

Your Turn

by Jorge A. Vasconcellos e Sá

Get Down to Earth to Teach Strategy

Professors who teach strategy often face two major problems in the classroom. First, strategy, as a concept, often appears vague and fuzzy to students. Students know it's important; but they often see it as too broad and variable. Second, and perhaps most troubling, educators often start at the wrong point when teaching strategy. It doesn't help matters at all when they start in the air, so to speak, introducing students to concepts such as "mission" and "objectives."

What business educators really need in the classroom is a down-to-earth approach, using methods that complement the importance of the strategic concepts with practical applications. Educators need to start not with vagaries, but by having students look at a company's basics: where the company is, what it sells, who it invoices, which market segments pay the bills, and which segments don't.

For instance, students may be lost in the haze if professors begin a strategy course defining amorphous or theoretical terms. But they'll latch on to concepts quickly when presented with, say, a brewery looking to increase its share in the marketplace. Ask students the real-world questions: Does the company sell red, lager, or stout? Nonalcoholic, light, or standard? To a young or mature market? To men or women? Before the end of the course, students have learned the foundations

of creating a strategic map in terms they can understand.

Having defined a strategic map of the market's terrain, students are now ready to answer another down-to-earth question: How can a company defend its market segments and attack competitors?

Once again, I find that theory still often rules the day, especially when it comes to the *initial* lessons in strategy. Professors may want to present a neat list of bullet points before the class outlining the eight defense moves a company can make (such as signaling defense, creating



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barriers to entry, or counterattack) and the six attack moves (such as guerrilla warfare, bypass, or flanking). I argue, however, that it's more important to show these moves *in action*, not *in theory*, from the first moment of instruction.

Rather than bullet points, first introduce students to a business—say, a pizza parlor. Invite them to consider opening a new pizza parlor in their neighborhood. They first can note what firms already are doing business—maybe a Pizza Hut, a Domino's, and an independent pizza parlor. Then, they learn to first con-

centrate on the industry leader. In this case, perhaps it's Pizza Hut—the company with the most financial resources trying to block their restaurant's entry by cutting prices and increasing advertising. Students can choose to open a sit-in restaurant with low prices and fast service as a direct frontal attack on Pizza Hut, which already leads in that segment. They might choose to open a gourmet pizza restaurant as a bypass attack on Pizza Hut, which isn't in that segment and may lose customers to a new option. Or they can operate from a home kitchen and specialize in home deliveries as a guerrilla attack on Pizza Hut, which doesn't have clientele in that segment at all.

As students decide which segment—and how many segments—they should target, and what attack moves they should utilize, they're simultaneously learning the concepts. It isn't essential for them to be immersed in theory before getting their hands dirty creating a strategic plan.

Theory has its place, but when it comes to teaching strategy, it's better to get down to earth in the process early, quickly, and thoroughly. Students emerge from these early strategic exercises knowing what the available strategic moves are, when to follow them, and how to implement them. In other words, they spend less time being confused and more time knowing the rules of strategy and how to follow them, minimizing their mistakes. And as any strategic planner knows, those who make fewer mistakes are those who win. ▣

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