



Strategy at Fisher

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Strategy Major & Concentration: General Topics

- How is economic value created?
- How is economic value distributed within and across firms?
- How can manager's influence the value created and captured by their firm?

Strategy Major & Concentration: Job Prospects

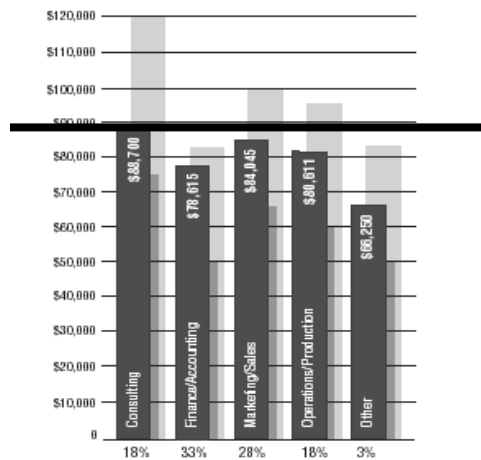
- Avg. salary ~\$88,000¹
 - Consistently ~10% Greater than MBA Avg.
- Placement in analyst & consulting firms:
 - Analyst Positions: Battelle, BCVC, Cinergy, Nationwide, OCLC, ...
 - Consulting Positions: Accenture, Mercer, IBM Research...
- Indirect opportunities:
 - Job offers through BST & other courses: Abbott, Ashland, Nationwide, NCR, ...

¹ FCoB, Career Services Annual Report (2006-07)

Strategy Major & Concentration: 2007 Job Prospects

Average MBA Starting Salaries and Percentage Breakdown by Job Function

■ low of range
■ high of range



FCoB, Career Services Annual Report (2006-07)

What is Strategy?

What's Strategic about Strategy?

Marketing strategy?

Human resource strategy?

Manufacturing strategy?

Accounting strategy?

Financial strategy?

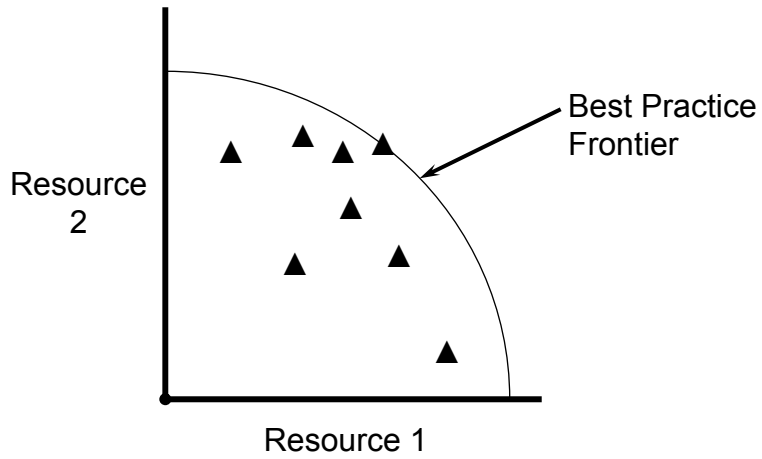
Strategy is NOT a mission statement ...

- A mission statement
 - Can affect strategy and improve performance (Johnson and Johnson)
 - Can affect strategy and hurt performance (Ben and Jerry's)
 - Most common—has limited impact on either strategy or performance (Enron)
- But ...
 - The strategic management process
 - Types of mission statements
 - List of things a firm currently does
 - Motherhood and Apple pie statements
 - List of ambitions

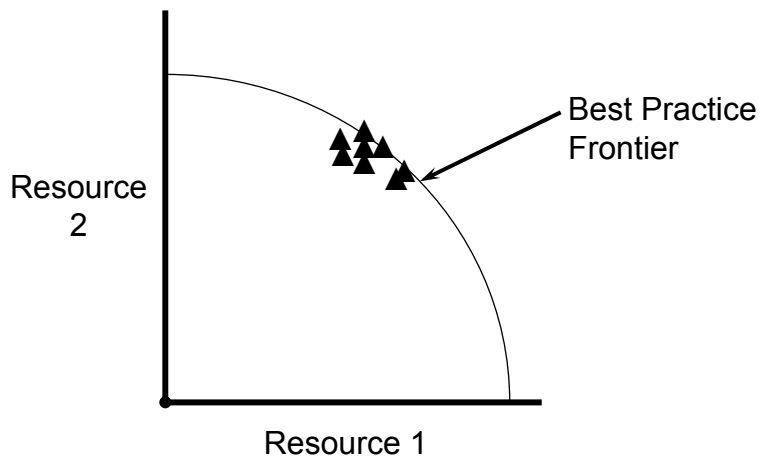
Strategy is NOT a strategic plan

- Strategic plans are ...
 - Usually operational projections
 - Often ignored

Strategy is NOT Operational Effectiveness



Strategy is NOT Operational Effectiveness

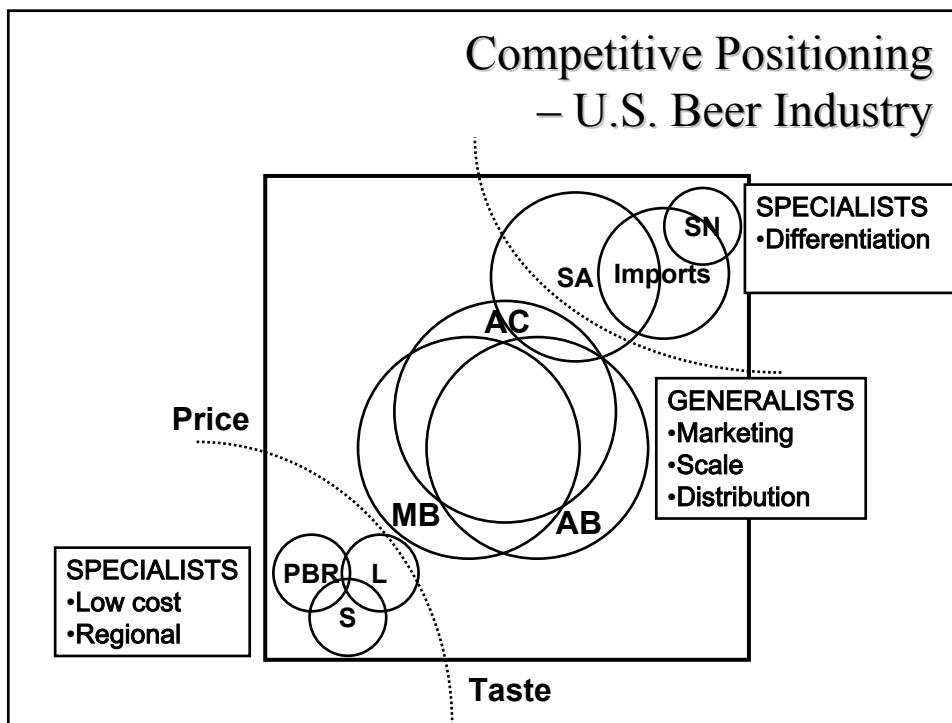


Strategy is NOT Operational Effectiveness

- What happens when all firms increase quality?
- What happens when all firms reduce costs?
- What happens when all firms increase customer care?

- Benchmarking encourages replicated strategies.
 - Best practices diffuse (and firms become more alike).
- Firms typically cannot sustain high performance through operational effectiveness.
- Value created becomes value captured by customers.

Competitive Positioning – U.S. Beer Industry



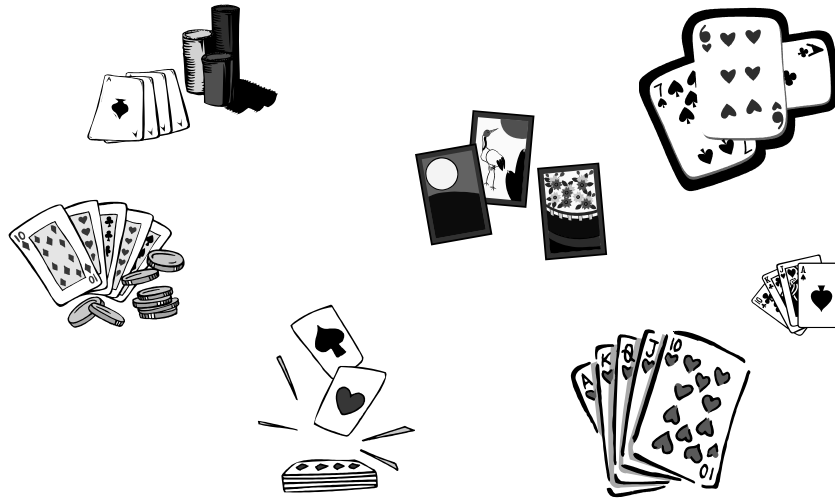
Strategy is a way to think about
a set of fundamental questions ...

- Why are firms different and how do they compete?
- What is the role, or value added, of management?
- How does management influence the behavior and performance of firms?

... that are intimately related to
performance:

- When translated to decision making-oriented questions, we have:
 - How does my firm develop a competitive advantage?
 - How do we sustain competitive advantage?

Strategy Provides a
Theory to Gain Competitive Advantage



Competitive Advantage is
Not About being the Dominant Player

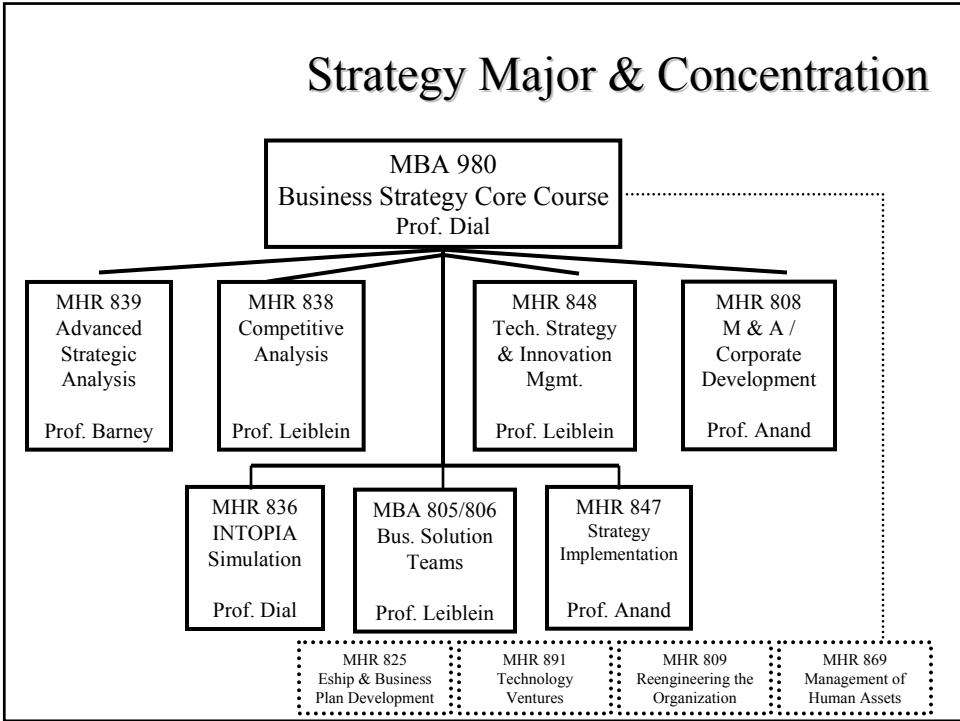


Competitive Advantage
is NOT About Taking Audacious Risks



Strategy is a firm's theory of
how to win its competitive game

- “Good” strategies . . .
 - are based on rigorous scientific principles (e.g., economics)
 - are consistent with well understood behavioral principles (e.g., how organizations work)

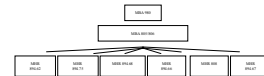


MBA 980: Business Strategy Core

- **When:**
 - Full-time (spring) & 2 evening (summer).
- **Topic / Issues:**
 - Introduction to “Business” Strategy & Competitive Advantage.
- **Tools / Concepts:**
 - Industry Analysis
 - via “5 Forces” & IO Econ.
 - Competitive Analysis
 - via Competencies & RBV.

MHR 839: Advanced Strategic Analysis

- **When:**
 - 1 full-time & evening elective (fall)
- **Topic / Issues:**
 - Develop your ability to identify advantage in and across multi-divisional firms.
- **Tools / Concepts:**
 - Introduce “advanced” theories
 - RBV, TCE, & Real Options
 - Develop a theory of why firms exist
 - Why do firm (vs. markets) exist?
 - Can multi-divisional firms create advantage?
 - How to develop alignment between incentives, control structures, & characteristics of key competencies.



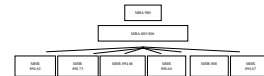
MHR 838: Advanced Competitive Analysis

- **When:**
 - 1 full-time & evening elective (fall)
- **Topic / Issues:**
 - Develop your ability to apply strategic management techniques with real firms and data.
- **Tools / Concepts:**
 - Map competitive positions & assess industry attractiveness.
 - Conduct value- & consumption chain analyses.
 - Estimate willingness to pay and “option” value associated with sequential investments.
 - Link quality of strategy, resources, and managerial decisions to shareholder valuation.



MHR 848: Technology Strategy

- When:
 - 1 full-time elective (winter)
- Topic / Issues:
 - Develop your ability to identify advantage in uncertain and dynamic environments.
- Tools / Concepts:
 - What factors affect the rate of change in technical progress, the diffusion of consumer preferences, and nature of competition?
 - How can managers capture value from valuable (knowledge intensive) innovations?
 - How should managers assemble and organize the knowledge resources needed to solve problems?



MHR 808: M&A & Corp. Development

- When:
 - 1 full-time and 1-evening elective (spring)
- Topic / Issues:
 - How do acquisitions create (or destroy) economic value?
- Tools / Concepts:
 - What forces drive firms to merge or acquire?
 - How do managers value target firms?
 - How can managers capture value through proper negotiation and internal decision making?
 - How to use post-acquisition integration to ensure that the value creation potential is realized?



MHR 847: Strategy Implementation

- When:
 - 1 evening elective (winter)
- Topic / Issues:
 - Applications Course ... How do strategy & structure relate?
- Tools / Concepts:
 - Problem diagnosis and problem solving in times of strategic change
 - Emphasis on the decisions, actions, and conditions that facilitate the successful attainment of strategic objectives
 - A deeper understanding of the design, direction, and functioning of managerial processes that allow managers to influence their organizations ability to embrace strategic and organizational change.



MBA 805 & 806: Business Solution Teams

- When:
 - 1 full-time & (possibly) 1 evening elective (fall / winter)
- Topic / Issues:
 - Applications Course ... Structured Problem Solving.
- Tools / Concepts:
 - How do you apply (core MBA) theories to ill-structured problems?
 - To systematically define business problems
 - To systematically develop solutions
 - How do you manage a decision making process
 - And manage client expectations in a “real” world situation
 - Previous clients include 3M, ABB, Bank One, Battelle, Cinergy, Dow, GE/Superabrasives, Ethiopia, Limited, NCR, etc.

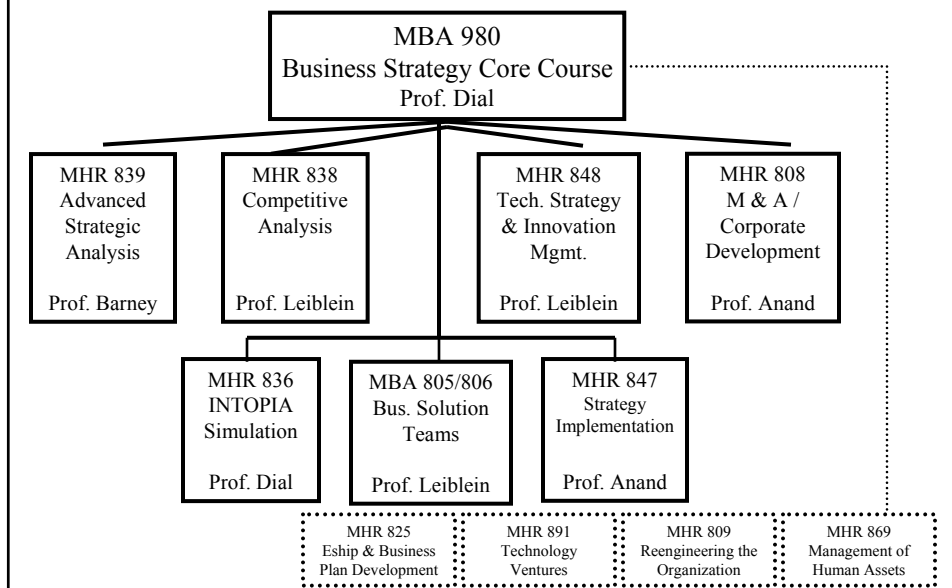


MHR 836: Intopia Simulation

- **When:**
 - 1 evening elective (winter)
- **Topic / Issues:**
 - Applications Course >>> Data given, now analyze.
- **Tools / Concepts:**
 - Develop your ability to apply basic conceptual techniques in a competitive setting.
 - Develop business plans and compete with other student teams (via a simulation).
 - How do you react in a dynamic and uncertain environment (changes in the simulation).



Strategy Major & Concentration



Requirements (and my personal sequence suggestions)

- Major:
 - Five select electives.
 - **Strategy Application:** MBA 805 / 806 (BST); Advanced Competitive Analysis (F), Advanced Strategic Analysis (F), INTOPIA Simulation (W), & Strategy Implementation (S).
 - **Corporate Focus:** MBA 805 / 806 (BST); Advanced Strategic Analysis (F); Mergers, Acq. & Corp. Development (W/S); & Strategy Implementation (S).
 - **Innovation Focus:** MBA 805 / 806 (BST); Advanced Strategic Analysis (F), Technology Strategy (W), & Mergers, Acq, Corp. Development (S/W).
- Concentration:
 - Three select electives.