lead to increased sales.2. Driver Objectives: As anyone knows, outcomes do not just happen. To bring them about, there must be a clearly thought out set of actions the company must take. Under the BSC, these set of actions are called the <i>drivers of the outcomes</i> and are captured by the <i>Internal Process and Learning and Growth Objectives of the BSC</i>.	
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	<p>Financial Perspective Objectives</p>	<p>Text</p>	<h1>The Financial Perspective Objectives</h1> <p>Each of a company's themes in strategy, say those named in the example for the Australian company, can be further articulated in terms of <i>two generic strategies</i>:</p> <ol style="list-style-type: none"> 1. The revenue growth strategy 2. An asset utilization or cost strategy <p>Any firm for that matter would have to pursue one or a combination of these generic strategies.</p> <p>Under the <i>revenue objectives</i>, companies must begin by choosing a model on how growth will be achieved for the company. It may consider one or more of the following Intensive Strategies:</p> <ol style="list-style-type: none"> 1. Growing the existing customer base 2. Increasing spend per person in the existing customer base 3. Finding new customers in new areas 4. Introducing new product variants or related products 5. Increasing average price across certain product categories 6. Other models 	
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	<p>Customer Perspective Objectives</p>	<p>Text</p>	<h1>The Customer Perspective Objectives</h1> <p>Kaplan and Norton emphasize the importance of clarifying the value proposition of a firm's products or services under this second perspective of the BSC. Such customer value propositions are what will bring about the revenue and some of the the asset side objectives. Under this perspective, a company or organization must understand/brainstorm on and itemize:</p> <ol style="list-style-type: none">1. the specific features and functionalities of the product,2. its price positioning3. the relationship/s it wants to build with the customer4. an image its product/service automatically lends to the customer <p>By itemizing the value proposition, a company can achieve its revenue and even its cost targets by effectively:</p> <ol style="list-style-type: none">1. clarifying what attributes about its products or services will achieve growth targets and thus must be delivered2. communicating to the organization what to emphasize about its products or services to its customers3. reviewing its value chain under the Internal Process Perspective, with these propositions in mind, being meticulous to ensure that there are combinations of processes or systems or assets that are in place to precisely deliver each of the said propositions.	
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			<p><i>As the customer value propositions are identified, their linkages to the revenue strategy objectives under the financial objectives must be illustrated via connecting arrows.</i></p>	
	<p>Internal Process Perspective Objectives</p>	<p>Text</p>	<h2>The Internal Process Perspective Objectives</h2> <p>How will/can the Customer (and some asset/cost objectives not related to the customer) objectives be accomplished? Kaplan and Norton direct companies to disaggregate their value chains to identify the most significant processes in their operations. In reviewing every aspect of its value chain, a company's goal is to uncover those processes or combinations of processes that deliver the value proposition and exhaust all ways by which they can be:</p> <ol style="list-style-type: none"> 1. done excellently or 2. improved with innovation, or 3. strengthened with key relationships. 	
	<p>Learning and Growth Perspective Objectives</p>	<p>Text</p>	<h2>The Learning and Growth Perspective Objectives</h2> <p>Finally, for Internal Processes or even some cost and asset side objectives under the Financial perspective to happen or be performed, a company or organization must ensure that there are in place the enablers of processes and action within the firm.</p>	

			<p>There are many examples of strategic objectives and strategies that could be considered by businesses, depending on the strategic theme. Some of these may include:</p> <ol style="list-style-type: none"> 1. Acquiring new technologies or systems for operations 2. Targeted hiring and /or Training of technical people in high skill Operations to improve efficiencies 3. Setting up work areas and a performance system that encourage creativity and communications (which Google is known for) 4. Competitive Monitoring across all management levels as part of the Internal Review process in order to gain best practice learnings 5. Others 	
	<p>Stage 2</p>	<p>Text and Video</p>	<h2 style="text-align: center;">Stage 2: Developing Key Performance Measures and Targets in the BSC</h2> <p>The second stage for the development of a Performance Management System, according to Kaplan and Norton, is the development of Performance Measures and their Targets for each of the bubbles of strategic objectives named in the Strategy Map.</p> <p>Performance Measures have a significant role in company strategy. Since they help clarify Strategic Objectives further, employees are guided or provided direction in terms of focus areas and expected performance. Thus, performance measures elicit desired employee action and behavior.</p>	

Secondly, having performance measures provides indicators of progress towards the accomplishment of strategy.

Definition and Types of Performance Measures

Performance Measures are defined in many sources as the quantifiable indicators of accomplishment (or non-accomplishment) of or improvement toward objectives, whether these be operational or strategic objectives. Our concern for our purposes is, of course, those that are strategic.

There are many Performance Measures in all areas of the company, but the Balanced Scorecard's focus is on those that are most key to the accomplishment of the strategy. We can call these the **Key Performance Indicators or KPIs**.

Video - <https://youtu.be/hh2aqJ9L0II>

The Financial Perspective would contain all the Lag Indicators or the ultimate final outcomes the firm wishes to achieve, as with Sales Revenues and growths by products, Returns, growth or decline in Total Unit Cost, Asset Utilization and the like.

The Customer Perspective always has a combination of Lead and Lag Indicators. Customer Satisfaction is a Lag Indicator that the company would like to achieve in itself, but it also brings about the results of the sales Indicators.

Internal Process and Learning and Growth Perspectives generally contain the Lead Indicators, although from the point of view of the Functions directly in charge of these indicators, they may be considered lag indicators.

The video also mentions the many types of KPIs being monitored in most companies:

			<ol style="list-style-type: none"> 1. Operational KPIs - e.g., efficiency, output, quality, timeliness 2. Project KPIs - track schedules, resources, project scope and risks 3. Employee KPIs - track performance, motivation, behavior, activity 4. Risk KPIs - focus on company hazards, security, economic impacts etc. <p>However, the Balanced Scorecard puts the managers' attention on Strategic KPIs that establish desired outcomes, along with the select performance measures that most strongly lead to those specific outcomes. Thus, there must be a rigorous process that must be undertaken to choose the right KPIs for the organization to monitor. Optional processes that a company may undertake include:</p> <ol style="list-style-type: none"> 1. Drawing the company's strategy map and highlighting the Outcome and Driver Objectives. and then performing a process flow or value chain analysis per Outcome objective in the strategy map. 2. Performing a fishbone analysis and searching for the right measures from its key areas of Materials, Methods, Machines, Measurements, People, Environment <p>Clearly, this entire process may involve several iterations of meetings from the top level of management down to its middle management and across the different areas of the firm. it usually takes a good set of facilitators to accomplish this for larger companies.</p> <p>The following are the Do's and Don'ts in the choice of performance measures under the Balanced Scorecard:</p> <ol style="list-style-type: none"> 1. The measures selected are those that would best track and communicate the strategy. 	
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2. The measures are quantifiable over time, especially as they track progress of strategy.
3. They can be tracked on a monthly, quarterly and annual basis.
4. They ideally can be benchmarked with industry levels.
5. They establish accountability.
6. They can be tracked within the company's systems, i.e., there is no need to do things too much out of the ordinary to be able to track them regularly.

Developing Targets and Monitoring Performance Versus Targets for the Chosen KPIs

A Target is the desired level of performance within a period for a Key Performance Measure or KPI. They communicate the kind and extent of effort that employees must exert to accomplish a strategic objective. Often time, the leaders of the organization or the company like to specify stretched targets, i.e., challenging levels of performance the organization has not accomplished in the past. The purpose is to precisely challenge teams to think out of the ordinary course of doing things and bring meaningful results. However, careful thought must be put into the targets, even as the purpose is to challenge employees, so as not to demotivate the organization when targets are clearly unachievable.

Financial Targets must be set first followed by the rest of the Performance Measures.

During the monitoring process for strategies, the actual performance for a particular KPI is compared to the targeted desired performance.

			<p>Video - https://youtu.be/LDBjkG4foE8</p> <p>Note that the video highlights the usefulness of KPIs as follows:</p> <ol style="list-style-type: none"> 1. KPIs help manage execution failures early on (and not at the end when we get the final outcomes when nothing more can be done) 2. KPIs help employees understand desired outcomes and take accountability for these outcomes. 3. KPIs provide an analytical basis for more informed decision making. 4. KPIs provide a more efficient and effective means to link performance information to the budgeting process. <p>It also underscores that KPIs should be SMART as we all know it, but it goes on to add a few other potential meanings:</p> <ol style="list-style-type: none"> 1. S-pecific 2. M-easurable (or Motivating) 3. A-ttainable (or Assignable, Appropriate, Ambitious) 4. R-elevant (or Realistic, Reasonable, Results-based) 5. T-ime-related (or time-bound) 	
	<p>Stage 3</p>	<p>Text</p>	<h2 style="text-align: center;">Stage 3: Identifying and Prioritizing Initiatives</h2> <p>The last step is the development of Initiatives to help bring about the targets for the Performance Measures.</p>	

			<p>Initiatives are intervention projects that <i>bring a company's present position or accomplishment level for a particular performance measure closer to its target</i>. For this, a manager must distinguish between strategic initiatives and non-strategic initiatives. Strategic Initiatives are those actions that "contribute to the building of competitive advantages" or the accomplishment of the most key strategies of the firm. They constitute the mission critical building blocks of strategies meant to "close the performance gap," as Kaplan and Norton highlight. Non-strategic initiatives may support the accomplishment of strategic initiatives, but not in as meaningful a way.</p> <p>A company can name countless numbers of initiatives for each performance measure. However each of these will require funding and have varying impact levels. Kaplan and Norton recommend that initiatives named, especially the strategic initiatives, be prioritized.</p>	
	Achieving Organizational Alignment	Text and Video	<p>DEVELOPING TIER 2 STRATEGY MAPS, OBJECTIVES, MEASURES AND TARGETS</p> <p>The first step is to develop the corresponding Strategy Maps for the second tier of management in the organization, i.e., the departments or business units or functional support units. This level would generally focus on more specific objectives, performance measures and targets by function or by team that are anchored on the Top Level Strategy Map. These maps should identify the most significant processes that support each bubble in the Internal Process and Learning and Growth Perspectives of the Top Level Strategy Map. Each bubble in these perspectives could be blown up into 1 to 3 or even more of their very important process drivers. They in effect provide the means by which each of the strategic objectives in the main Top Management map will be accomplished.</p>	

**DEVELOPING TIER 3 INDIVIDUAL OBJECTIVES,
MEASURES AND TARGETS**

Lastly, the second tier Strategy Map will then be further translated down to Individual Objectives for certain functions in the organization. This means that apart from the usual annual job objectives that need to be accomplished by each and every functional team and employee in the company, some employees whose functions are critical to certain processes in the strategy maps will be expected and directed to specify strategic objectives in their individual performance objectives for the year.

In gist, as you may have learned in your Organizational Behavior class, a good performance management system clarifies employee objectives in very specific terms of quality, quantity or effort, and timing of required output from the employee. Each objective is given a weight relative to other objectives. Levels of performance are also identified. Categories or Performance are clearly defined for employee output to be classified as Superior in Performance, Above Average, Just Meets Expectations, or Below Expectations.

Very key in the entire process is the clear specification of incentives and rewards for each level of performance. These come in the form of salary increases plus added bonuses depending on performance. For many companies, meeting the Top management level Financial Outcomes is made a prerequisite to the awarding of bonuses to employees. No matter how good his performance, an employee can get his incentive or bonus if and only if the company meets its overall financial targets. This incentivizes teamwork where all employees are encouraged to help do their share for the company to reach the goals for the year.

At the end of the year (or sometimes at the beginning of the new year), each employee is evaluated on each objective on the scale of performance, and his weighted score for all objectives is derived. In addition to the functional and strategic objectives,

some companies add behavioral components that gauge an employee's abilities as a manager, and his general propensity towards teamwork.

TRAFFIC LIGHT CONCEPT

To track progress on performance measures, companies develop linked computerized dashboards of reports at different levels of scorecards for the organizations. These dashboards present the corporate scorecard which can be blown up to trace down the line within the organization which particular key parameters and functional scorecards are causing problems or yielding great results. You should have noted the examples on this given in the earlier webinars. Here is an example of a computerized system made by Cascade that helps track company measures (note: you may skip the first few minutes and go straight to the dashboard in segment 4:27 of the video.)

Video - <https://youtu.be/7AZI7n5LFV0>

To facilitate easy tracking, companies using the BSC follow the Traffic Light Concept in presenting their scorecards. They utilize a color coding scheme where all KPIs in the strategy maps or templates of measures that have been achieved are colored green when they are reported, all those that fall within an acceptable performance range are colored yellow while those that are below target are colored red. From the corporate scorecard to the middle management scorecard down to individual employee scorecards, the color coding is utilized for the key strategic parameters that the organization has chosen to monitor.

It is worth underscoring how this whole translation down to individuals in the organization is a critical step in the entire process. If correctly achieved, Top Management will know who

			<p>exactly in the organization are responsible for the various components of the strategy, whether these are on track or failing.</p>	
	<p>Performance Management Calendar</p>	<p>Text</p>	<h2>The Performance Management Calendar</h2> <p>We began this module with Fred David's model for a Strategy Evaluation Process. We also learned about Rumelt's criteria to help evaluate strategic performance. We took a deeper dive into the Balanced Scorecard, Kaplan and Norton's Strategic Performance Management System. There are many other designs for such a system that are applied by companies and organizations. Whatever the process, Fred David calls attention to R.T. Lenz's guidelines for effective strategic management as follow:</p> <ol style="list-style-type: none"> 1. Keep the process simple and easily understandable. 2. Eliminate vague planning jargon. 3. Keep the process non-routine; vary assignments, team membership, meeting formats, settings and even planning calendars. 4. Welcome bad news and devil's advocate thinking. 5. Do not allow technicians to monopolize the process. 6. To the extent possible, involve managers from all areas of the firm. <p>Fred David offers a few others:</p> <ol style="list-style-type: none"> 1. It should be a people process more than a paper process. 2. It should be a learning process for all managers of the firm. 	

			<ol style="list-style-type: none">3. It should involve words supported by numbers rather than numbers supported by words.4. It should challenge assumptions.5. It should not be a bureaucratic mechanism.6. It should not become ritualistic, stilted or orchestrated.7. It should not be too formal, predictable or rigid.8. A company should not pursue too many strategies at once given its limited resources.9. A company should continuously strengthen "good ethics is good business" as a policy. <p>Multi-business companies can schedule quarterly (or even monthly) business reviews with Top Management to monitor the corporate scorecard. At business level, many lead measures can be monitored more often like monthly or even weekly for performance measures that track sales and efficiencies. In this manner, pivots in strategy implementation or even in strategy, within the year can still be introduced in order to improve outcomes. Monitoring performance measures only at the end of the year when things cannot be undone or rectified is not real monitoring, but a simple "unveiling the results" final step.</p> <p>At the end of the day, the Strategy Evaluation Process should be a source of a company's continuing self-evaluation that leads to its timely improvement and strengthening, or more importantly, the building of its competitive advantages. It also must result in a consistently motivated employee force for successful strategy implementation. It is only in this way that the strategic management cycle becomes effective and fruitful for the long term.</p>	
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