

Nova School of Business and Economics – Semester 2 2024/2025

Group assignment brief

Component 1 – CESIM Simulation

Module Code: 2459	Module Title: Advanced Strategy
Contribution to Final Mark for Module: 40% (CW1=15%; CW2=15%; CW3=10%).	
<p>Marks will be awarded on an individual basis that takes into account peer assessment. One of the advantages of working as a member of a team is that you can all benefit from each other's strengths. The purpose of the peer assessment is to give recognition to the varied contributions that individuals make to the working of a team. In assessing the relative contributions of team members account should be taken of the quality and effectiveness of the contribution as well as the amount of effort expended. Aspects to be taken into account: ideas and suggestions, leadership and team organization, contribution to the decision and analysis during the project, preparation of the written report, time management and meetings/seminars attendance.</p>	
CESIM Global Strategy initial Plan – <i>DEADLINE: 21-02-2025 (until 23:59h)</i>	
<p>While the CESIM Global Strategy initial Plan will not be graded (you will only receive feedback), many of these elements will have to be included in the Final CESIM Global Strategy Report (CW1). For instance, the final report must include a discussion of what your intended strategy was and how you adjusted it over time. Therefore, you are strongly encouraged to develop the plan very diligently so as to benefit most from feedback, which will help you in the final report.</p>	
<p>In the CESIM Global Strategy initial Plan, we want you to describe your <i>a) Mission</i>, <i>b) Objectives</i>, and <i>c) Strategy</i>.</p>	
<p>The mission must summarize what your purpose and values are in one sentence. Mission statements must be action-oriented and focused on the problem your company aims at solving. For instance, Twitter's mission is "To give everyone the power to create and share ideas and information instantly without barriers."</p>	
<p>The objectives must be more precise and delineate what you expect to accomplish within a defined timeframe. Continuing on the Twitter example, we could potentially formulate Twitter's objectives as "By 2025, we will have increased our active user base by 30%". In the initial plan, for us to provide better feedback, it would be great if you could discuss how you came up with the mission and objectives. You may decide to focus on the timeline of the simulation (i.e., 6 rounds = 6 fiscal years). However, we want you to formulate a strategy that will be compatible with sustainability and responsibility over the longer term. Arguably, your company needs to be attractive enough for investors to continue investing after the 7th round and its attractiveness will be related to sustainability and responsibility.</p>	
<p>As you delineate your <i>c) Strategy</i>, we want you to focus on five elements:</p>	
<ol style="list-style-type: none">1) Arenas: Where will you be active? (e.g., which product categories, market segments, geographic areas, core technologies)2) Vehicles: How will you get there? (e.g., internal development, joint ventures, licensing, acquisitions)3) Differentiators: How will you win? (e.g., differentiation through image, customization, price, styling, product reliability)4) Staging: What will be your speed and sequence of moves? (e.g. speed of expansion, sequence of initiatives)	

- 5) Economic logic: How will you obtain your returns?** (e.g., lowest costs through scale advantages, lowest costs through scope and replication advantage, premium prices through unmatched service, premium prices through proprietary product features)

Please skim through Hambrick and Frederickson (2005) who provide more detail on these questions together with a concrete example.

As much as word count permits, feel free to decide some emphasis to quantitative analysis in the initial plan.

Overall, the plan must be around 2,000 words (+/- 10%).

Coursework 1 (CW1): Final CESIM Presentation – DEADLINE to submit ppt: 05-05-2025 (until 23:59h)

The final presentation must include elements that will constitute the final report (see below). This presentation will be an opportunity for you to structure your ideas and to receive feedback before the submission of the final report. The presentation is limited to 15 minutes per group.

Coursework 2 (CW2): Final CESIM Global Strategy Report – DEADLINE: 15-05-2025 (until 23:59h)

In the Final CESIM Global Strategy Report (worth 15%), we want you to analyze and reflect on your progress over the course of the simulation.

The report must include what your intended strategy was (i.e., a summary of your initial plan), why it was not realized, what your realized strategy eventually was, and what you did to get there. For instance, you may have realized that the objectives were too ambitious (or not enough), you may also have had to react to changes in the industry, or you may have realized that your strengths were not the ones you thought they were (when compared to those of competitors).

Essentially, the report must include a discussion on how changes in your mission and objectives, or in your strategic analysis (e.g., using Porter's 5 forces), or in your implementation influenced your strategy.

In class, we will discuss cases dealing with issues relevant to the simulation (e.g., pursuing low cost vs. differentiation strategy; pursuing internal research or focus on development). You may refer to this content in the final report.

Importantly, the report must include a discussion on how you included responsible business conduct in your strategy and its implementation (i.e., taking into consideration all stakeholders, conducting appropriate due diligence). While conducting business responsibly is crucial *per se*, note that it also influences performance in CW3.

Please note that the CESIM platform enables us to check alignment between words (the report) and actions (decisions). We will take this alignment into consideration while grading the report. Thereby, we advise keeping track of your progress and taking notes each week so as to prepare for the writing of the report in advance.

You may want to conclude with a discussion on future outlook (what next steps can be). The report is also an opportunity to critically reflect on your performance (what you would have done differently, what mistakes were made, what can be done to improve long-term performance).

How the final report is structured is part of the exercise. For instance, you may want to structure the report in a chronological way (what happened in Round 1, Round 2, etc.).

Overall, the final report must be around 7,000 words (+/- 10%).

Coursework 3 (CW3): Performance in CESIM Simulation

10% of the grade will be based on your group's relative financial performance in the simulation compared to other groups (i.e., cumulative shareholder returns). For instance, if you are in TA, your group's performance will be compared with other groups within TA. Given that competitive dynamics will be very different in each market (e.g., TA, TB, TC), we cannot compare financial performance across markets. Please note that strong financial performance in cumulative shareholder returns does not mean a focus on short term profit at the expense of long term ones. In fact, if short term profits today come at the expense of future profits, cumulative shareholder returns will be negatively impacted. Of course, a balance needs to be found for investments (e.g., in R&D) to generate positive financial results over the course of the simulation.

Please also note that the overall CESIM grade includes the final presentation, the final report, and the financial performance. As you can see from the percentage breakdown, the final report and presentation account for a much larger share than the financial performance. Therefore, it is possible to score a very good overall grade despite a poor financial performance – and vice versa.

Optional Readings

Hambrick, D. C., & Fredrickson, J. W. (2005). Are you sure you have a strategy?. *Academy of Management Perspectives*, 19(4), 51-62.

Markides, C. (2004). What is strategy and how do you know if you have one?. *Business Strategy Review*, 15(2), 5-12.

Mintzberg, H., & Waters, J. A. (1985). Of strategies, deliberate and emergent. *Strategic Management Journal*, 6(3), 257-272.

OECD (2011). *OECD Guidelines for Multinational Enterprises*. OECD Publishing.

OECD (2018). *OECD Due Diligence Guidance for Responsible Business Conduct*. OECD Publishing.

Olson, E. M., Slater, S. F., & Hult, G. T. M. (2005). The importance of structure and process to strategy implementation. *Business Horizons*, 48(1), 47-54.