



MiM 2024-2025
2 credits

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Critical Business Thinking (CBT)

Introduction

In life, as in business, we are confronted by a wide array of problems and situations, which require us to take action. Some problems are relatively straightforward or structured. These types of problems can generally be solved by taking a series of actions in a well-defined way. A flat tire is a good example. If you carefully follow the steps in the owner's manual and have a spare, you will usually be able to continue with your journey.

In business, however, most problems are not so easy. They often involve economic, technical, and human issues and can be complex or unstructured. By definition, they do not have a unique, *correct* solution. The same or a similar solution at different points in time or in different places might produce very different results and different solutions might produce equally attractive or desirable outcomes. There are no guarantees and risk is often a key part of any choice of action. Solving such unstructured problems on a constant basis is much of what managers do and the ability to solve them is often what sets apart great managers from the rest.

For over 50 years, IESE Professors have been working with a methodology for dealing with such problems. The process has been found to be robust in the widest variety of management problems and has had an impact on literally thousands of executives and MBA students from around the world.

Therefore, Critical Business Thinking is more than anything a methodology course where students are exposed to a method for dealing with unstructured problems. They are not only good problem solvers but they also execute right and have criteria to face all the information they receive, especially in this big data and algorithm times. Through this Business Critical Thinking course we will also to develop the key habits and skills that can help them to face business situations appropriately, making right decisions based on correct information, sound judgment, and timely decision with correct execution.

Objectives

Diagnosing and solving real business problems forces managers to make decisions. Therefore, the main learning goal of this course is to improve the strategic decision-making process of the students. By the end of the course participants will be able to identify unstructured problems and use the process for solving them and taking action. They will be able to work with the three level criteria (economic, organizational, and personal – anthropological or ethical) that are involved in every business situation.

As this course is one of the most “open ended” in the first period, additional objectives are to introduce students to the dynamics of the case method and report preparation. As many students come from different educational traditions and some have been a few years in business, our experience is that many students need to get their mind around the case method itself in order to get the most out of the entire program. Learning through cases is a unique process and part of the objective of Critical Business Thinking is to present participants with real life, everyday business situations they can immediately.

Learning Outcomes

Basic Competences

RA12. Equip students with learning skills that enable them to continue studying independently and self-directedly.

RA1. Possess and comprehend knowledge that provides a basis or opportunity to generate original ideas in the development and application of concepts, often within a research context.

RA19. Enable students to apply acquired knowledge and solve problems in new or unfamiliar environments within broader (or multidisciplinary) contexts related to their area of study.

RA11. Enable students to integrate knowledge and address the complexity of making judgments based on incomplete or limited information, including reflections on social and ethical responsibilities linked to the application of their knowledge and judgments.

RA20. Enable students to communicate their conclusions, along with the knowledge and rationale supporting them, to both specialized and non-specialized audiences clearly and unambiguously.

RA21. Listen, understand, and compare differing viewpoints to develop an objective understanding of a business situation. Communicate in a structured and persuasive manner (Interpersonal communication).

RA13. Work effectively in multicultural teams, assuming project leadership when necessary. Integrate the value of diversity into the team’s decision-making and work process (Multicultural teamwork skills).

RA14. Critically evaluate information and the context of a business situation to reach prudent decision-making conclusions (Critical thinking).

Specific Competences

RA3. Identify relevant data to diagnose a business problem and generate sensible decision alternatives.

RA23. Develop communication skills in a business context following the classic framework of logos, ethos, and pathos to structure a solid, convincing argument, accompanied by body language and effective storytelling.

RA26. Identify a company’s sources of competitive advantage to assess its sustainability in the future based on the industry’s competitive structure, expected competitor responses, and the company’s internal resources.

Content

The Course is divided into several parts.

- Orientation: Prior to the start of the program, students will be given a lecture introducing the concept of unstructured problems and the methodology for solving them. Then, they will be given the opportunity to work on their first case studies in order to illustrate the methodology.

After orientation, the course consists of a series of increasingly complex cases with each one describing a different situation in a different company in a different industry.

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- **First Cases:** The first few cases in the course will deal with relatively straightforward problems with a focus on analysis.
 - **Complex Problems:** A second group of cases will then be discussed which deal with more complex problems with unclear criteria and different types of alternatives. For these cases the challenge is to structure the problem in a way lends itself to a realistic solution.
 - **Action Planning:** The last series of classes will be spent on complex cases where the focus will be on implementation.

We will discuss 12 real life business problems to practice using the mentioned methodology and to explore the dynamics of case discussion in a large group.

Instructional Activities

AF1: Training sessions and meetings with the teacher (classes, seminars, lectures, tutorials, company visits, simulations): 20hrs

AF2: Individual student work (personal study, preparation of assignments): 30hrs

AF3: Teamwork (preparation of group assignments and execution of simulations): 8hrs

AF4: Evaluation tests: 2 hrs

Evaluation

Participants will be graded on their class participation (40%) and one individual report (60%).

Class participation is an integral part of the learning experience in all IESE courses, and it is not optional. Every session should be considered as a business meeting where participants will use their collective knowledge, experience, and brainpower not only to discuss theoretical concepts, but also and mainly to analyze, discuss and solve complex business issues and problems. This means you cannot remain as a passive observer. Participants are expected to come to class prepared, to contribute constantly and to demonstrate both the depth of their preparation and quality of their reasoning. Rigor and relevance are expected in all participations. Please, do not state the obvious and try to participate regularly.

Welcome is any contribution or question –basic or advanced, simple or complex, correct or not (mistakes are part of life, better make them here than in your job). Nevertheless, it goes without.