

## BUSA90349 Value Creation Process

<b>Credit Points:</b>	50
<b>Level:</b>	9 (Graduate/Postgraduate)
<b>Dates &amp; Locations:</b>	2014, Parkville This subject commences in the following study period/s: February, Parkville - Taught on campus.
<b>Time Commitment:</b>	Contact Hours: 120 hours Total Time Commitment: Not available
<b>Prerequisites:</b>	None
<b>Corequisites:</b>	None
<b>Recommended Background Knowledge:</b>	None
<b>Non Allowed Subjects:</b>	None
<b>Core Participation Requirements:</b>	<p>&lt;p&gt;For the purposes of considering request for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Student Support and Engagement Policy, academic requirements for this subject are articulated in the Subject Overview, Learning Outcomes, Assessment and Generic Skills sections of this entry.&lt;/p&gt; &lt;p&gt;It is University policy to take all reasonable steps to minimise the impact of disability upon academic study, and reasonable adjustments will be made to enhance a student's participation in the University's programs. Students who feel their disability may impact on meeting the requirements of this subject are encouraged to discuss this matter with a Faculty Student Adviser and Student Equity and Disability Support: &lt;a href="http://services.unimelb.edu.au/disability"&gt;http://services.unimelb.edu.au/disability&lt;/a&gt;&lt;/p&gt;</p>
<b>Contact:</b>	<b><a href="mailto:programservices@mbs.edu">programservices@mbs.edu</a> (mailto:programservices@mbs.edu)</b>
<b>Subject Overview:</b>	<p><b>Data &amp; Decisions I:</b></p> <p>Data analysis is the process of converting raw data into meaningful information to inform business decision-making. This component provides an introduction to the fundamental data analysis skills and techniques used in contemporary business and management.</p> <p>The component has an applied setting and a problem-solving focus. Concepts and theory are illustrated through business cases throughout. Each topic begins with a problem or decision being faced by a manager. This determines the variables to be measured, along with an appropriate analysis technique.</p> <p>The key skills developed in the course are Excel familiarity, data manipulation and the ability to produce and quickly interpret statistical output. The key concepts in the component are:</p> <ul style="list-style-type: none"> <li># that real business data is partly but not wholly predictable;</li> <li># that data-based conclusions always involve uncertainty and that this uncertainty can and must be quantified;</li> <li># that simplistic analyses of data can often give a misleading view of business dynamics and lead to managerial mistakes; and,</li> <li># that complex relationships between variables can be revealed through the tool of multiple regression.</li> </ul> <p><b>Economics of Strategy:</b></p> <p>Economics of Strategy aims at providing a framework and a set of tools that help an executive manager develop and evaluate strategic options and make the right choices. By extracting from microeconomic theory those concepts and techniques that enable a decision-maker to evaluate his or her strategic position, students seek out new opportunities, and make fact-based, educated conjectures about their likely success. The focus will be on decisions at the individual business unit level that aim at advancing a firm's market position.</p> <p>Concepts and tools of microeconomics, game theory, and strategic management theory are used to answer questions such as:</p> <ul style="list-style-type: none"> <li># How does the market environment constrain a firm in its ability to set the price of its products and services?</li> </ul>

- # Which strategies can a firm employ to prosper in the face of competition?
- # How can the firm increase the value it captures in business-to-business transactions in which few players operate?

### **Financial Accounting:**

Accounting is the “language of business,” and accounting information is the basis for performance measurement, business contracting, and most operating, investing, and financing decisions that managers make. Financial accounting information affects how individuals perceive a company, and by extension, the resources available to the company to accomplish its objectives. Accordingly, an understanding of and the ability to use financial accounting information will be essential to your success as a professional manager (as well as your success in other SEMBA courses).

The goal of Financial Accounting and Analysis across Modules 1 and 2 is to help you advance from someone who probably has very limited knowledge of financial accounting to someone who is accounting literate. At the conclusion Module 2, you should be able to read, interpret, and, to some extent, analyze real-world financial statements, as well as be able to hold a meaningful conversation about accounting with someone knowledgeable about accounting.

### **Financial Management:**

This component is designed to provide students with foundation knowledge about financial management. This foundation knowledge provides the basis for funding a firm's investments and using its resources efficiently. The topics covered will include:

- # Foundations of capital budgeting and project valuation
- # Foundations of financial instruments
- # Foundations of portfolio theory
- # Foundations of capital structure determinants

### **Leadership & Change:**

Effective leadership provides direction, alignment and commitment for the collective. It is about courage, visibility and approachability. In this component students will learn:

- # How to improve individual self-awareness, self-management, social awareness and relationship management which are the building blocks for emotional intelligence in the workplace.
- # The alignment of intention with organisational impact.
- # Heightened understanding of how a leader's style impacts on organisational and team climate/culture.
- # A behavioural model of conflict management that contains the toxic elements of conflict in the syndicates and workplace.
- # An opportunity to practice leadership and team-management skills in syndicates that are applicable to the workplace

### **Managing Processes:**

In fiercely competitive global and dynamic environments, companies face increasing pressures to exceed customer expectations along multiple performance measures, such as cost, quality, flexibility and innovativeness. To outperform their competitors, many firms make the mistake of mimicking their rivals, rather than focusing on developing the organizational capabilities that competitors will find difficult to match over the long term. And although operations are at the core of a firm's value adding activities, few firms have sought to build a sustainable competitive advantage around these capabilities.

This module on managing processes presents the basic principles behind the design, management and continuous improvement of business processes. It aims at providing some of the core concepts in operations that are essential for leveraging a firm's operational capabilities to achieve sustainable competitive advantage. This course provides a logical and rigorous approach to plan and control process structure and managerial levers to achieve desired business process performance.

### **Marketing:**

The Marketing course focuses on the design, development and implementation of successful marketing strategy. The critical importance of marketing arises from its role as the boundary function between the organisation and the marketplace. The logic of marketing is deceptively simple; achieving marketing advantages over competitors, however, requires a broad set of competences. This course takes a strategic approach to creating competitive advantage through marketing. It seeks to familiarise students with the management issues of marketing analysis, marketing planning and marketing implementation in a range of contexts, including

industrial and consumer markets and private and public sectors. The course also demonstrates the role of marketing and marketing thought in other areas of businesses activity, particularly in business strategy.

### **Negotiations:**

Negotiation is an essential part of life. Our focus will be on inter and intra-organisational negotiations however, I am confident that you will find ready application of your learning outcomes to a broader range of situations.

In this series of classes, we will identify the behaviours that contribute to successful negotiation and those which undermine our aspirations. The recognition of these behaviours will allow you to develop the appropriate skills aimed at optimising your chances of:

(a) securing the desired outcomes and

(b) where appropriate, building ongoing relationships through effectively managing the other parties' expectations and helping them realise their aspirations while not sacrificing yours. We will look at two broad categories of negotiation behaviour: value claiming, and value creating and sharing.

### **Learning Outcomes:**

#### **Data & Decisions I:**

- # Understand some common ways to summarise and present data
- # Learn how to standardize data using z-scores
- # Get an overview of sampling methods and when each is most useful
- # Understand what the normal distribution is and how to use it
- # Understand how to make estimations that include likelihoods of falling within a certain range (confidence intervals)
- # Understand how to use confidence intervals to test theories or assumptions about the world (hypothesis tests)
- # Understand how variables are related to each other
- # Learn how regression works to model the relationships between variables
- # Understand the assumptions required for regression models to be valid
- # Understand what makes a good regression model
- # Understand how to use Regression models to make predictions
- # Understand how to build Regression models from large data sets

#### **Economics of Strategy:**

On completion of this component students should:

- # Appreciate the value of economic reasoning in solving business problems
- # Possess fundamental economic analytical skills required in managerial decision-making
- # Understand the difference in outcome between markets characterised by bargaining between agents and mass markets
- # Be able to apply fundamental insights from game theory to business situations
- # Have the ability to predict outcomes and develop effective strategies in markets characterised by oligopoly and entry barriers, and in markets characterised by perfect competition

#### **Financial Accounting:**

The goal of Module 1 is to help you develop the foundations of financial statements. By the end of Module 1, you should be able to:

- # Understand the purpose of the balance sheet, income statement, comprehensive income statement, shareholder equity statement, and cash flow statement, as well as how these five statements fit together and how they relate to financing, investing, and operating activities.
- # Locate desired information reported in a company's financial statements and notes.
- # Accurately interpret selected information reported in a company's financial statements and notes.
- # Begin to appreciate the recognition and measurement difficulties inherent in financial reporting.
- # Distinguish net income, comprehensive income, and operating cash flows.
- # Begin to understand the link between business decisions, financial statements, and value creation

**Financial Management:**

On completion of this component students should:

- # Understand the scope and content of business finance and financial management;
- # Understand the link between the theory and the practice of finance and investment.
- # Understand how information is used in the formation of prices in capital markets
- # Be able to calculate the cost of capital for basic situations

**Leadership & Change:**

On completion of this component students should have:

- # A basic understanding of leadership and encourage critical evaluation of leadership concepts and theories, e.g. management vs. leadership, transformational leadership, emotional intelligence in leadership, authentic leadership, dark side of leadership
- # The ability to working and leading in diverse teams including influencing, communicating and presenting skills, managing cross-cultural and gender differences (in-group/out group effects), conflict management
- # Developed the capacity for self-awareness, looking back and understanding how one's history and experiences shape strengths and challenges, single loop and double loop learning, understanding one's impact on others, the emotional dimensions of leadership and emotional intelligence, strategies for managing stress such as resilience and self-care

**Managing Processes:**

On completion of this component students should:

- # Understand core fundamentals of process analysis
- # Recognise taxonomy of process types
- # Understand the link between operations and finance
- # Understand the role of inventories in organisations and managerial levers for controlling the investments in inventories
- # Understand variability and its adverse effect on process performance and ways of mitigating its negative effect
- # Have developed skills in quality management, statistical process control techniques and fundamentals behind six sigma initiatives
- # Be able to demonstrate knowledge of lean production and core principles governing Toyota production system
- # Recognise the importance of collaboration and cooperation in supply chain management

**Marketing:**

The objectives of this course on Marketing are:

- # to develop an understanding of the nature of markets in a dynamic, global, information-intensive environment;
- # to understand the important concepts, processes and managerial frameworks of marketing;
- # to develop competence in the application of tools and techniques for marketing analysis, planning, implementation and evaluation, and
- # to explore the changing nature of marketing management theory and practice.

On completion of the course, students will be able to:

- # define marketing and explain the hallmarks of a marketing orientation; explain how marketing contributes to the overall strategic management of an organisation;
- # undertake a marketing audit and draft a marketing plan; • describe marketing information systems and understand the importance of data and intelligence in marketing management;
- # explain and apply theories of consumer and organisational purchasing behaviour;
- # understand how to segment and target markets and apply product positioning strategies;
- # explain and illustrate the application of the marketing mix in differentiating an offering;
- # explain and apply product management frameworks including life cycle and portfolio models, and new product development models;
- # explain the concept and significance of branding in marketing strategy;
- # explain and apply integrated marketing communications frameworks for the management of advertising, selling and promotions;
- # explain value concepts in pricing and apply effective pricing models in a range of marketing situations;

	<p># explain and apply channel management principles in the design, maintenance and evaluation of distribution functions; discuss the evolution and development of contemporary marketing thinking and practice, and the challenges for the future.</p> <p><b>Negotiations:</b></p> <p>The goals of this course are:</p> <p>(a) To understand the major theories, models and concepts which underlie the negotiation process;</p> <p>(b) To increase self-awareness of personal negotiating style;</p> <p>(c) To develop the skills for effective negotiation;</p> <p>(d) To recognise opportunities for applying these skills in a wide range of situations.</p>
<b>Assessment:</b>	<p>Data &amp; Decisions I: Class participation (10%) Attendance at lectures, peer and instructor evaluation of contribution to class learning Throughout module Individual problem sets (30%) 400 words each Throughout module Final exam (50%) Hurdle requirement 1,500 words End of module Economics of Strategy: Class participation (10%) Attendance at lectures, peer and instructor evaluation of contribution to class learning Throughout module 3 Individual problem sets (36%) 450 words each Throughout module Final exam (54%) Hurdle requirement 90 minutes End of module Financial Accounting: Class participation (20%) Throughout subject Final Examination (80%) 1,500 words End of subject Financial Management: Class participation (10%) Attendance at lectures, peer and instructor evaluation of contribution to class learning Throughout module 3 Individual problem sets (30%) 400 words each Throughout module Final exam (60%) Hurdle requirement 90 minutes End of module Leadership &amp; Change: Class participation (10%) Attendance at lectures, peer and instructor evaluation of contribution to class learning Throughout module Syndicate assignment (40%) Equivalent to individual 1,200 word assessment Mid-way in module Individual assignment (60%) Hurdle requirement 1,500 words End of module Managing Processes: Class participation (10%) Attendance at lectures, peer and instructor evaluation of contribution to class learning Throughout module Syndicate assignment (40%) Equivalent to individual 1,200 word assessment Mid-way in module Final exam (50%) Hurdle requirement 90 minutes End of module Marketing: Class participation (10%) Attendance at lectures, peer and instructor evaluation of contribution to class learning Throughout module Syndicate assignment (40%) Equivalent to individual 1,200 word assessment Mid-way in module Final exam (50%) Hurdle requirement 90 minutes End of module Negotiations: Reflection piece (40%) Individual 650 words Mid-way in module Final exam (60%) Hurdle requirement 90 minutes End of module</p>
<b>Prescribed Texts:</b>	None
<b>Breadth Options:</b>	This subject is not available as a breadth subject.
<b>Fees Information:</b>	Subject EFTSL, Level, Discipline & Census Date, <a href="http://enrolment.unimelb.edu.au/fees">http://enrolment.unimelb.edu.au/fees</a>