GENERAL MANAGEMENT
A.Y. 2019-20

Module I: Enterprise Evolution (Prof. Gianpaolo Abatecola)

Module II: Digital Transformation Management (Prof. Corrado Cerruti)

RESPONSIBLE TEACHING MEMBERS:

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to be weekly checked on the faculty’s web site

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PRE-REQUISITES FOR THE COURSE:
None

COURSE OVERVIEW

The course is structured in two modules and aims to bring to first-year master students
direct field experience about the competitive relationship between companies and
their external environment and how their business process are managed, as well as
how the digital technologies are transforming their key business processes.
The ENTERPRISE EVOLUTION module focuses on competition. In particular, how does it work? How do firms survive, adapt and evolve? And how do the mechanisms of co-evolution between firms, markets and country systems work? It is a matter of fact that Charles Darwin’s The Origin of Species (1859) has been representing a catalyst publication also for the development of the management literature. Although the contribution of Darwinism to understanding how firms and country-systems evolve remains controversial to date, a number of heterogeneous research perspectives have been developed within the enterprise evolution research and teaching fields. On this basis, this module aims at explaining how the enterprises’ governance and management evolve under uncertainty in dynamic and complex environments. In this regard, key attention will be devoted to strategic decision making in both the stages of natural and competitive selection,

The DIGITAL TRANSFORMATION MANAGEMENT module focuses on the business processes, looking at their characteristics as well as the impact of the digital transformation. It will be strengthened with applied classes on SAP S/4 Hana (SByD software) as ERP plays a key role as enabler of the digital transformation of business processes.

The Digital Transformation Management module will deal with:
- Business Process Management, where students will be introduced to business process management (BPM), as a reference to redesign workflow but also as a key element in an ERP implementation. BPM will be analysed with respect to BPR and process optimizing techniques. APQC will be used to look into the importance of BPM.
- IT and ERP, where students will look at the IT potential and in particular on the ERP characteristics. This section will be strengthened by a direct hands-on experience of an ERP system (SAP S/4 Hana) in different simulation games as well as in the mapping of four different business processes.
- Digital Transformation Management, where students will be engaged with digital transformation and its impact on the competitiveness, looking at the digital transformation of business processes can support the generation of new business models (business models innovation).

**Teaching Evaluations**

As far as every academic year is concerned, the students’ satisfaction about the courses taught at the University of Rome Tor Vergata is officially collected through on-line anonymous questionnaires. On this premise, the data below summarize the yearly evaluation achieved by the General Management course.

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<td>Are the Exam Rules Clearly Defined?</td>
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<td>Is the Class Timetable Respected?</td>
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<td>Are the Office Hours Respected?</td>
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<td>Are the Lectures Interesting and Clear?</td>
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<td>Is the Working Load Appropriate?</td>
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<td>Are the Class Materials Appropriate?</td>
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<td>Overall, Am I Interested to this Class?</td>
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<td>Overall, Am I Satisfied with this Class?</td>
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<td>Overall</td>
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<td>3.6/4</td>
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* The score can range from 1 (minimum) to 4 (maximum).
**LEARNING OBJECTIVES**

**KNOWLEDGE AND UNDERSTANDING**

1. Developing a theoretical and practical understanding about how competition works, how firms survive, adapt and evolve and how the mechanisms of co-evolution between firms, markets and country systems work.

2. Develop an understanding about how a company is managed and how the digital technologies are transforming its key business processes, through the acquisition of specific BPM concepts, process optimizing techniques, IT and ERP tools characteristics and digital transformation toolbox.

**APPLYING KNOWLEDGE AND UNDERSTANDING**

1. Applying knowledge related to on how enterprise adaptation works, how enterprises and their competitive environments mutually co-evolve, and how the fundamentals of enterprises’ strategy can be implemented through their life cycle.

2. Applying knowledge related to the BPM approach such as using ERP system to support the redesign of key business processes. Students applying knowledge and understanding will be strengthened by a direct hands-on experience of an ERP system (SAP S/4 Hana) in different simulation games as well as in the mapping of four different business processes.

**MAKING JUDGEMENTS**

1. Evaluating the sustainability of firms as competitive forces at different stages of their life cycle.

2. Identifying key firms business processes respect to BPR, process optimizing techniques and APQC framework, also through the application of ERP tools application and its impact on business model innovation and the on-going digital transformation process.

**COMMUNICATION SKILLS**

Exposing business cases in group and in public, also summarizing them, in terms of data visualization, through a brief report/presentation.

**LEARNING SKILLS**

1. Analyzing critically competition through a "theory and practice" mixed approach.

STRUCTURE OF THE COURSE AND REFERENCE TEXTBOOK/READINGS

The key topics taught in Module I – ENTERPRISE EVOLUTION – are the following:

PART I – EVOLUTION AND SOCIAL DARWINISM
- Enterprise Evolution: Charles Darwin’s Legacy?
- From Evolution to Co-Evolution
- The Music Industry Case Study

PART II – ENTERPRISES AND NATURAL SELECTION
- The First Years of Life
- The “Liability of Newness”
- The Facebook Case Study

PART III – ENTERPRISES AND COMPETITIVE SELECTION
- On Competition
- Models of Enterprise Evolution
- The ENI Group Case Study

PART IV – CRISIS AND RESTRUCTURING OF ENTERPRISES
- Corporate Crises as Ineffective Adaptations
- Boards of Directors and Turnaround Management
- The Fiat Group Automobiles Case Study

PART V – STRATEGIC DECISION MAKING
- Bounded Rationality and Self-Reinforcing
- The Personality Factor
- The Higher Education Industry Case Study
- Creativity and Entrepreneurial Urbanism

For Module I – Enterprise Evolution – the references are:

The key topics taught in module II – DIGITAL TRANSFORMATION MANAGEMENT – are the following:

PART VI – BUSINESS PROCESS MANAGEMENT
- Introduction to business process management (BPM), as a reference to redesign workflow but also as a key element in an ERP implementation
- BPM, BPR and process optimizing techniques
- APQC framework

PART VII – IT and ERP
- IT potential and ERP characteristics
- Hands-on experience of an ERP system (SAP S/4 Hana)
  [It includes applied classes where students will be splitted in two different groups. These classes are taught by Dr. Simone Ferretti]

PART VIII – DIGITAL TRANSFORMATION MANAGEMENT
- Digital transformation and its impact on the competitiveness
- Digital transformation and business models innovation

For Module II – Digital Transformation Management – the reference textbook/readings are:

For PART VI: Business Process Management
The course slides referring to this section (including the Business Process Modelling as seen from the practice) and the relevant chapters of the textbook:

Chapter 1 – Introduction to Business Process Management (pages 1-25)
Chapter 2 – Process Identification (pages 33-56)
Chapter 8 – The essence of Process Redesign [Both 8.1 and 8.2 and the example of 8.3 – no specific question on the case] (pages 253-277)

Optional chapters for those who are interested in getting a deeper knowledge on BPM and specifically on BPMN as a widespread “language” for representing business processes:
- Chapter 3 [Essential Process Modelling]: from page 63 to page 88;
- Chapter 4 [Advanced Process Modelling]: from page 97 to page 128;
- Chapter 5 (Process Discovery): from page 161 to page 171.

For PART VII: IT and ERP
The course slides referring to this section and all the theoretical materials distributed on SAP.
The following articles can be complementary readings in order to better look into the slides:
- IBM Institute for Business Value (2018), Plotting the Platform Payoff.

For Part VIII: Digital Transformation
The course slides referring to this section.
The following reports:
- IBM Institute for Business Value (2011), Digital transformation. Creating new business models where digital meets physical
- Capgemini Research Institute & MIT (2011), Digital Transformation: A road map for billion-dollar organizations
- Capgemini Research Institute (2017), The Digital Culture Journey [not specific reference to the many cases mentioned is required]
- McKinsey (2018), Analytics comes of age

Plus short reports (Expert Insights) by:
- IBM Institute for Business Value (2017), Business is being digitally reinvented
- IBM Institute for Business Value (2018), Transcending Digital Dominance
- IBM Institute for Business Value (2017), Cost transformation for the digital era

As optional reading (as the key contents have already been included in the slides):
TEACHING METHODS

The General Management course will include not only a theoretical approach, but also a strong practitioner input, through:

- *live* case discussions and videos
- combined talks with business experts
- simulations of business process on ERP systems
- group presentations by students.

The teaching approach will be also cross-disciplinary for more than one aspect, with elements drawn from biology, psychology and IT constituting one of the distinctive features.

EXAM RULES

The exam is based on a written test taken in two steps (in the morning the written test on Module I and in the afternoon the written test on Module II respectively). The written test of each module lasts 1 hour and 45 minutes, and it is made of 3 open questions. It is evaluated in X out of 30. Students will also have the possibility to improve their final evaluation (with up to 2 additional extra-points) through:

- performing group works in module I (up to 1 point)
- participating in SAP Simulations as from a report on their strategy in each of the attended games (up to 1 point).

On this premise:

1) Excellent answers are those that represent an appropriate mix between theory and practice (i.e. business examples). Theoretical connections among the different topics are also very welcome.

2) Only students booked through the Delphi system can perform the exam.

3) If a student’s written test is evaluated as not sufficient, the student is not allowed to repeat the test in the same exam session.

4) When receiving the test in any given call, the student has the initial 10 minutes to retire. In this case, the test is intended as not performed, thus the student can try the test again in the same session.

5) Students can receive insights about their written evaluation during the first office hours immediately available after the test’s date.

6) Students can decide to reject a grade when not satisfied. Being present in any given call automatically means rejecting a grade taken previously.

THESIS ASSIGNMENT RULES

General Management theses will be generally assigned with respect to topics included in Module I and supervised by Prof. Gianpaolo Abatecola.