2/28/2005
BUS 370

AGENDA

1. ADMIN (contracts proposals bankers)
2. QUESTIONS
3. FRAMEWORK => SHIFTING SANDS ARTICLE
4. GE
5. CHR'S QT'S CONCEPTS
6. NEXT WEEK
Global Warming and the Kyoto Protocol
Fresh Look at Industry Analysis
Note on the Structural Analysis of Industries

3 Chapter 4
The Shifting Sands of Competitive Advantage

4 Chapter 5
Strategy as a Balance
Strategy from the Inside Out
Notes on Competitive Positioning

5 SWOT and Action Plan
Mastering Balance
The Centre is in the Implementation
Keys to Successful Strategy Execution
Managing in the Age of Burns
Beyond Strategy: Configuration as Competitive Advantage

6 Chapters 6-10
Leading by Leveraging Culture
Balancing Corporate Power
Advice and Dissent

GE's Digital Revolution
Project outline due: Submit your team contract

Gas Pagani and Sears Logistics Group

John Trand's First Year

3M: Profile of an Innovating Company

SPRING BREAK
**Core Competencies - which add value to your edge**

- Be the leader
- Beware copycats
- Think outside the box
- Shadow task force (Devil’s Advocate)
- Develop new and multiple competencies
- Know your customer’s current and future needs
- Continuous improvement
- Learning organization
- Experiment
PRESSURE ON PEOPLE
BEST PRACTICES
BENCHMARKED (INTERNAL EXTERNAL)
EMPHASIS ON THE "RIGHT" PEOPLE
LEVERAGED COMPETENCIES
LONG TERM PERSPECTIVE
3A. Are the company’s prices and costs competitive (page 98)?
This question applies to all companies independent of the strategy (cost or differentiation) they use to compete in their industry. Using the following criteria, assess each step in the value chain (inbound logistics and supplies, operations, outbound logistics, sales and marketing, service, R&D, human resources, general and administrative) and compare each step with the competitor’s prices and costs. After completing this analysis, examine the value chain as a whole. How does the integration of each successive step in the value chain lower costs? Finally, assess the value chain of the company in the context of the industry (page 132).

<table>
<thead>
<tr>
<th>Structural cost drivers</th>
<th>Inbound Logistics</th>
<th>Operations</th>
<th>Outbound Logistics</th>
<th>Sales and Marketing</th>
<th>Service</th>
<th>Profit Margin</th>
<th>R&amp;D</th>
<th>HRM</th>
<th>A &amp; G</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scale economies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Learning curve</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology requirements</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital intensity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product line complexity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Etc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Execution cost drivers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment to continuous improvement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product quality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Process quality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity utilization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal business processes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>