



MANAGEMENT 223: BUSINESS POLICY

Fall 2009

Professor Olivier Chatain

Phone: 215.746.3122

Email: chatain@wharton.upenn.edu

Webcafé: <http://webcafe.wharton.upenn.edu>

<http://www-management.wharton.upenn.edu/chatain/>

Office: 2027 Steinberg Hall-Dietrich Hall

Office hours: Tuesdays, 1:30-2:30 p.m.

(Other hours by appointment)

Teaching Assistant: Alessandro Marino

Phone: 215.746.2019

Email: amarino@wharton.upenn.edu

Office: 2055 Steinberg Hall-Dietrich Hall

(Office hours by appointment)

COURSE DESCRIPTION

The Business Strategy and Policy course encourages students to analyze the problems of managing the total enterprise in the domestic and international setting. This course is the gateway to advanced courses in strategic management. It focuses on the competitive strategy of the firm, examining issues central to its long and short-term competitive position. Students act in the roles of key decision-makers or their advisors and solve problems related to the development or maintenance of the competitive advantage of the firm in a given market. The first module of the course develops an understanding of key strategic frameworks using theoretical readings and case-based discussions. Students will learn concepts and tools for analyzing the competitive environment, strategic position and firm-specific capabilities in order to understand the sources of a firm's competitive advantage. In addition, students will address corporate strategy issues such as the economic logic and administrative challenges associated with diversification choices about horizontal and vertical integration. The second module of the course will be conducted as a multi-session, computer-based simulation in which students will have the opportunity to apply the concepts and tools from Module 1 to make strategic decisions.

The goal of the course is for students to develop an analytic tool kit for understanding strategic issues and to enrich their appreciation for the thought processes essential to incisive strategic analysis. This course offers students the opportunity to develop a general management perspective by combining their knowledge of specific functional areas with an appreciation for the requirements posed by the need to integrate all functions into a coherent whole. Students will develop skills in structuring and solving complex business problems.

Prerequisites: MGMT 100 and MGMT 101; seniors and juniors that have completed introductory courses in economics, finance, marketing and accounting. If you do not have these prerequisites, you must provide evidence to me of your preparedness for the course.

COURSE MATERIALS, TEXTBOOK AND COMPUTER SIMULATION

The bulkpack includes a collection of readings and cases and is available from study.net and Wharton Reprographics. The **required** textbook for this class is:

- Pankaj Ghemawat, Strategy and the Business Landscape, 2nd edition or 3rd edition. Note that either edition will work for this class as there are no substantial changes in the chapters covered in this course.

As an additional reference you can also consult (no need at all to buy it):

- Robert M. Grant, Contemporary Strategy Analysis 5th edition. Several copies will also be on reserve at the Reserve Desk at Lippincott Library.

Also, for further background on analyzing case studies, I have put the following book on reserve:

- William Ellet, 2007. The case study handbook : how to read, discuss, and write persuasively about cases. Boston, Mass.: Harvard Business School Press.

There will be a computer-based simulation during the course. We will provide the appropriate material to you at the time. There will be an approximately \$40 charge for the right to use the simulations which will be charged directly to your bursar's account based on your enrollment in the class.

COMMUNICATION

The primary means of communication outside of class is the course web page on webCafé. You can reach the webCafé room for the course at <http://webcafe.wharton.upenn.edu>.

If you do not have a Wharton e-mail account, please go to the following website to apply for an account: http://accounts.wharton.upenn.edu/account_user/. You need a Wharton account in order to gain access to webCafé.

YOUR GRADE

Your grade will depend both on developing a deep knowledge of the concepts and on applying this knowledge in four areas which are the four components of the grade: class discussion, individual case analyses, team-based simulation and team final paper. The discount for late assignments is severe. Please note that you cannot take this class with a pass/fail option.

Factor	Weighting
Individual assignments	
• Class Participation	21%
• Individual case write up (3 total write-ups for 8 points each)	24%
Team assignments	
• Simulation (5 points for submission of the strategic plan, 10 points for the final write-up)	15%
• Outline of final paper	5%
• Final paper presentation	5%
• Final paper	30%
Total	100%

CLASS SESSIONS AND PARTICIPATION

Each class will consist of a combination of lecture and discussion of the day's topic. On most days, we will use case analysis or simulations to explore the issues at hand. Careful preparation is essential. I expect you to read all of the assigned materials for each session in advance of the class. In class, you should be prepared to

analyze the concepts from the case or simulations and the readings and to discuss any questions provided in the syllabus. If you cannot answer the questions, you are not prepared for class. I may use cold calling to ensure preparation and to establish an even level of participation throughout the course.

I expect you to participate actively in class to help your learning and that of your peers. A productive learning environment requires active engagement of all class members. Three factors determine good class participation. First, given thorough and careful preparation, you should be able to identify the important managerial issues related to the case and/or readings. Second, you should be able to use that analysis to define a concise and logical position on the issues. Please avoid pure repetition of case facts. You should be able to show how a particular concept is illustrated in the case or suggest how the substantive problem presented in the case can be solved. Third, you should be able to analyze **constructively** the positions your classmates take. **Quality, not quantity**, will determine the effectiveness of your comments.

LEARNING TEAMS

You will be asked to form teams of 4 students for the course. You will work in these teams to run the simulations and to prepare a final paper analyzing a company using the strategy frameworks covered in this course. You may also want to use your teams as a discussion group in preparing the cases for class discussion. The webCafé site will have a tool for this sign up process. You are required to **sign up for a team by Tuesday, September 29 before class**. If you are having trouble locating other team members, please send me an email and I will find you an appropriate team. This course requires extensive work in teams outside of class. You are expected to participate actively in teamwork. In order to assure appropriate effort across the team, I will ask each of you to evaluate confidentially the efforts of your teammates on the last day of class using the form below. I will take these ratings into account in establishing the final grades for each person.

SAMPLE TEAM MEMBER EVALUATION FORM	
Please rate the contribution (effort and quality) to the team performance in the conceptualization, development, and presentation of the business plan. Do not rate yourself. Assign a score of 1-10 to each team member other than yourself. Note: the column does not add up to 10. The scale is from:	
1: Person was extremely undercommitted in all of your interactions (i.e. did not read materials in advance, did not put effort into the actual simulations, or research and writing for the final paper)	
-- to --	
10: Person was extremely committed in all of your interactions (i.e., the person could not have done anything more to contribute to the simulation and to the final paper project)	
Team Name and Team Letter:	
Your Name:	
Team Member's Name (not including yourself)	Effort: scale 1 (low) – 10 (high)

APPLICATION OF THEORIES: USE OF CASES AND SIMULATION

Cases and simulations give life to management theory. In this course, they give you an opportunity to put yourself in the shoes of managers as they make strategic choices both by studying cases of companies in a variety of industries and by playing the role of managers in a computer-based simulation.

I have chosen the cases in the course to elucidate particular strategic concepts. Many of the cases focus on a critical moment in time for a company. Therefore, it is not appropriate to do research on what has happened to the company since the time the case was written. As managers, you will never have the luxury of 20/20 hindsight when you need to make strategic choices. The goal of the case preparation and discussion is to hone your own analytical skills using the information at hand.

I will also use a computer-based simulation of business problems during the course. This is an opportunity to apply the frameworks in dynamic situations. You should run this simulation in your learning teams. I will provide more information about the simulation in class. The simulation requires at least one team member to have a personal computer (or I will arrange access to a computer in SH-DH).

INDIVIDUAL CASE WRITE-UPS

Each student is individually responsible for 3 short case analyses over the course of the term. Each writeup is limited to 1 page (single-spaced, 1 inch margins, Times Roman 12 pt. font) of text and an optional 1 page of exhibits. One page may not seem like enough space, but it will force you to focus on the most important issues and write concisely. Do not use a smaller font or smaller margins for these assignments. I need space in the margins to make comments. These will be due at the beginning of the relevant class. No late assignments will be accepted. These are individual assignments and should not be done in your learning team. You can pick any 3 cases from the following list. If you do more than 3, I will take the 3 highest grades. Each write-up is worth 8 points. 24 total points are possible for this part of your grade.

Case (do write up for at least 3 of these cases, pick any that you want)	Date due (hard copy to be handed in at the beginning of class)
• Formula One Racing	9/22
• Dell	9/24
• Samsung	9/29
• Ryanair	10/01
• Coke and Pepsi	10/06
• The eBooks industry	10/08
• Sunrise	10/13
• McKinsey	10/15
• Nucor	10/20
• Leerink Swann	10/22
• Disney	10/27
• Kodak	10/29

FINAL PAPER

The final paper is a team project and consists of a case analysis of a company or companies that your team chooses to study. The paper will give you an opportunity to apply the concepts and frameworks from the course to real life situations. On September 24, I will hand out instructions for the paper. The topic for your paper is due in a one paragraph write-up on October 10 at the beginning of class. A detailed outline of your paper is due on November 10 in class. Your paper is due on Tuesday, December 15 at 5 p.m. (uploaded to webCafé folder and hard copy delivered to my office).

HANDING IN ASSIGNMENTS

All due dates and assignments are indicated in the syllabus. Late assignments will not be accepted. For individual assignments, please make sure your name is clearly indicated at the top of the page or on a cover page. For team assignments, make sure your team letter and all team members' names are indicated at the top of the page or on a cover page.

A NOTE ON PROPER CITATION

To most of you, this will probably be self-evident, but I want to make sure that we all understand: Copying paragraphs or even paraphrasing sources (magazines, newspaper articles, books, analyst reports, web pages, etc.) without properly citing them is a serious offense. Properly citing means (1) if you copy word for word, you have to mark this by enclosing the copied text with quotation marks and cite the source; (2) if you take someone's idea but put it in your own words, you still need to indicate in a citation the source of the data or the idea. This citation has to follow the idea directly (either attach a footnote or endnote): it is not enough to list your sources in the bibliography of the paper (though you should do this as well). At the end of the paper, you should then list all sources that you have cited in the text. Failure to cite (plagiarism) is a very serious academic offense that in other courses has led professors to fail students and bring them to the attention of the academic review board of the University. To avoid such an incident, be very careful in your papers to attribute ideas, data, frameworks, etc. to their respective sources.

COURSE OUTLINE

INTRODUCTION

Class 1: Introduction, and the history of strategy course overview (Thu 09/10)

- Readings: P. Ghemawat , “The Origins of Strategy,” Chapter 1 in Strategy and the Business Landscape, 2nd edition, 2006, pp. 1-16.
- Case: N/A

Class 2: The Concept of Strategy (Tue 09/15)

- Readings: N/A
- Case: **Edward Jones in 2006: Confronting Success (#9-707-497)**
 1. Identify the market segment in which Edward Jones chooses to compete. How difficult is it to generate revenues and profit in this segment?
 2. What activities does Edward Jones undertake to generate profit in this segment? What activities does Edward Jones not do, or do differently, than its competitors? What does it give up by not doing these activities?
 3. Should Edward Jones change any of aspects of its strategic positioning? What threats are there, if any, to its current position?

HOW TO COMPETE, Part I: Competitive advantage and competitive positioning

Class 3: Foundations: Creating, Capturing and Adding Value (Thu 09/17)

- Readings: Brandenburger and Stuart “Value-Based Strategies”, Journal of Economics and Management Strategy, 1996, pp5-24.
- Optional: O. Chatain and P. Zemsky: “Value Creation and Value Capture with Frictions”, Wharton-INSEAD Alliance working paper 2009/35/ST/ACGRE.
- Case: N/A.

Class 4: Added Value and competitive advantage (Tue 09/22)

- Readings: A. Brandenburger and B. Nalebuff, “Game Theory,” Chapter 3 in Co-opetition, 1996, pp. 40-56.
- Case: **Formula One Racing (#9-703-412)**
 1. What is Mr. Ecclestone’s added value in Formula One? In the past? At the time of the case?
 2. How much value has Mr. E captured? How did he do it?
 3. What are the threats to Mr. E and the companies that he created?

Class 5: Competitive positioning I, (Thu 09/24)

- Readings: P. Ghemawat , “Creating Competitive Advantage,” Chapter 3 in Strategy and the Business Landscape, 2nd edition, 2006, pp. 55-65.
O. Chatain, “Note on Back-of-the-Envelope Analyses in Strategy” (to be posted on WebCafé)
- Case: **Matching Dell (#9-799-158)**
 1. What are some of the key choices Dell has made in how it competes to distinguish it from its primary competitors? (Draw a strategic group map and a value chain for Dell).
 2. Prior to the recent efforts by competitors to match Dell (circa 1997), how big was Dell’s comparative advantage? See if you can use the numbers in the case and reasonable estimates to quantify the advantage. How has Dell used this advantage in the market? (Think about the customer willingness to pay.)

3. Why was it hard for competitors to respond to the challenge posed by Dell's competitive advantage in the 1990's?
- I will hand out instructions for the final paper assignment today.
 - You must complete your sign-up for teams on WebCafé by Monday, September 22.

Class 6: Competitive positioning II, (Tue 09/29)

- Readings: Cf. Class 5
- Case: **Samsung Electronics (# 9-705-508)**
 1. What recommendation would you make to Chairman Lee regarding Samsung's response to the threat of large-scale Chinese entry?
 2. What are the sources of Samsung's cost advantage in DRAM in 2003?
 3. What are the sources of Samsung's price premium in DRAM in 2003?

HOW TO COMPETE, Part II: Industry context

Class 7: Strategic interaction (Thu 10/01)

- Readings: P. Ghemawat, "Anticipating Competitive Dynamics," Chapter 4, Strategy and the Business Landscape, 2nd edition, 2006, pp. 69-85.
- Case: **Dogfight over Europe: Ryanair (A) (#9-700-115)**
 1. What is your assessment of Ryanair's launch strategy?
 2. How do you expect Aer Lingus and British Airways to respond? Why?
 3. Draw the extensive form of the game between Ryanair and the two incumbents.
What are the different payoffs to Aer Lingus/British Airways (treat them collectively as one actor) for different strategic actions? Said differently, how costly would it be for Aer Lingus/British Airways to retaliate against Ryanair's launch rather than accommodate it? (It will help to develop, using assumptions where needed, a viewpoint on the cost structures of Ryanair vs. British Airways/Aer Lingus.)

Class 8: Structural analysis of the industry (Tue 10/6)

- Readings: P. Ghemawat, "Mapping the Business Landscape," Chapter 2, Strategy and the Business Landscape, 2nd edition, 2006, pp. 17-28 (see pp. 31-40 for further instructions on how to do industry analysis).
R. Grant, "Strategic Groups," Contemporary Strategy Analysis, Fifth edition, pp124-126
Brandenburger "Porter's Added Value: High Indeed!," Academy of Management Executive, 2002, pp 58-60.
Optional examples for your reference: D. Besanko, D. Dranove, M. Shanley, S. Schaefer, "Industry Analysis," Chapter 10 in Economics of Strategy, 2004, pp. 335-351.
- Case: **A Hundred-Year War: Coke vs. Pepsi, 1890s-1990s (#9-799-117)**
 4. Why is the soft drink concentrate industry dominated by two firms? What is the basis for scale economies in this industry?
 5. Use the 5-Forces framework to explain why the soft drink concentrate industry is so profitable.
 6. How has the industry structure changed in the 1990's to the present? Can Coke and Pepsi sustain their profits in the U.S. in the wake of the growing popularity of non-carbonated drinks?

Class 9: Network Externalities, Standards and Industry Dynamic (Thu 10/8)

- Readings: C. Shapiro and H. Varian (1999). "The art of standards war". California Management Review, 41(2): 8-32.
- Case: **The ebooks industry (Wharton Case)**
- Case and questions to be distributed on WebCafé before class.

HOW TO COMPETE, Summary

Class 10: Integrating understanding of competitive advantage (Tue 10/13)

- Readings: N/A (This case will review the concepts already covered in prior readings. Please refer back to those readings and concepts to analyze this case.)
- Case: **Sunrise Medical Inc.'s Wheelchair products (#9-794-069)**
 1. Analyze the structural drivers of profitability in the wheelchair industry in 1993. Does the future look less or more promising?
 2. What is Quickie's strategy in the wheelchair industry? What is Guardian's strategy in wheelchairs? Does either have a competitive advantage in wheelchairs and, if so, is it sustainable?
 3. Should Chandler allow Guardian to introduce a lightweight standard wheelchair?
- Assignment to hand in: Write ups on final paper topics due at the beginning of class.

WHERE TO COMPETE: FIRM CAPABILITIES AND CORPORATE STRATEGY

Class 11: Understanding differences in firm level performance (Thu 10/15)

- Readings: D. Besanko, D. Dranove, M. Shanley, S. Schaefer, "Sustaining Competitive Advantage," Chapter 12 in Economics of Strategy, 2004, pp. 420-451.
- Case: **McKinsey**: J. Huey, "How McKinsey Does it," Fortune, November 1, 1993
 1. What was the unique source of competitive advantage developed by McKinsey?
 2. Why has it been hard for their competitors to imitate their strategy?

Class 12: Corporate strategies for growth I: The Established Firm Perspective (Tue 10/20)

- Readings: P. Barwise, P. Marsh, and R. Wensley, "Why Must Finance and Strategy Clash?" Harvard Business Review, September-October 1989.
- Case: (1) **Nucor at a Crossroads (#9-793-039)**, (2) **Spreadsheet posted on WebCafé**
 1. Why has Nucor performed so well in the past?
 2. How attractive do the economics of thin-slab casting look?
 3. Is thin-slab casting likely to afford Nucor a sustainable competitive advantage in flat-rolled products?
 4. How should Nucor think about the uncertainties surrounding thin-slab casting? What should Nucor's managers do?
- Optional NPV exercise: As a consultant to Iverson, would you recommend entering the flat-rolled sheet market with the new CSP technology? Use the spreadsheet posted in webCafé to test out your assumptions about future scenarios and the possible range of net present values.

Class 13: Corporate strategies for growth II: The Emergent Firm Perspective (Thu 10/22)

- Readings: P. Ghemawat, “Choosing Corporate Scope,” Chapter 6, Strategy and the Business Landscape, 2nd edition, 2006, pp. 124-142.
- Case: **Leerink Swann & Co: Creating Competitive Advantage (#9-406-060)**
 1. What are the key elements of Leerink Swann’s business operations during its first 10 years? How did the firm a) establish its business, b) gather expertise, c) organize its operations, and d) coordinate its interdependent production process?
 2. What implications for Leerink Swann’s future are posed by changes a) in health-related industries, b) in the talent market, c) among the firm’s competitors, and d) among the firm’s customers?
 3. How well positioned is Leerink Swann for future challenges in the investment banking business? Is this the right time to expand that business, or would you recommend a different growth strategy to Jeff Leerink? Why?
 4. What will you further recommend to Jeff Leerink in order to both, a) secure Leerink Swann’s existing competitive advantage, and b) seize the full value of the strategic opportunity in investment banking? Given your choice, what organizational design choices does Leerink Swann have to make?

Class 14: Managing Vertical and Horizontal Scope (Tue 10/27)

- Reading: J. Barney and W. Hesterly, “The Value of Vertical Integration,” Strategic Management and Competitive Advantage, 2006, pp. 183-188.
- Case: **The Walt Disney Company:** (1) Wharton Case, “The Boundaries of the Magic Kingdom,” (2) J. Lunden, “High School Musical’ Graduates to Multimedia Hit,” NPR Morning Edition, May 24, 2007
 1. Think about Disney’s choices about horizontal and vertical integration. Analyze the linkages among Disney’s business units: a) To what extent are the business units leveraging common resources? b) Are the linkages among the business units of the type that could not be coordinated using contracts among independent firms? Does the answer to these questions play out differently among different parts of their operations? Analyze the “High School Musical” story (see link above) using your understanding of Disney’s corporate strategy.
 2. Consider Disney’s acquisition of the ABC television network (ABC/Capital Cities). From the perspective of the time of the acquisition, do you see an economic logic for the acquisition? Is the logic one of scope economies or vertical integration? To what extent does the logic of vertical integration play out differently in the context of broadcast television versus cable properties (such as ESPN)? Given what we know today, how does your opinion about the value of the acquisition change?

➤ If you do the writeup for this case, you can choose to answer either question 1 or 2. Do not try to answer both questions in the writeup, but we will discuss both in class.

Class 15: Managing the Corporation in Technological Transitions (Thu 10/29)

- Reading: N/A.
- Case: **Kodak and the Digital Revolution (A) (#9-705-448)**
 1. Evaluate Kodak’s strategy in traditional photography. Why has the company been so successful throughout the history of the industry?
 2. Compare traditional photography to digital imaging. What are the main structural differences? Will digital imaging replace traditional imaging? How have value creation and value appropriation changed in digital photography relative to traditional photography?
 3. How would you assess Fisher’s attempt to transform Kodak? Why did it fail?

4. What is Kodak's current position in digital imaging? Would Kodak's position be different had the company adopted a different digital imaging strategy in the eighties and the nineties?

INTEGRATION AND SUMMARY

Class 16: Integrating and applying concepts (Tue 11/3)

- Readings: N/A
- Case: N/A
- We will introduce the Business Strategy Game simulation and provide instructions for running the simulation over the next several class sessions.

Class 17: Integrating and applying concepts (11/5)

- Readings: N/A
- Case: Business Strategy game
 1. Review the spreadsheets in the game.
 2. What can you say about the current footwear industry structure and profitability?
 3. What are the main kinds of strategic decisions that your company can make?

Class 18: Integrating and applying concepts (11/10)

- Readings: N/A
- Case: Business Strategy game
 1. Your team should decide on a basic strategic position for your firm. Then, implement the strategy by making a set of decisions. Submit these decisions according to the schedule in the instructions. Play two rounds of the game. In class, we will discuss the following questions:
 2. What strategic position have you chosen for your firm?
 3. How did your decisions reflect that position?
 4. What were your expectations before you saw the results of the first round? Were there any surprises? If so, what?
- Assignment to hand in: Outline of final paper due at the beginning of class.

Class 19: No class: Time for team meetings/running simulation (11/12)

Class 20: Integrating and applying concepts (11/17)

- Readings: N/A
- Case: Business Strategy game
 1. Play one more round of the game. Submit the decisions according to the overall schedule for the simulation. Reflecting on the results from the first three rounds of the game, determine if you should maintain your original strategy or change it. Then, go to the strategic planning page and fill out the strategic plan for your business (you will only be able to access this after the 3rd round runs). Print out the strategic plan and bring it to class. In class, we will discuss the following questions:
 2. Is the strategy reflected in your strategic plan different from your plan of attack for the first 3 rounds?
 3. What challenges did you face in developing the plan?
 4. Is this planning exercise realistic? Why or why not?

- Assignment to hand in: Hand in a printout of your strategic plan. This is a team assignment, so only hand in one printout per team.

Class 21: No class: Time for team meetings/running simulation (11/19)

Class 22: Integrating and applying concepts (11/24)

- Readings: N/A
- Case: Business Strategy game
 1. Run 3 more rounds of the game according to the schedule established in the instructions. Compare your results to those you anticipated in your strategic plan. In a one page write-up, answer the following questions:
 2. Did you get the results you anticipated in your strategic plan? Why or why not?
 3. What was the strategy that you chose to implement? In retrospect, what should you have done?
 4. What lessons about strategy do you take away from this exercise?
- Assignment to hand in: Hand in one page answering the questions above at the beginning of class. This is a team assignment, so only hand in one page per team.

Class 23: Group presentations of final paper (12/1)

Class 24: Group presentations of final paper (12/3)

Class 24: Group presentations of final paper (12/8)

Class 26: Wrap up and conclusions (12/10)

- Readings: C. Christensen, "The past and future of competitive advantage," MIT Sloan Management Review, Winter 2001, pp. 105-109.
D. Lovallo, L. Mendonca "Strategy's strategist: An interview with Richard Rumelt," McKinsey Quarterly, 2007, Issue 4, pp56-67
- Case: N/A

Assignment to hand in: Final paper is due on Tuesday, December 15 by 5 p.m. uploaded to webCafé folder and hard copy delivered to my office at SH-DH 2027.

OVERVIEW OF MGMT 223, CLASSES AND CONCEPTS

PROFESSOR OLIVIER CHATAIN

Class	Date	Topic	Analytical tool/ theoretical perspective	Case or simulation
Introduction				
1	9/10	Introduction and course overview	The concept of strategy	N/A
2	9/15	Introduction and course overview	The concept of strategy	Case: Edward Jones
How to compete, Part I: Competitive advantage and competitive positioning				
3	9/17	Foundations: Creating, Capturing and Adding Value	Value-Based Strategies	
4	9/22	Added Value and competitive advantage	Value-Based Strategies	Case: Formula One Racing
5	9/24	Competitive positioning I	Generic strategies Strategic groups Willingness-to-pay and cost	Case: Dell
6	9/29	Competitive positioning II	Willingness-to-pay and cost	Case: Samsung
7	10/1	Strategic interaction	Competitor analysis Game theory	Case: Ryanair
How to compete, Part I: Industry context				
8	10/6	Structural analysis of the industry	Five forces Strategic groups	Case: Coke and Pepsi
9	10/8	Network Externalities, Standards and Industry Dynamic	The Value Net	Case: The eBook industry
How to compete: Summary				
10	10/13	Integrating understanding of competitive advantage	Review of concepts	Case: Sunrise
Where to compete: Firm capabilities and corporate strategy				
11	10/15	Understanding differences in firm-level capabilities	Resource-based view Core competences	Case: McKinsey
12	10/20	Understanding differences in firm-level capabilities	Resource-based view Core competences	Case: Nucor
13	10/22	Building a portfolio of activities	Resource-based view Core competences	Case: Leerink Swann
14	10/27	Vertical scope of the firm	Transaction costs and vertical integration	Case: Disney
15	10/29	Managing the Corporation in Technological Transitions		Case: Kodak

Class	Date	Topic	Analytical tool/	Case or simulation
-------	------	-------	------------------	--------------------

theoretical perspective				
Integration of concepts				
16	11/3	Introduction to the Business Strategy Game Simulation	Integration and application of concepts	BSG Game
17	11/5	Integration of concepts: case analysis	Integration and application of concepts	BSG Game
18	11/10	Integration of concepts: play initial strategy	Integration and application of concepts	BSG Game
19	11/12	No class: time for running simulation	Integration and application of concepts	BSG Game
20	11/17	Integration of concepts: develop strategic plan	Integration and application of concepts	BSG Game
21	11/19	No class: time for running simulation	Integration and application of concepts	BSG Game
22	11/24	Integration of concepts: play additional rounds, evaluate results	Integration and application of concepts	BSG Game
23	12/1	Group presentation of final paper	Integration and application of concepts	N/A
24	12/3	Group presentation of final paper	Integration and application of concepts	N/A
25	12/8	Group presentation of final paper	Integration and application of concepts	N/A
26	12/10	Wrap Up.	Review	N/A