

Subject Study guide “Strategic planning of tourism business”

1. IDENTIFICATION

- ✓ **Subject name:** Strategic planning of tourism business
- ✓ **Code:** 101208
- ✓ **Degree:** Degree in Tourism
- ✓ **Academic course:** 2018-19
- ✓ **Subject type:** Compulsory
- ✓ **ECTS Credits (hours):** 6 (150)
- ✓ **Teaching period:** 2nd semester
- ✓ **Teaching language:** English
- ✓ **Teachers:** Vera Butkouskaya
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2. PRESENTATION

Creating a business from scratch is not an easy task. And neither is its survival after a few years, or that it ends up performing better than its competitors. However, there are many companies that are able to achieve it. This course aims to present no magic formula to explain this fact, but to give you instead a toolbox of methods and techniques that enable you to succeed in business. During the course we will see how external factors affect the company's strategy to follow, how the industry in which are will shape our opportunities, and how strategies are selected and implemented. Finally, we will see how companies diversify or internationalize their markets, and we will briefly highlight the latest trends in this field.

3. EDUCATIONAL GOALS

At the end of the course you should be able to:

1. Identify the economic, social, ethical or political factors that influence the company and/or industry strategy.
2. Identify the key drivers of industry profitability.
3. Identify new business opportunities in the different segments of the tourism industry.
4. Identify the skills and resources necessary to carry out a certain business strategy.
5. Evaluate and select alternatives, establishing appropriate mechanisms for implementing and monitoring strategies.
6. Understand the importance of business internationalization, as well as its complexity.
7. Develop managerial and conflict management skills.
8. Extrapolate expertise and make decisions based on the best corporate practices (benchmarking).

4. SKILLS AND LEARNING OUTCOMES

SPECIFIC SKILLS

- CE4. Apply concepts related to tourism products and companies in the different areas of the industry
- CE 4.2. Analyze and determine a diagnosis of a destination resort or tourist areas situation.
 - CE 4.3. Perform an internal and external analysis and determine a diagnosis of a commercial company situation.
 - CE 4.4. Apply budgetary and strategic planning techniques.
- CE11. Develop an Initiative and entrepreneurial spirit to create and manage products and companies in the tourism industry.
- EC 11.1. Identify and evaluate new business opportunities in the industry
 - EC 11.2. Identify the skills and resources necessary for the development of new businesses
- CE13 Propose alternatives and creative solutions to possible problems in the field of tourism management, planning and business operations.
- CE 13.2 Develop managerial skills
- CE16 Extrapolate experiences and make decisions based on the characteristics of different models of tourism, their potential and their evolution.
- EC 16.1. Develop the skills needed to adapt to new business conditions.
 - EC 16.2. Develop the skills needed to solve business problems.

TRANSVERSAL SKILLS

- CT1. Develop an ability to learn independently.
- CT4. Use communication skills at all levels.
- CT5. To take decisions in a context of uncertainty and to identify consequences of these decisions on a short and long-term run.
- CT6. Plan, organize and coordinate teamwork, creating synergies and inter-team relationships.
- CT8. Showing ethical behavior in social relationships and adapt to different intercultural contexts.
- CT9. Having a responsible attitude to the environment, social and cultural.
- CT10. Work in group.
- CT11. Plan and manage activities based on the quality and sustainability
- CT12. Having customer service orientation.
- CT13 Having business vision, capture customer needs and anticipate possible changes in the environment.

5. TOPIC AND CONTENT

The course is divided into nine main topics:

Topic 1. Strategic Position

1. **What is business strategy?** We will take about the origins of business strategy and its development throughout the last decades of the 20th century. We will also introduce the concepts of mission and vision of the firm.
2. **The company macro environment.** We will see how the political, economic, social and technological factors can determine our performance, or the strategies we have to adopt. In this topic we will use the scenario-analysis and Delphi techniques.

3. **Industry analysis.** Every company operates in an industry which has to deal with competitors, but also with customers, suppliers or companies that produce similar products. Depending on their relative strength, industries will differ on their potential attractiveness. Several performance measures will be introduced in this chapter.

4. **Internal analysis.** External or industry factors are not the only ones that will determine the business profitability. Our resources and capabilities will also determine that we adopt one or another strategy. We will also introduce the concept of "value chain."

Topic 2. Strategy implementation.

5. **Competitive strategies.** We will present the Porter's competitive strategies theory and we will discuss the three main strategies: cost leadership, differentiation and focus.

6. **Strategy implementation.** Once we have defined the generic strategy, it is time to choose a particular one and put it into practice. This topic will also discuss the product portfolio analysis, and the different varieties of diversification.

7. **Internationalization.** Modern companies, even the smallest ones, are increasingly operating in global market. In some cases, internationalization has been or how to save yourself ... or even become a leader in the market. Internationalization is not an easy task, and it often presents challenges that must be considered and dealt with.

8. **Strategic directions.** In the section will be discussing growth strategies and corporate level decisions.

Topic 3. Strategy in action.

9. **Contemporary trends in business strategy.** This topic will discuss current management issues that have not been covered in previous issues. Such as, control of the strategy, management of change, etc.

6. RECOMMENDED BIBLIOGRAPHY

Textbook:

Johnson, Gerry; Scholes, Kevan; and Richard Whittington (2011): Fundamentals of Strategy. (2nd edition) FT Prentice Hall

Additional references:

Cathy A. Enz (2010): Hospitality Strategic Management: Concepts and Cases, (2nd edition) John Wiley and Sons

Grant, RM (2012): Contemporary Strategy Analysis, (8th edition), Ed. Blackwell.

Thompson, Arthur; Peteraf, M; Stirkland A.J.; and John E. Gamble (2011): Crafting and Executing Strategy: The Quest for Competitive Advantage, Ed. McGraw Hill.

Other sources will be available through the **Campus Virtual**.

7. TEACHING METHODOLOGY

The course runs based on three teaching-learning methodologies:

1) Methodology of the *theoretical part* of the course:

Lecture-type classroom-based classes with explanation regarding the different agenda items. Theoretical classes will be audiovisual (power point presentations, video viewing to support the theory, etc.).

2) Methodology of the *practical part* of the course:

Preparation and class-based presentation of case studies related to theoretical explanations. This exercises and cases are based on analysis of activities of the companies.

3) Methodology of the *out class learning part* of the course (Campus Virtual):

The Campus Virtual platform will be used to share information and alternative media in the classroom between students and teacher. Campus Virtual will contain the profile of the course, additional theoretical material in digital form, cases and exercises, links to websites, etc.

4) Business project. One of the key skills to work in this course is to develop an entrepreneurial spirit to create and manage products and companies in the tourism sector. To achieve it, part of the course will be used to carry out a business project, focusing on issues of strategic nature (product definition, analysis of the environment and trends, market definition, competitors ...). This work will be done in groups, and will include the delivery of an interim document, which will be analyzed and discussed with the teacher.

Number of ECTS = 6

Total number of hours: 150 (6 ECTS * 25 hrs. per credit)

TRAINING ACTIVITIES

Activity	Hours	ECTS	Learning outcomes
Type: Directed			
<i>Theoretical classes</i>	35	1.4	CE4.6 CE4.7 CT4 CT5 CT 13
<i>Practical exercises and case solutions</i>	29	1.16	CE13.3 CE13.4 CT1 CT4 CT10 CT13
<i>Public presentation of the Project</i>	1	0.04	CE1.1. , CE4.1., CT4, CT10
Type: Supervised			
<i>Tutorials</i>	25	1	CE4.6 CE4.7 CT4
Type: Autonomous			
<i>Practical exercises and case solutions</i>	25	1	CE4.6 CE4.7 CE13.3 CE13.4 CT1 CT5 CT6 CT10 CT11
<i>Preparation of the Project to Present</i>	10	0.4	CE4.6 CE4.7 CE13.3 CE13.4 CT1 CT5 CT6 CT10 CT11
<i>Study (tests and exam preparation)</i>	25	1	CE4.6 CE4.7 CE13.3 CE13.4 CT1 CT11 CT13
Total:	150		

8. ASSESSMENT SYSTEMS

This subject will be evaluated as follows:

1. Continuous evaluation:

- a) **Practical activities:** Completion and presentation of class discussed exercises and cases, handed-in within the established deadline. This will represent 20 % of the final grade.

b) **Business Project:** Preparing and presenting in a group a Business Project of the creating a new business, focusing on the strategic issues. The instructor will require the delivery of interim versions to validate the content and class Presentation. This will represent 30 % of the final grade.

c) **Periodical controls:** 2 (two) exams based on the theoretical materials. This will represent 50% of the final grade.

- The exercises and cases will be collected by the instructors during the course, typically during the practical class sessions.
- The partial exams comprise about 20 questions, which can be theoretically oriented (conceptual questions) or have a more practical nature (calculation problems). Some of the exam questions will provide multi-choice answers and others will be open ended.

To approve the subject it is necessary to obtain a score **above 5 (five) in average** (practical activities, Business Project and periodical control).

ASSESSMENT ACTIVITIES

Activity	Weight	Hours	ECTS	Learning Outcomes
a. Practical activities	20 %	10	0.4	CE4, CE4.1
b. Business Project	30 %	30	1.2	CE1.1. , CE4.1., CT4, CT10
c. Periodical Control	50 % (25% each exam)	4 (2 for each exam)	0.16	CE1, CE1.1

If students do not obtain a minimum grade of 5 through the continuous evaluations of 1. (a), (b) and (c), shown above, they can take a **final exam**. The final exam takes place according to the calendar of the academic activities, which is reported in students' guide or in the web of the school. The grade of the **final exam** will be the **100% of the final grade**.

2. **Instead of continuous evaluations of 1. (a), (b) and (c), shown above**, students have the **option** to directly take the **final exam**. The grade of the **final exam** will be the **100% of the final grade**.

Students with a grade **between 3.5 and 4.9 in the final exam** will have the chance to **retake the exam**, according to the calendar of the academic activities, which is reported in students' guide or in the web of the school. If these students pass the retake exam, their **final grade will be 5**.

9. PLANNING

WEEK	TOPIC	METHOD	HOURS
	MANAGERIAL FUNCTION		
1	Subject Presentation (objectives, methodology, evaluation, preparation of	Class lecture	4

	Project, etc.) 1. What is the business strategy?		
2	Topic 2	Class lecture Case study	4
3	Topic 3. Case study business environment.	Class cases	4
4	How to create a Business plan. Case Industry analysis		Preparation of Project Case study
5	4. Internal analysis. Case Internal analysis	Class lecture Case study	4
6	How to present a Business Idea.	Preparation of Project Test 1	4
7	5. Competitive strategies	Class lecture Presentations of students	4
8	Topic 6. Part 1. Case study Competitive strategies	Class lecture Case study	4
9	Topic 6. Part 2. Case study Implementation	Class lecture Class cases	4
10	7. Internationalisation Case study Internationalisation	Class lecture Preparation of Project	4
11	Topic 8.	Case study Presentations of students	4
12	Topic 9 .		4
13	Conclusions of the course. Review agenda.	Presentations of students	4
14	Project presentations.	Presentations of students; Test 2	4

10. ENTREPRENEURSHIP AND INNOVATION

The issues relating to entrepreneurship and innovation are developed from both activities: practical oriented exercises and case studies as used methodology, and, from evaluation process.

Practical exercises and cases will be based on the real activities inside entrepreneurial oriented companies (see Section VI "Teaching methodology"). As well, developing of Business Plan. It is also scheduled to watch a couple of videos on the theme of Strategic Management. Regarding the evaluation of the subject, there is a part of the practical activities (20%), which will be the self-evaluated by the students encouraging in this respect decision making and self-analyzing skills as entrepreneurs.