

DETAILED CONTENTS

<i>Features of the interactive eBook</i>	xiii
<i>About the Authors</i>	xv
<i>Acknowledgements</i>	xvii
1 Strategy: Theory and Practice – An Introduction	1
Learning objectives	1
Introduction	2
Strategy as management by objectives	3
In Practice: Strategy, stretch goals and scandal at Volkswagen	5
Strategy's antecedents in warcraft and statecraft	8
The development of the field of strategy	11
Contemporary strategy	20
In Practice: Strategy at Marks & Spencer	29
In Practice: Strategy at Zara	32
The Limits of Strategy	37
In Practice: Saudi strategy and the global oil trade	40
Summary	43
Online Resources	43
Exercises	44
Case Study: Shabby Chic	44
2 Strategy, Competitive Forces and Positioning	51
Learning objectives	51
Introduction	52
Business unit and corporate-level strategy	53
Understanding the macro environment	53
In Practice: The future of the auto industry	56
The dynamics of industries and markets	57
In Practice: Defining industries	60
Sustainable competitive advantage	62
In Practice: Strategy as practiced at BCG	63
Markets and industries	65
Industry analysis	69
In Practice: Industries or business ecosystems?	75
Strategic groups	75
Generic strategies	78
In Practice: IKEA and Dell	84
In Practice: Sainsbury's: Stuck in the middle?	85

Creating new markets: Blue ocean strategy	87
In Practice: Uber: Blue ocean strategy?	88
Summary	89
Online Resources	89
Exercises	90
Case Study: BrandsExclusive	91
3 Strategy, Resources and Capabilities	101
Learning objectives	101
Introduction	102
Understanding value: Value creation, value capture and the value chain	103
In Practice: Restaurant Noma: The value chain	110
In practice: Steve Jobs' 'lost' interview	115
Resource-based view (RBV)	116
In Practice: Football and Germany	120
In Practice: BlueScope Steel	123
Dynamic capabilities (DCs)	124
The knowledge and learning-based view of the firm	134
In Practice: David Deverall	136
Summary	142
Online Resources	142
Exercises	143
Case Study: Search engines	144
4 Strategy and Innovation	147
Learning objectives	147
Introduction	148
Understanding innovation: types, processes and dynamics	149
Distinguishing types of innovation: radical and incremental, product and process	153
In Practice: How RØDE Microphones stays ahead of its competition	155
In Practice: Gordon Ramsay's food factory	166
In Practice: Climate Adapted People Shelter	172
Barriers and enablers of innovation	173
Co-creation and open innovation	179
In Practice: You don't always want what you get	180
Innovation environments	185
Summary	190
Online Resources	191
Exercises	191
Case Study: Pixar and Disney	192
5 Strategy: Make or Buy?	197
Learning objectives	197
Introduction	198

Transaction costs and the make or buy question	200
Transaction Cost Economics (TCE)	200
In Practice: Outsourcing	202
In Practice: Vertical integration at Marks & Spencer	208
Vertical and horizontal integration	216
<i>In Practice: Sainsbury's and Asda to merge?</i>	219
In Practice: Valeant	220
In Practice: Time Warner	224
In Practice: University or College Merger	228
Outsourcing	229
In Practice: Outsourcing HR	229
In Practice: Outsourcing and the NHS	231
In Practice: Sendle challenging traditional door-to-door parcel delivery	237
Summary	240
Online Resources	241
Exercises	241
Case Study: Big Data	242
6 Strategy and Alliances	245
Learning objectives	245
Introduction	246
Inter-firm cooperation	247
Strategic alliances	250
<i>In Practice: United Parcel Service</i>	252
<i>In Practice: Star Alliance: A global partnership of airlines</i>	257
<i>In Practice: Alliance failures</i>	260
Managing strategic partnerships: Contracts, governance and life cycles	263
<i>In Practice: Hazel Dooney – Not a hard sell</i>	269
Strategic networks	271
<i>In Practice: Strategy and the City</i>	275
Summary	283
Online Resources	283
Exercises	284
Case Study: Menagerie	285
7 Strategy: Going Global	289
Learning objectives	289
Introduction	290
Globalization	290
Multinational enterprises	299
<i>In Practice: Jardine Matheson & Company</i>	306
Multinational mandates	310
<i>In Practice: Mandate change: Who wins when good intentions prevail? The soccer ball case</i>	311
<i>In Practice: Norsk Hydro – a truly multinational firm</i>	314

A flat world?	317
In Practice: Global investments	325
China and the other BRICS	327
In Practice: China: making connections	335
Summary	336
Online Resources	337
Exercises	337
Case Study: Becoming an MNE – Infomedia	338
8 Strategy and Corporate Governance	341
Learning objectives	341
Introduction	342
Corporate governance: Definition and history	342
In Practice: OECD	345
In Practice: Strategy and the global financial crisis (GFC)	349
Corporate governance, the boardroom and strategy-making	352
In Practice: Roger Corbett	356
Comparative corporate governance	360
Corporate codes of ethics and corporate social responsibility (CSR)	367
In Practice: Costa Concordia	372
Corporate social responsibility and corporate governance	375
In Practice: The Rana Plaza Tragedy	376
Summary	380
Online Resources	381
Exercises	381
Case Study: Facebook	382
9 Strategy Processes	387
Learning objectives	387
Introduction	388
The planning school and emergent school: Contests and controversies	389
In Practice: Honda's entry into the US motorcycle industry: Rational analysis or emergent learning?	394
Five problems of strategic planning, according to Mintzberg	399
Mintzberg's five Ps of strategy	401
Andrew Pettigrew and process approaches	403
In Practice: Greenpeace campaigning	404
Strategy and learning processes	406
Strategy and cultural processes	409
Strategic sensemaking and storytelling	414
In Practice: Strategy as a map?	417
Strategy stories	419
Organizational storytelling	420
In Practice: Knowledge Cafés	423

In Practice: Strategic planning as storytelling at 3M	425
Stories as formal narratives	426
Discourses as storying	427
Summary	428
Online Resources	429
Exercises	429
Case Study: HS2	430
10 Strategy Practice	435
Learning objectives	435
Introduction	436
What do we mean by strategy practice?	437
In Practice: Strategy according to Colonel Perez	439
What do strategists do when they are strategizing?	445
What tools do strategists use?	451
The tool makers: consultants and strategy	457
In Practice: The management consulting masters?	462
In Practice: Oliver Freeman – scenario planning	465
Strategy champions and celebrities	466
Summary	476
Online Resources	477
Exercises	477
Case Study: Articulating vision	478
11 Strategy and Organizational Politics	483
Learning objectives	483
Introduction	484
Machiavelli	485
In Practice: Major General Mike Smith on politics and strategy	491
Intra-organizational politics and political skill	492
In Practice: Brexit strategy	494
In Practice: Strategic leadership at M&S	500
In Practice: Boardroom battles	502
Multinationals and subsidiary politics	504
Business elites and strategy	507
Strategy and decision-making processes	513
Summary	526
Online Resources	527
Exercises	528
Case Study: The Australian Broadcasting Corporation	529
12 Strategy and Strategic Change	531
Learning objectives	531
Introduction	532
What is strategic change	534

In Practice: Making sense of environmental jolts	539
In Practice: Strategic change in a corporate law firm	543
In Practice: Strategic crisis in the Atlanta Symphony Orchestra	545
Types of change	547
Implementing change	550
Leading strategic change: Sensemaking, symbolism, communication	557
In Practice: Sensemaking and sensegiving in strategic change	559
In Practice: Strategic metaphors	565
The politics of strategic change	568
Summary	575
Online Resources	576
Exercises	577
Case Study: Strategic change at FitCo	578
13 Strategy Reconsidered	583
Learning objectives	583
Introduction	584
Overview of contemporary strategy	587
Understanding strategy's effects	595
In Practice: Amazon	599
Relating moral sentiments to strategy	600
Digital imperatives for a future agenda for strategy	608
Sustainability imperatives for a future agenda for strategy	614
In Practice: Strategy, ethics and sustainability in practice	615
In Practice: Sustainable Strategy	619
Summary	624
Online Resources	624
Exercises	624
Case Study: Australian coal mining	625
<i>Glossary</i>	627
<i>References</i>	639
<i>Index</i>	703