

## Proposed Syllabus for "Survey in Business Strategy"

### Instructors:

The class will be taught by Tyler Hannasch and Ryan Newton with guidance from Jean-Laurent Rosenthal.

### Units:

The class will be 3 units for 1 hour of lecture, 1 hour of discussion, and 1 hour of homework each week.

### Purpose:

This class seeks to provide an introduction to many different topics of business strategy. It is our hope that in addition to getting a solid grounding in the subject, students will be inspired to further pursue some of the topics we address.

Additionally, we will look at many topics through the lens of management consulting, an industry that attracts many Caltech students. In this way the class will hopefully give students some insight into the world of management consulting and allow them to make a more informed choice on whether or not it is a career path they wish to pursue.

### Homework:

Students will prepare for class by either completing a reading pertaining to the topic to be covered that week or submitting a one-page response to a case reading. There will be a total of four readings and five cases throughout the term.

Additionally, students will be asked to look in the news for articles about strategic decisions companies are currently making. These articles will serve as a foundation for discussion with students debating the strength and weaknesses of the decision in question.

### Passing:

Final grades will be based on:

- 50% Case Responses (5 assignments)
- 50% Discussion & Class Participation

A grade of 70% or above will be considered passing.

### Schedule:

Week 1: Industry Analysis

- Reading: Michael Porter, "What is Strategy?," *Harvard Business Review*, November 1996.
- Lecture: Discuss methods of analyzing the competitive landscape of an industry.

Weeks 2 & 3: Differentiation

- Reading: Judith Chevalier, "The Pros and Cons of Entering a Market," *Financial Times Mastering Strategy*

- Homework Case: Enterprise Rent-a-Car
- Lecture: Introduce differentiation theory and discuss its application to the Enterprise case

#### Week 4: Sources of Competitive Advantage

- Homework Case: DreamWorks: Challenging Disney's Supremacy
- Lecture: Product positioning as a means of competing against a superior force.

#### Week 5: The Product Life Cycle

- Reading: Farrell and Saloner, "Competition, Compatibility, and Standards: The Economics of Horses, Penguins, and Lemmings,"
- Homework Case: EMI and the CT Scanner
- Lecture: Understanding the product life cycle theory and its application in the EMI case.

#### Week 6: Organizational Design

- Homework Case: Masco, The Household Furniture Industry in 1986
- Lecture: Understanding how the structure of the organization should fit the product and six forces environment in which the firm operates

#### Week 7 & 8: Bargaining, Cooperation, and Price Wars

- Reading: Brandenberger and Nalebuff, "The Right Game: Use Game Theory to Shape Strategy," *Harvard Business Review*, 7-8/95, 57-71.
- Homework Case: General Electric vs. Westinghouse in Large Turbine Generators
- Lecture: Understanding the circumstances in which cooperation succeeds and when it will fail; along with means of establishing cooperation

#### Weeks 9 & 10: Anti-trust & Signaling Theory

- Lecture: Understanding basic antitrust constraints on strategy and the strategic use of antitrust against competitors
- Lecture: Understanding signaling and the strategic use of signals

#### **Instructor:**

*Tyler Hannasch (Senior - Mechanical Engineering and BEM major)*

I've been very interested in business since I started Caltech, and am double majoring in BEM. I have done very well in my classes (earning a 4.0 BEM GPA), and in order to gain practical experience in business strategy I have pursued several extracurricular activities. In particular, I led a team which developed and marketed VCoder, a medical reporting software for a local vascular surgery firm. I interned in the management consulting industry with Bain & Company this summer and will be returning to work with them after I graduate. I have talked with many students who are interested in learning more about future opportunities in business and I hope to be able to share my experience with them, and in particular help them decide if this path is a good fit for them.

*Teaching Experience* - TA for Competitive Strategy, Introductory Economics, and Advanced Corporate Finance. Instructor for Quantitative Investing Strategies over the last two terms.

*Ryan Newton (Senior - Mechanical Engineering and BEM major)*

I grew up with parents who are both small business owners, and have been interested in business my whole life. I have been a Mechanical Engineering and BEM major since getting to Caltech, two fields that I feel are aligned with starting and running a successful business. I am also the Vice President of the Entrepreneurial club, have started my own tutoring business, and after graduation I will be working with Bain & Company as an Associate Consultant. Many of my friends and house mates have voiced an interest in going into consulting or business, but seem to lack the fundamental knowledge of business strategy. It is my goal to help them get started understanding how strategy works, as well as discuss the different career opportunities for a Caltech graduate interested in business.

*Teaching Experience* – I have been a personal tutor for the past three years.