



Sungkyunkwan University Winter International Student Experience (WISE) 2025

## Strategic Thinking in Management

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### SHORT COURSE DESCRIPTION

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Strategic managerial decisions by a manager of firms are not static and cannot be made in isolation. Instead, a manager must account for the expected strategic actions and reactions of rival firms, subordinates, and/or superiors, etc. to his/her directives and proposals. This course is designed to develop a strategic thinking process needed for analyzing a problem or situation to arrive at a critical managerial decision about it after synthesizing or integrating all the relevant information. Specifically, the objective of the course is to learn how to apply basic concepts of game theory to such strategic management issues as new market entry, pricing, innovation, competition versus collaboration, bargaining, incentive mechanism design, etc. faced by businesses. To achieve this aim, the course will iterate between theory and practice to sharpen students' strategic thinking skills by discussing textbook chapters and using movie clips, classic novels and poems, newspaper articles, and/or our daily life as examples in the classes.

### READING MATERIALS

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Avinash K. Dixit & Barry J. Nalebuff, *Thinking Strategically*, Reissued in Paperback (1993), Norton.

Additional reading materials will be provided to students in digital before each class every week.

### COURSE REQUIREMENTS AND GRADING

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In-class Test (2):	200 pts.
Final Exam (1):	150 pts
Group Presentation (2):	100 pts.
In-class Group Activity (9):	90 pts.
Participation:	90 pts.
<b>Total Points:</b>	<b>630 pts.</b>

**Test:** There will be three tests for this course during the winter term. These are all closed book and closed note tests. Since the final exam will be comprehensive, the knowledge of the previous materials will be necessary. They will be comprised of multiple short answer questions and/or problem-solving questions with applications.

**Group Presentation of a Game-theoretic Situation:** There will be two group presentations of game-theoretic situations throughout the winter term. Each group will be comprised of two or three students on their own without any change of members during the winter term. The group will be required to choose two game-theoretic situations from our daily life, and present them to the class on assigned dates. Main sources of the game-theoretic situations may include, for example, movies, cartoons, novels, and/or newspaper articles, etc. It is mandatory for all of the group members to work on their chosen situations together and to participate in presenting them to the class. 25 points will be evaluated based on a group's work, and the rest 25 points will be evaluated based on an individual's performance during each presentation. Each group is required to submit its presentation slides to the instructor before the beginning of classes. More details will be discussed in our classes.

**In-class Group Activity:** There will be nine group activities in classes throughout the winter term. These group activities will be comprised of solving a problem set with game-theoretic applications in a group. Each group is required to submit a group activity sheet with written answers to the instructor before the end of each class. There will be no make-up opportunities for missed group activities. Detailed information will be discussed in the classes.

**Participation:** All students are encouraged to attend classes and participate in the class discussion after each group's presentation is made. In addition, each member of a group should submit two confidential peer evaluations (after the group presentation of each game-theoretic situation is made) to the instructor on the performance and contribution of his/her team members. Peer evaluations will be used to assess each student's contribution to each group project.

### **Final Grade**

90%	A
80%	B
70%	C
60%	D
Below 60%	F

\* Pass (P): Grade of 60% or above

\* Fail (F): Grade below 60%

### **COURSE POLICIES**

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**Attendance:** Class attendance and participation are fundamental components of learning, so punctual attendance at all classes, for the full class meeting period, is expected of SKKU ISS students. If a student must miss a class or leave early, **s/he needs to notify the instructor in advance**. The student is responsible for any assignments or requirements missed during an absence.

\* Pass (P): Attendance of 80% or above (within 3 unexcused absence)

\* Fail (F): Attendance below 80% (4 or more unexcused absence)

**Make-Up Examinations:** Because the instructor of this course believes that examinations represent a critical component of student learning, required examinations should be taken during the regularly scheduled class period. **No make-up examinations are available.** Exceptions may be granted only by the instructor, and only for unavoidable circumstances (illness verified by a signed physician's note, participation in subpoenas, jury duty, military service, bereavement, or religious observance).

### **Academic Integrity:**

All members of the SKKU ISS shall refrain from academic dishonesty and misconduct in all forms, including plagiarism, cheating, misrepresentation, fabrication, and falsehood. Plagiarism or cheating on the part of the student in individual or group academic work or in examination behavior will result minimally in the instructor assigning the grade of "F" for the assignment or examination. In addition, all instances of academic dishonesty must be reported to the instructor of this course.

### **COURSE SCHEDULE (Tentative)**

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This course outline is subject to change by the instructor. It is likely that there are some subjects we will explore in more depth.

**Day 1**

Session 1: Introduction / Organization of the class

Session 2: Anticipating Your Rival's Response I

\* **In-class Group Activity 1: Problem Set #1**

**Dixit & Nalebuff, Chapter 2**

**Day 2**

Session 3: Anticipating Your Rival's Response II

Session 4: Seeing through Your Rival's Strategy

\* **In-class Group Activity 2: Problem Set #2**

**Dixit & Nalebuff, Chapter 2 & 3**

**Day 3**

Session 5: Resolving the Prisoners' Dilemma I

Session 6: Resolving the Prisoners' Dilemma II

\* **In-class Group Activity 3: Problem Set #3**

**Dixit & Nalebuff, Chapter 4**

**Day 4**

Session 7: **Group Presentation I**

Session 8: Review for In-class Test 1

**Handouts**

**Day 5**

Session 9: **IN-CLASS TEST 1 (CHAPTER 2, 3 & 4, Handouts)**

**Day 6**

Session 10: Review of the In-class Test 1

Session 11: Strategic Moves I

\* **In-class Group Activity 4: Problem Set #4**

**Dixit & Nalebuff, Chapter 5**

**Day 7**

Session 12: Strategic Moves II

Session 13: Credible Commitments

\* **In-class Group Activity 5: Problem Set #5**

**Dixit & Nalebuff, Chapter 5 & 6**

**Day 8**

Session 14: Unpredictability I

Session 15: Unpredictability II

\* **In-class Group Activity 6: Problem Set #6**

**Dixit & Nalebuff, Chapter 7**

**Day 9**

Session 16: **Group Presentation II**

Session 17: Review for In-class Test 2

**Handouts**

**Day 10**

Session 18: **IN-CLASS TEST 2 (CHAPTER 5, 6 & 7, Handouts)**

**Day 11**

Session 19: Review of the In-class Test 2

Session 20: Cooperation and Coordination

\* **In-class Group Activity 7: Problem Set #7**

**Dixit & Nalebuff, Chapter 9**

**Day 12**

Session 21: Bargaining I

Session 22: Bargaining II

**\* In-class Group Activity 8: Problem Set #8**

**Dixit & Nalebuff, Chapter 11**

**Day 13**

Session 23: Incentives I

Session 24: Incentives II

**\* In-class Group Activity 9: Problem Set #9**

**Dixit & Nalebuff, Chapter 12**

**Day 14**

Session 25: Review for Final Exam

Session 26: Wrap-up & Happy Hour

**Handouts**

**Day 15**

Session 27: **FINAL EXAM (ALL CHAPTERS & HANDOUTS COVERED IN THE CLASSES)**