

Strategy and Policy Development

The aim of the Strategy and Policy Development module is to explore the way that organisations develop the policies and strategies that drive their actions. The learning from this module is particularly relevant to the roles of enabler and innovator and business partner, and also provides learning on strategy leadership that is built on at the Strategic stage modules, particularly in a public services context.

Students begin with the framework that is used to develop policy and strategy, then considering how the external and internal factors affecting the environment in which a body operates will affect the strategic decisions that are made. The issues involved in stakeholder analysis are explored, from the major stakeholders influencing policy and strategy through to the individual stakeholder groups affected by the strategy chosen by an organisation. Students next study how stakeholders' concerns are included in developing the mission, objectives and specific targets of the organisation. The models used by organisations to generate policy and strategy ideas are analysed, before considering the way in which such strategies can be evaluated and the best option chosen. The last part of the module focuses on the alternative structural models and organisational configurations that may be utilised for the delivery of strategy, and at the many options for working in partnership of one form or another with other bodies.

The module is particularly linked to the Business and Change Management module which looks at how the selected strategies are implemented, and with Financial Management, which considers how they are funded and their financial implications measured. It also links to the Strategic Public Finance module which considers how strategies are developed and managed in the public services arena.

Syllabus topics

A	Strategy and policy development framework	25%
B	Stakeholders and setting objectives	25%
C	Generating and evaluating strategies	25%
D	Configuring an organisation	25%

Further information, including assessment

Prior knowledge:	FA (ethical principles)
Standards:	N/A
Assessment:	A 150 minute exam with 75 marks available, consisting of: 6 short form questions of 5 marks each and 3 longer scenario questions of 15 marks each. The pass mark is 50%.
Validity:	2019 examinations

Overall Aim	Learning outcome	Content
A Discuss the nature of policy and strategy development and prepare and evaluate external and internal environmental analyses to support strategy and policy development (25%)	A1 Discuss the meaning and imperatives behind policy and strategy and explain the framework for their development	(i) Government policy (ii) Organisational strategy (iii) Corporate / business unit / operational strategy
	A2 Discuss the planning framework / policy making process	(i) Theories, models and approaches to policy making: <ul style="list-style-type: none"> • Conventional model • Ruling class; Pluralism; Corporatism; Party government; Whitehall model • Rational decision making; Incrementalism (ii) The policy-making cycle, including key players: <ul style="list-style-type: none"> • Initiation • Formulation • Scrutiny • Implementation • Accountability
	A3 Prepare and evaluate an external analysis	(i) PESTLE (ii) Porter's Diamond (iii) Porter's Five Forces (iv) Scenario planning
	A4 Prepare and evaluate an internal analysis	(i) Product/service lifecycle (ii) Boston matrix; Public service matrix (iii) Value chains, value systems and value drivers (iv) Strategic capability and resource audits (v) Using benchmarking to evaluate performance

	A5 Determine and discuss the key issues arising from a strategic analysis	(i) SWOT analysis (ii) Gap analysis
B Discuss and evaluate key influences on public policy and strategy development (25%)	B1 Discuss and evaluate the roles and influence of various stakeholders	(i) Identification of stakeholders (ii) The role of leadership and management (iii) Pressure groups (iv) Stakeholder value analysis (v) Needs versus wants (vi) Stakeholder mapping
	B2 Discuss and evaluate the importance of socio-economic, ethical and other influences on policy and strategy	(i) Sustainability, environmental issues and third party consequences (ii) Corporate social responsibility (iii) Law and regulation (iv) Socio-economic factors (v) Features and impact of globalisation; global ethical considerations (vi) Constraints on policy makers (vii) Ethical considerations (viii) Cultural considerations – definition of culture and Schein’s cultural levels (ix) Brand considerations
	B3 Discuss and evaluate the development of an organisation’s mission and objectives	(i) Hierarchy of objectives (ii) Vision and mission (iii) Main and supporting objectives and key performance indicators (including the setting of ‘SMART’ targets) (iv) Core values

C Explain and apply key models and approaches used to inform and evaluate strategic and policy choices including marketing strategy (25%)	C1 Explain and apply the various theories and models of strategic option development	(i) Rational versus creative approaches to option generation (ii) Porter's generic strategies (iii) Strategy clock (iv) Directional policy matrices - GE-McKinsey matrix; Shell matrix (v) Ansoff's growth matrix and forms of disinvestment
	C2 Explain and apply the main elements of a marketing strategy	(i) The marketing mix - products 4 'P's; services 7 'P's) (ii) Branding strategies; responding to negative brand issues (iii) Market segmentation, targeting and positioning
	C3 Discuss the factors to be taken into account when evaluating and selecting strategic options	(i) Suitability (ii) Acceptability (iii) Feasibility (iv) McKinsey 'Seven S' framework
	C4 Explain the monitoring procedures used in strategy implementation	(i) Strategic planning styles (ii) Types of monitoring procedure
D Discuss and evaluate the types of organisational structure and operational vehicles that can be used to support the delivery of organisational strategy (25%)	D1 Discuss factors that influence organisational design	(i) Flat versus tall designs (ii) Responsibility, authority and accountability (iii) Line, staff and functional relationships (iv) Organic versus mechanistic approaches (v) Differentiation and integration (vi) Role flexibility versus job specification (vii) Bureaucracy and post bureaucracy (viii) Empowerment versus control

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- (ix) Centralisation versus decentralisation; corporate parenting style
 - (x) Managing by Objectives
 - (xi) Benefits of resource sharing and collaborative working.

D2 Discuss and evaluate different organisation structures

- (i) Simple structures
- (ii) Functional structures
- (iii) Divisional structures
- (iv) Matrix structures
- (v) Corporate group structures
- (vi) Hybrid/intermediate structures

D3 Discuss and evaluate business models and vehicles for collaborating between organisations to achieve objectives

- (i) Strategic alliances
 - (ii) Shared services
 - (iii) Shared management teams
 - (iv) Pooled budgets
 - (v) Outsourcing and insourcing
 - (vi) Joint ventures
 - (vii) Franchising
 - (viii) Licensing
 - (ix) Arm's length bodies
 - (x) Mergers and acquisitions
 - (xi) Consortia
 - (xii) Networks - tactical collaborations for specific strategic aims
 - (xiii) Due diligence process
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