

## *Business Policy 1*

### **Intended Module Learning Outcomes**

On successful completion of this module learners will be able to:

1. Critically review the core areas of corporate and business level strategy relevant to the international hospitality industry including the process, content and context of strategy
2. Demonstrate an understanding of the importance of in-depth analysis of both the organisation and the external business environment in assisting hospitality managers during the formulation of strategy
3. Analyse the relationship between the global business environment and strategic decisions made by international hospitality organisations
4. Exercise judgement and skill in planning, design, and implementing the cost-effective use of resources when undertaking a business strategy
5. Critically evaluate the role of operations in adding value and achieving sustainable competitive advantage in the international hospitality sector
6. Discuss business strategy clearly and professionally
7. Recognise the relationship between the global business environment and strategic decisions made by international hospitality organisations

### **Module Objectives**

Business Policy 1 introduces the concept of strategy and the factors affecting strategy formulation in the international hospitality industry. This includes the complexities of corporate operations and resource management in different countries and cultures, analysis of the business environment and principles of international best practice. This module enables learners to determine and analyse the factors contributing to the strategic development and survival or failure of a hospitality operation, and on the basis of such analysis evaluate long-term strategies which enable the operation to achieve its corporate objectives.

On completion learners will possess an extensive knowledge of the role of corporate and business level strategy in the international hospitality industry, and the relationship between the global business environment and strategic decisions made by international hospitality organisations.

This module aims to provide learners with an understanding of:

- Business Policy/Strategic Management and why it is important
- The key concepts of corporate and business level strategy
- The international dimensions of corporate strategy
- How current ideas on corporate strategy have evolved.

### **Module Curriculum**

#### Strategy overview

- Origins of strategic management
- Benefits of strategic management
- The strategy equation
- Outline of strategic management process

#### Corporate governance and social responsibility

- Corporate governance defined
- Responsibilities of Board of Directors
- How Board of Directors is organised
- The role of top management – responsibilities, leadership and vision
- Social responsibility of strategic decision- makers
- Responsibility of business firm
- Corporate stakeholders

#### Environmental scanning

- External scanning and industry analysis
  - External environmental variables
    - PEST Analysis
    - Porter's five forces
- Internal scanning organisational analysis
  - Organisational configuration
    - Structure, processes and relationships
  - Value chain and resource sustainability
  - Resources and competitive advantage
  - Sustainability of advantage
  - Value system/ network
  - Strategic operation issues
  - Experience curve

## Strategy formulation

- Corporate level strategy
  - Directional strategy
  - Portfolio analysis
  - Corporate parenting
- Business level strategy
  - Competitive strategies
    - Porter's generic strategies
  - Cooperative strategies
    - Strategic alliances
    - Joint ventures
    - Value chain partnerships
- Functional strategy and strategic choice
  - Overview of functional areas in hospitality
    - Marketing
    - Finance
    - Operations
    - Information technology
    - Human resources
  - Core competencies
    - Features of core competencies in service transactions
    - Outsourcing
    - Benchmarking
    - Building dynamic capabilities
  - Strategic risk
    - External and internal risk factors
    - Measuring risk

## Brand strategy

- Implementing a brand strategy
- Components of a brand strategy
- Strategies for a new brand launch
- Branding in the international hospitality sector.