

MHR 7412 Syllabus v.2 Aug. 23
COMPETITIVE ANALYSIS

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Office Hours: By Appointment

Class: Monday & Wednesday 10:15 – 11:45am

Gerlach 275

The objective of *Competitive Analysis* is to improve your ability to analyze an industry's competitive situation and related firm's strategies in a more realistic setting than is possible using the case method. While many MBA level business courses offer insight into the basic strategic and organizational concepts, few students leave their MBA education adequately prepared to undertake the tasks associated with rigorous strategic analysis. Often this lack of preparation is due to difficulties students have translating the insights presented in conceptual lectures or pre-packaged case discussions to ill-structured, real world business problems. This course emphasizes analysis of "real-world" firms and industries.

We accomplish this objective by first reviewing the theoretical tools of industry analysis that you learned in the core strategy course. From here we go deeper to apply these tools/frameworks to industries using real-time raw data from industry and firm sources. Overall, this course seeks to help students to bridge the gap between evaluating industries from a theoretical perspective via preset case studies and real-world analysis where you must identify the relevant information for evaluating an industry's profitability growth prospects and the sources of sustainable competitive advantage for firms within that industry. The ability to use these tools appropriately helps student to efficiently identify relevant information embedded in massive amounts of publicly available data & information, how to assess the relationships among key variables highlighted by management theory, and how to interpret those relationships to develop educated opinions regarding the value creation opportunities in an industry and the viability of a firm's strategy in a specific context. Ultimately, the course is designed to provide opportunities to link theories from one's coursework with field data in order to create well-grounded insights about how an industry.

The pedagogical approach taken in *Advanced Competitive Analysis* involves a mixture of discussion sessions and experiential workshops. The discussion sessions review the conceptual underpinnings and propositions associated with fundamental tools of competitive analysis, present examples of how these tools may be applied in practice, and provide recommendations to guide students in their own data collection and analysis efforts. In experiential workshop sessions students are asked to collect publicly available information regarding a well-known industry and a company within that industry, conduct their own examination of the issues, and present their analysis to the class as a whole. Group discussions accompany these workshops and offer opportunities for students to draw inferences from the data, practice identifying competitive issues, and discuss potential managerial activities that may address these issues. Ultimately, the process is designed to allow students to look at an industry through the lens of management theory to gain an accurate and comprehensive understanding of a company within that industry.

COURSE REQUIREMENTS AND GRADING

Required Materials:

- **Book:** Barney, Jay B., and Clifford, Patricia. (2010). *What I Didn't Learn in Business School: How Strategy Works in the Real World*. Boston: Harvard Business Review Press.
- Other readings will be available either in a digital course pack (HBS) or via links in Carmen.
- I reserve the right to add readings (*an example might be an article published after our first class*) or slightly modify assignments during the course.

Grading:

The overall course grade will reflect your performance in terms of the:

- Individual Assignment 1: (10%)
- Team Assignment (40%)
- Class Participation (25%)
- Final Individual Paper (25%)

Individual Assignment

Each student will write a one page paper summarizing strategy frameworks previously studied and identifying where they are comfortable, or not, in applying them in a real business situation.

The detailed prospectus will be available in Carmen.

Team Assignment:

Students will be assigned teams of five or six individuals on the first day of class. Each team will be required to conduct a workshop for the course along with one other team. Each workshop will address an assigned industry which is currently experiencing dramatic change (for example, health care, banking, auto/mobility). Teams will be responsible for conducting their own research and analysis using available data & information to develop their insights.

The objective of the workshop is to provide students with an opportunity to examine an industry through the lens of assigned strategy frameworks. Each team assignment should identify the: (a) assumptions and propositions associated with the framework being applied to address this issue, (c) available data to test these propositions and/or the results of your analysis, and (d) recommended managerial actions. The teams assigned to a Workshop will be responsible for the design of the class on their assigned day (Team collaboration is obviously required). While you are welcome to cite data from other sources, you must attribute any information or insight gleaned from analyses performed or published by others (e.g., academic cases, investment analysis reports, etc.). To facilitate data collection, I suggest analyzing **public firms**. A focus on public firms will ease your data collection efforts by providing access to a number of data sources (e.g., 10-Ks, published articles, corporate websites, etc.).

The detailed prospectus will be available in Carmen.

Class Participation:

Since much of our learning will occur through in class discussion, the grading plan attempts to emphasize the *quality* of insight you provide through your comments, not just quantity.

- *Excellent class participation* will be earned when students' comments demonstrate that they can develop creative and innovative insights regarding the business tools and problems discussed in class or extremely thoughtful questions.
- *Good class participation* will be earned when students' comments demonstrate that they understand the presented business tools and can generate some productive insights and questions from this understanding.
- *Poor class participation* will be earned when students' indicate that they have not been able to develop a

solid understanding of the business tools or problems discussed in class or do not participate in class discussions.

At the end of the semester teams may be given an opportunity to evaluate the contribution of each team member. As required by school policy, grading will be based on relative rather than absolute standards.

This is an elective course so my goal is to provide an enjoyable learning opportunity for all of us! Please come prepared to contribute!

Final Individual paper:

Each student will write a paper (approximately 4 pages) summarizing their

- Insights regarding two articles dealing with dramatic, high level industry change.
- Key lessons learned in the course
- Suggestions for improvement for the course

The detailed prospectus will be available in Carmen.

COURSE AGENDA

Session 1: Wednesday, August 24
Topics: **Syllabus Review**
Review of Strategy Frameworks and Tools; Defining Competitive Advantage
Establish Teams (6 Teams, 5 students per team)

Readings: (**previously Assigned in Strategy & Implementation, MBA 6391*)

- “What Is Strategy”, Michael Porter, HBR*
- “Understanding Industry Structure”, Porter, HBR*
- “What executives can learn from revisiting Michael Porter”, Magretta, Strategy & Leadership
- *Optional: “Guidelines for applying Porter’s five forces framework: a set of industry templates, Dobbs*

Session 2: Monday, August 29
Topics: **Framework Level Set: Discussion of First Assignment**
Competitive Advantage (Added Value and Activity Analysis)

Readings: (**previously Assigned in Strategy & Implementation, MBA 6391*)

- “Creating Competitive Advantage”, pages 1-10, Ghemawat & Rivkin, HBR*
- What I Didn’t Learn in Business School. (Prologue + Chapter 1)

Assignment: **Individual Papers Due** at beginning of class

Session 3: Wednesday, August 31
Topics: **Approaching the Challenge; Five Forces; the Seduction of Net Present Value**
Gathering Insight

Readings:

- What I Didn’t Learn in Business School. (Chapters 2 - 4)
- “Finding information for industry analysis”, Rivkin & Cullen, HBR

LABOR DAY **Monday, September 5**

Session 4: Wednesday, September 7
Topics: **SWOT; VRIO; Synergies; Mergers and Acquisitions**

Readings:

- What I Didn’t Learn in Business School. (Chapters 5-7)

Session 5: Monday, September 12

Topic: **Value Chain**

Readings: (**previously Assigned in Strategy & Implementation MBA 6391*)

- “Creating Competitive Advantage”, pages 10-19, Ghemawat & Rivkin, HBR*
- What I Didn’t Learn in Business School. (Chapters 8-9)

Session 6: Wednesday, September 14
Topic: **Guest Speaker: Kara Trott, CEO and founder, Quantum Health**

Session 7: Monday, September 19
Topic: **Guest Speaker, Mark Kvamme, Partner, Drive Capital**

Session 8: Wednesday, September 21
Topic: **Guest Speaker, Greg Tunney, President & CEO, RG Barry Corporation**

Session 9: Monday, September 26
Topic: **Blue Ocean Strategy**

Readings:

- “Blue Ocean Strategy”, Kim & Mauborgne, HBR
- What I Didn’t Learn in Business School, (Chapters 10-12)
- *Optional: “Value Innovation”, Kim & Mauborgne, HBR*

Session 10: Wednesday, September 28

Workshop 1: **Teams 1 & 2**

Session 11: Monday, October 3

Workshop 2: **Teams 3 & 4**

Session 12: Wednesday, October 5

Workshop 3: **Teams 5 & 6**

Session 13: Monday, October 10
Topic: **Open Discussion of Team presentations**

Readings:

- “Every aspect of your business is about to change”, Colvin, Fortune
- “The future and how to survive it”, Dobbs, Koller, and Ramaswamy, HBR
- What I Didn’t Learn in Business School, (Chapters 13-14)

Assignment: **Final Individual Paper Due TBD** (October 10-12)

CLASSROOM POLICIES

Attendance. Since class participation is part of the grading consideration, attendance matters. I will circulate a sign-in sheet at the start of each class for your signature. This will be the basis for determining unexcused absences. ***There will be one unexcused absence for the term. Any unexcused absence beyond the first without advance notice will adversely impact your class participation evaluation, unless due to a true emergency.*** Regarding excused absences, I assure you I am extremely understanding about such issues, and realize that people (even MBA students!) have personal lives. I know there will be the occasional personal emergencies or business travel that comes up. I will excuse absences in the case of documented serious illness, family emergency, religious observance, or civic obligation. If you will miss class for religious observance or civic obligation, please inform him no later than the first week of class. I will absolutely consider such issues as legitimate, excused reasons to miss a class... **as long as you let me know in advance, if at all possible.** This advance notification will be on the honor system...you do not need to provide any documentation. Rather simply notify me before class that you have a personal or professional conflict that will cause you to miss class. ***Please do not exploit this privilege!*** This applies to both class attendance and assignment due dates.

If we have a guest speaker, attendance in class is even more critical. Also, please be on time on guest speaker days rather than walk in while the speaker is already presenting. If you must arrive late, you MUST advise me in advance and I will notify the speaker before they start. In addition please stay in the room during the complete session. I trust you can understand the need for this discipline. We are collectively representing the Fisher College and Ohio State University.

Disability Services. Any student who feels s/he may need an accommodation based on the impact of a disability should contact me privately to discuss your specific needs. Please contact the Office for Disability Services at 614-292-3307 in room 150 Pomerene Hall to coordinate reasonable accommodations for students with documented disabilities.

Technology: The use of laptops, smartphones, & other electronic devices are allowed in class, except during workshops and guest lectures. Please be considerate of others if using technology in the classroom – don't be disruptive.

Academic Integrity: Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's Code of Student Conduct, and that all students will complete all academic and scholarly assignments with fairness and honesty. Failure to follow the rules and guidelines established in the University's Code of Student Conduct and this syllabus may constitute "Academic Misconduct." The Ohio State University's Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's Code of Student Conduct is never considered an "excuse" for academic misconduct. I recommend that you review the Code of Student Conduct and, specifically, the sections dealing with academic misconduct. If I suspect that a student has committed academic misconduct in this course, I am obligated personally and required by the university to report my suspicions to the Committee on Academic Misconduct (COAM). If COAM determines that you have violated the University's Code of Student Conduct (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University. If you have any questions about the above policy or what constitutes academic misconduct in this course, please contact me.
