

Master of Sustainability Management
Institute for Management and Innovation
UNIVERSITY OF TORONTO MISSISSAUGA
SSM1080H Strategies for Sustainability Management
Winter 2022 Course Syllabus

Location:	Room L1230
Dates:	Thursdays, Jan. 13 – Apr. 7:
Time:	10am – noon
Instructor:	Nicola Lacetera
Office Hours & Location:	By appointment – KN 235, Rotman 7026, https://utoronto.zoom.us/my/nicolacetera
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Course description and structure

Why are some companies more successful than others? Can we identify the roots of superior company performance and devise tools to leverage on these key drivers of success?

Strategic management consists in the ability to understand the attractiveness and dynamics of industries, the drivers of competitive advantage, the creation of value propositions, and the ability to both deliver and capture the value created by these propositions.

In the process of creating, delivering and capturing value, moreover, companies also affect the well-being of society. *As such, strategic management also requires an analysis of the social responsibility and the environment sustainability of companies through their strategies.*

Finally, strategic capabilities are of relevance not only for profit-seeking corporations, but also for non-profit organizations, public agencies, and countries (or supra-national organizations) as a whole.

This course will develop the following topics:

- Industry analysis
- Entry and positioning
- Strategic interaction – or, games that companies play
- Business models
- Strategy and organization: Value chains and the coordination-incentives tradeoffs
- Strategy and organization: Incentives and motivations within companies
- Technology strategy
- Sustainability and corporate social responsibility
- The psychology of strategic decision making

The class will be **discussion-based** for the most part, and focused on one business case per meeting. There will also be readings (some required, some optional), mostly from academic articles. During the course of the term I will also point you to articles in the popular press that treat topics related to what we see in class (and you are welcome to contribute to this by sending further suggestions).

The class is of relevance to **students interested in general management in profit-seeking, non-profit and public organizations; strategic consulting; entrepreneurship; as well students interested in pursuing research and graduate studies.**

The course is a *necessary* step toward those goals, but not sufficient per se, of course. Students will be called to critically assess the major trade-offs managers and entrepreneurs face, and to evaluate the role and importance of various factors that affect their decisions and outcomes

COURSE MATERIALS

A **course pack** available online contains all of the required cases. You can purchase it here: <https://hbsp.harvard.edu/import/889178>. Additional readings are available on Quercus.

STRUCTURE OF CLASSES, REQUIREMENTS AND DETERMINATION OF GRADES

Structure

Before each class, I will post a short, pre-recorded video in which I introduce the **case** that we will discuss in the upcoming meeting, and the **key strategy and sustainability topics** on which we will focus. I will conclude the videos with a few discussion questions for you to consider as you prepare for our meeting.

We will spend the **first hour of our Thursday meetings discussing the case**, the main challenges that the particular organization is facing, and potential ways to address those challenges. During this hour, I will ask you to form small groups and, in each group, you will work together on one of the discussion questions for that particular case. When we reconvene, we will have **an open discussion with the whole class**.

In the **second hour of each meeting**, I will then **expand on the conversation and present further insights**. Although this second part has more of a lecture style, questions or any other type of contribution are most welcome.

There will also be one **guest speaker** who will lead one of our sessions: TBD, for now ...

Finally, throughout the term I will post three videos of conversations between myself and fellow scholars who are researching issues related to sustainability and social responsibility activities of companies, and how these activities relate to the companies' core businesses and strategies: **Vanessa Burbano** (Columbia Business School), **Lea Cassar** (University of Regensburg), and **Alexandra Roulet** (INSEAD). The goal of these conversations is to give you a "window" into the frontier research on sustainability management. Often, frontier research affect practice with a few years of delay; therefore, you might get ahead of the curve by having an opportunity to learn about this research as it unfolds.

Requirements

Because this is a discussion-based course, active **participation** to the in-class discussion is a key requirement. It implies coming to class prepared by having read (and reflected upon) the assigned material in advance, and contributing to the in-class discussion. Other requirements include writing memos on the discussed cases as well as reflections on the guest speaker's talk and the pre-recorded research conversations; and a final exam.

Within a week following the discussion of a case (and related broader considerations), you will write and post on Quercus a **500-word memo** in which you:

- Provide a brief update about the current “status” of the company or organization that is the subject of the case that we discussed. You can do this by simple web search for information and news about the company. The relevant information will ideally include some financial aspects (performance of the company, etc.) and strategic issues, related to the one that we discussed in class about the same company (e.g., what decision on the particular matter of the case did the company end up taking?).
- Relate the financial and strategic updates that you reported to the general topics and concepts that we discussed in class about the case: given what we discussed in class, how would you evaluate the most recent choices and performance by the company?

You are required to write **two memos**, on two different cases, throughout the course.

In addition to these three memos, you will write a max **500-word reflection on either the lecture of our guest speaker, or one of the three pre-recorded research conversations**. This assignment is due no later than one week after the guest’s talk or the posting date of the research conversations.

Last, we will take the **final exam on the last scheduled class for the term**. On the day of the exam, I will post a newspaper or magazine article on a particular company or organizations and some strategic challenges through which it is going. You will have to answer three or four open-ended questions on this article.

Grade breakdown

Class participation: **20%** of final grade

Case memos and reflections on guest lecture or research conversations: **40%** of final grade

Final exam: **40%** of final grade

COURSE OUTLINE

1. Introduction to the course + Industry analysis (Jan. 13)

Structure of the class and requirements

- i. Before our meeting:
 - Assigned readings:
 - “Cola Wars Continue: Coke and Pepsi in 2010”, HBS case 711462 [[Course pack](#)]
 - Porter, Michael. 1996. “What is Strategy?” Harvard Business Review, November-December Issue, pp. 61-78. [Quercus]
 - Porter, Michael: “The five forces that shape strategy” [Quercus]
 - Pre-recorded introduction to the class subject, the case and the main discussion questions [Link on Quercus].
- ii. At the meeting
 - In-class discussion
 - Further considerations, generalization, wrap-up
 - Introduction to the course.
- iii. Memo due by Jan. 20.

2. Entry and positioning (Jan. 20)

Structure of the class and requirements

- i. Before our meeting:
 - Assigned readings:
 - Tesla Motors, HBS case 714413 [[Course Pack](#)]
 - Pre-recorded introduction to the class subject, the case and the main discussion questions [Link on Quercus].
- ii. At the meeting
 - In-class discussion
 - Further considerations, generalization, wrap-up
- iii. Memo due by Jan. 27.

3. **Games companies play -- 1 (Jan. 27)**

Structure of the class and requirements

- i. Before our meeting:
 - No readings assigned
- ii. At the meeting
 - We will introduce some of the key concepts in Game Theory and discuss how they can help understanding different types of strategic interactions and choices.
- iii. No memo due for this class.

4. **Games companies play -- 2 (Feb. 3)**

Structure of the class and requirements

- i. Before our meeting:
 - Assigned readings:
 - Airbus vs. Boeing, HBS case 707447. [[Course Pack](#)]
 - Pre-recorded introduction to the class subject, the case and the main discussion questions [[Link on Quercus](#)].
- ii. At the meeting
 - In-class discussion
 - Further considerations, generalization, wrap-up
- iii. Memo due by Feb. 10.

5. **Strategy and organization: Value chains and the coordination-incentives tradeoffs (Feb. 10)**

Structure of the class and requirements

- i. Before our meeting:
 - Assigned readings:
 - Keurig, HBS case 899180 [[Course Pack](#)]
 - Gibbons, Robert: Lecture Note 3: Hold-Up (May Be Your Friend) [[Quercus](#)]
 - TTC doubts Bombardier will meet revised streetcar order schedule [[Quercus](#)]
 - Managing partners, The Economist [[Quercus](#)]
 - Pre-recorded introduction to the class subject, the case and the main discussion questions [[Link on Quercus](#)].
- ii. At the meeting
 - In-class discussion
 - Further considerations, generalization, wrap-up
- iii. Memo due by Feb. 17.

6. Strategy and organizations: Incentives, compensation and motivations (Feb. 17)

Structure of the class and requirements

- i. Before our meeting:
 - Assigned readings:
 - GiveDirectly, HBS Case 918036 [[Course Pack](#)]
 - Gustavo Manso, “Creating Incentives for Innovation” [Quercus].
 - Pre-recorded introduction to the class subject, the case and the main discussion questions [Link on Quercus].
- ii. At the meeting
 - In-class discussion
 - Further considerations, generalization, wrap-up
- iii. Memo due by Mar. 3.

7. Business models (Mar. 3)

Structure of the class and requirements

- i. Before our meeting:
 - Assigned readings:
 - Spotify: Face the Music, HBS Case IES705. [[Course Pack](#)]
 - We told you that the Snap IPO was a sucker’s bet, LA Times [Quercus]
 - Dizzling ride may be ending for Tech Star-Ups, NY Times [Quercus]
 - The Unbearable Lightness of Tweeting, The Atlantic [Quercus]
 - ‘Sharing economy’ benefits may not live up to hype, CBC News [Quercus]
 - Pre-recorded introduction to the class subject, the case and the main discussion questions [Link on Quercus].
- ii. At the meeting
 - In-class discussion
 - Further considerations, generalization, wrap-up
- iii. Memo due by Mar. 10.

8. Technology Strategy (Mar. 10)

Structure of the class and requirements

- i. Before our meeting:
 - Assigned readings:
 - Netflix, HBS Case 918036 [Course Pack]
 - Christensen, Clayton M. 1997. “How Can Great Firms Fail? Insights from the Hard Disk Industry.”, Chapter 1 in The Innovator’s Dilemma. Cambridge, MA: Harvard Business School Press, [Course pack]
 - Jill Lepore, “The Disruption Machine”, The New Yorker [Quercus]
 - Pre-recorded introduction to the class subject, the case and the main discussion questions [Link on Quercus].
- ii. At the meeting
 - In-class discussion
 - Further considerations, generalization, wrap-up
- iii. Memo due by Mar. 17.

(Note: the sequence of classes 9, 10 and 11 may change, according to the availabilities of our guest)

9. Strategy, sustainability and corporate social responsibility: The view of practitioners (Mar. 17)

Guest Speaker: TBA

Structure of the class and requirements

- i. Before our meeting:
 - No readings assigned
- ii. At the meeting
 - Presentation by Guest
 - Q&A session
- iii. Reflections on Guest’s talk due by Mar. 24.

10. Strategy, sustainability and corporate social responsibility: Academic approaches (Mar. 31)

Structure of the class and requirements

- i. Before our meeting:
 - No readings assigned
- ii. At the meeting
 - Discussion of the conversations with CSR/Sustainability scholars.
 - Lecture on academic approaches to the relationship between strategic management and CSR/sustainability practices.

11. The psychology of strategic decision making (Apr. 7)

Structure of the class

- i. Before our meeting:
 - Assigned material:
 - Group process in the *Challenger* launch decision, HBS Case 603068 [Course Pack]
 - Video: <https://youtu.be/P9LSerNokJk?t=3040> from 50m40s to 1h02m00s (feel free to watch the whole docu-fiction if you'd like!)
 - Consider the following discussion questions:
 - a) How would you characterize the broader context surrounding the January 1986 teleconference? What impact might that have on the group's decision-making process?
 - b) Put yourself in Roger Boisjoly's shoes. The teleconference is scheduled for tonight. What approach will you take with the group to get support for your perspective? What will you actually say during the meeting?
 - c) What issues face Bob Lund? What might he be concerned about in the teleconference meeting?
 - d) What issues face Larry Mulloy? What might he be concerned about in the teleconference meeting?
- ii. At the meeting
 - In-class discussion
 - Further considerations, generalization, wrap-up
- iii. No memo due.

12. Final exam (Apr. 14)

(If you read the syllabus up to this point, please email me a picture of a Viscacha ☺)