



Book Review - Wheelen and Hunger's *Strategic Management and Business Policy: Toward Global Sustainability, 13th Edition, Prentice Hall, 2012*

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The 13th edition of *Strategic Management and Public Policy: Toward Global Sustainability* is a first step towards integrating corporate strategy with ethics, sustainability and stakeholder management to address how-to-manage responsibly in a global economy. This undergraduate textbook's subtitle, *Toward Global Sustainability* suggests that ethics, corporate responsibility, globalization and sustainability are indeed already integrated with strategy concepts. Alas, there is still more work to be done! Viably incorporating the insights, principles and processes of sustainability throughout the strategy textbook will require far more than highlighting, in each chapter, a modern-day global issue and an environmental sustainability issue. A stand alone chapter dedicated to corporate responsibility and ethics has been standard for several editions. But more work can be done! The book has made considerable progress, when compared with previous editions, of incorporating environmental sustainability and greening of management concepts into strategy. Corporate responsibility, ethics and social sustainability, however, remains on the sideline of too many discussions regarding strategic decisions.

Its insights into strategy process, design, definitions and decision-making are among its best features. By disaggregating complex topics it helps business educators well versed in ethics and corporate responsibility to highlight key ethical decisions for their students. The book outlines in seven parts key aspects of strategic decision-making: introduction to strategic management and public policy; scanning the environment; strategy formulation; strategy implementation; introduction to case analysis; web chapters (including special topics such as strategic issues in small businesses and non-for-profits, managing technology, and innovation); and cases in strategic management. Within each part, the book specifies broad topics into narrow, almost step-wise analytic components to help the business educator and students grasp the iterative nature of strategy and tactics.

One of the most important features of the textbook is the Strategic Management Model introduced on page 3. This Model is printed on the inside cover of the textbook and re-introduced at the beginning of each chapter demonstrating the progress already achieved and the overall flow of the entire book. As a single organizing concept, this model pulls together the sections, chapters, concepts, and figures to get a big-picture view of corporate strategy as a whole-of-company phenomenon. This macro-level perspective allows for understanding strategy within a context of integrating socio-political, ethical, and economic demands to create value. The use of models and frameworks that are integrated throughout the book helps to reinforce concepts from prior chapters (environmental scanning and strategy formulation for example) while learning new material (e.g., strategy implementation, evaluation, and control). Again, here is an opportunity to explicitly add in ethical questions to create discussion and heighten awareness of the inextricably interwoven ethical aspects of decision making.

In Part 1: Introduction to Strategic Management and Business Policy, the basic concepts of strategic management (e.g., planning, forecasting, globalization, environmental sustainability, learning organizations, etc.) are discussed in Chapter 1. Corporate governance, and social responsibility and ethics in strategic management are introduced in Chapters 2 and 3, respectively. One of the learning objectives in Chapter 3 is contrasting Friedman's traditional view (of corporate social responsibility) with a *contemporary* view of social responsibility. Yet, the corporate responsibility model used to contrast Friedman's traditional view is from the same time period as Friedman. In addition, many of the research references to corporate responsibility are prior to the turn of the century. The concept of stakeholders is introduced in Chapter 2 in just a few pages. As you can imagine with just a few pages dedicated to stakeholder research, this is an area ripe for additional integration throughout the textbook given the explosion in stakeholder related research. Numerous textbooks, monographs, and reports highlighted in the Book Review section of the *Journal of Business Ethics Education* could help round out the discussion of stakeholders in this textbook and help integrate it through the strategic decision-making process.

In Part 2: Scanning the Environment, Chapters 4 and 5 discuss Environmental Scanning and Industry Analysis, and Internal Scanning: Organizational Analysis. From these two chapters some of the basic models of strategic management are introduced: Porter's Five Forces and a Firm's Value Chain. To the textbook's credit, it adds a sixth force that drives industry competition—"other stakeholders"—that includes the relative power of unions, governments, special interest groups, etc. Certainly there is room for hope for more explicit inclusion and integration of stakeholder, corporate responsibility, ethics, and social sustainability concepts into strategy textbooks!

In Part 3: Strategy Formulation and Part 4: Strategy Implementation and Control familiar models such as strengths, weaknesses, opportunities and threats

(SWOT) analysis and functional analysis are discussed. Growth, retrenchment, and status quo strategies are highlighted with examples of each. Opportunities for discussion of ethical implications of growth strategies, bottom of the pyramid, and how to manage responsibly with social sustainability in mind would help round out the existing discussions on employee-employer relations and workplace conditions.

The remainder of the book, Part 5: Introduction to Case Analysis, Part 6: Web Chapters, and Part 7: Cases in Strategic Management, introduces case analysis, provides 35 cases and discusses supplemental materials available on the web. More than half of the textbook, appropriately so for an undergraduate higher level course, is dedicated to case analysis and the cases themselves to build out and embed, strategy concepts.

Consistently throughout the book, terms are defined, related to other terms, and used in examples. This triple treatment of strategy terminology (definitions, relationships with other terms, and providing examples) helps clarify and puts into context the much maligned terms of strategy in everyday discussions. The proliferation of strategy-related terms (e.g., strategic management, strategic marketing, strategic philanthropy, strategic sustainability, etc.) is kept to a minimum by the careful choice of terms consistently applied throughout the book. Business educators and business students benefit from the careful consideration of terminology.

Modern-day problems faced by practitioners serve as the lead-in for each chapter. Additional real-life examples, often from the 1990s or more recently, are interwoven into each chapter to illustrate key points. These examples, as well as the multiple supplements for the instructors, make the material readable and the concepts approachable in a lively, engaging way for business students and business educators in either a 7-week module or a 14-week format. The powerpoint slides highlight key items reinforcing the learning from the textbook and when used in conjunction with the case materials, case instructor's manual, and videos, teaching to multiple learning styles is possible. Using colorful illustrations, plentiful figures, concise sections and thorough end of chapter summaries, the textbook is approachable and easy to read in sections or in whole. The color-coded tabs along the top of each page make the chapters and subtopics within each chapter easy to find. Incorporating the headlines and current news stories from major business media outlets, makes for a very lively discussion of strategy concepts. As an introductory textbook that emphasizes clarity in strategy concepts, the book consistently does a good job with carefully documented sources from many of the most recent research outlets.

Consistent with its subtitle, *Toward Global Sustainability*, the framework explicitly recognizes the natural environment (resources and climate) as an important aspect of environmental scanning. Globalization forces such as global supply chains; domestic and multi-national competitors; cultural customs, traditions and beliefs; global social networks; and changing expectations from

public policy, civil society, and governmental agencies that affect strategic decisions, timing, and implementation could be more explicitly addressed especially in the Strategic Management Model.

Surprisingly, one of the few exceptions to the textbook's careful use of definitions is the term sustainability. Sustainability is defined in the textbook as predominantly environmental sustainability involving greening-of-management activities. Sustainability, more broadly defined, includes the triple bottom-line: economic, social, and environmental. That is, sustainability includes, but is not limited to, continuity of operations as well as social sustainability involving ethics, human rights, labor rights, governance, workplace conditions, community relations, and public-private partnering. Opportunities abound throughout the textbook for more nuanced discussions about sustainability especially when targeting future business managers (current students) that will be managing extensively in a global economy.

Another surprising weakness of the textbook is the case studies. With a profusion of new examples to introduce each chapter, and practical examples embedded throughout the textbook to illustrate key concepts, and with cases available in multiple formats (web based and in print in the textbook) it is surprising that many case analyses are dated without wholesale updates between editions of the textbook.

Overall, this textbook continues to provide a thorough and comprehensive foundation for undergraduates beginning to think about strategic management. It promises much with its subtitle, *Toward Global Sustainability*, and is indeed incrementally working towards integrating global and sustainability into its well-established discussions on strategy. To the extent that the next few editions continue to accelerate the commitment to integrate global, sustainability, ethics, and corporate responsibility with strategic management, the textbook can indeed make a significant contribution "Toward Global Sustainability".

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