University of Southern California

Marshall School of Business

Executive MBA (San Diego) SD8

Theme IV: Operations Management and Competitive Advantage

Theme V: Strategic Communication

**Theme Introduction and Overview**

The objective of Theme IV is to explore how firms achieve competitive advantage through careful strategy formulation and superior operations. The objective of Theme V is to analyze and enhance your individual leadership and strategic communication behaviors. Details of the themes’ evaluation and content are provided below.

**Evaluation**

The percentage breakdown of the Theme 4 grade (six units) is as follows:

Competitive Strategy 25% (20 % based on final exam and 5% based

 (Arvind Bhambri) on in-class multiple choice quizzes)

Operations 50% (15% based on a group project, 5%

(Raj Rajagopalan) class participation and 30% final exam)

 Strategic Communication 25% (25% based on final skill development project)

(Greg Patton)

The percentage breakdown of the Theme 5 grade (two units) is as follows:

Strategic Communication 100% (100% based on final skill dev project)

(Greg Patton)

For your convenience, here are the dates when the assignments and exams are due:

**Competitive Strategy:** There will be a take-home final exam that will consist of a case. You can choose to submit the case write-up as an individual or with a partner. Requirements stay the same. The final exam business case and the Competitive Strategy questions will be distributed on Saturday, May 10, 2014, and your paper is **due before 10 am on Monday, May 19, 2014**.

**Operations:** There is one project assignment to be done in groups **due on May 23** before class (via email). Details of the project assignment are provided in a separate document. The final exam, to be done individually, will be handed out on Sat, June 7 and is **due back by** **June 16 (Mon)** midnight.

**Strategic Communication**: There are two assignments related to your personal development that are conducted in coordination with the USC Marshall Career Resource Center (CRC). These are a Brand memo due **April 25 (Fri)** and an informational interview memo due **June 6 (Fri)**. Both of these assignments are then integrated into your end of term Development Project. Your Communication Skills Development Project assignment is worth (100%) and is **due on June 14 (Sat)** after the conclusion of the theme.

**Themes 4 and 5 Overview**

The major components or modules of the themes, discussed in greater detail below are: Operations and Supply Chain Management (Raj Rajagopalan); Competitive Strategy (Arvind Bhambri); and Strategic Communication (Greg Patton)

**I: Operations and Supply Chain Management (Raj Rajagopalan) (Theme IV)**

This short course serves as an introduction to Operations and Supply Chain Management. We approach the course from the perspective of the general manager rather than from that of the operations specialist. The coverage is selective: we concentrate on a small list of powerful themes that have emerged as the central building blocks of world class operations. This component of the theme is broadly concerned with how to ensure that the supply of products and services is matched with demand and doing it in a cost-effective and timely manner. This in turn requires that the firm have efficient processes and adequate resources to achieve timely delivery of high quality products and services while being competitive in costs. As part of this module, the following topics and issues will be discussed:

* **Process Improvement and Lean Operations:** Understanding key elements of a production process such as capacity, bottlenecks, cycle time, cost drivers, etc. Elements of lean operations and how they apply to both manufacturing and service firms. Similarities and differences between manufacturing and service operations, designing service systems. Basic concepts and tools used in six sigma and approaches maintaining and improving quality and productivity.
* **Supply Chain Management:** How to ensure that the right product is available at the right time in the right place using the appropriate supply chain network, replenishment policies, inventory levels and logistics processes. We explore how firms achieve superior supply chain performance and use systems such as quick response, vendor managed inventories, etc. to better coordinate and share information in a supply chain.
* **Revenue or Yield Management:** There are many service firms that cannot carry inventory and changing capacity is difficult in the short run. We discuss how pricing can be used as a tool to match capacity and demand in such service environments. Example: A service firm such as airline cannot carry “inventory” unlike a manufacturing firm and so must carefully price demand as a function of demand patterns.
* **Achieving competitive advantage through Operations:** We explore how firms can achieve competitive advantage through superior operations and how this advantage can be sustainable. We also discuss how to match a firm’s operational process to its target market and thus achieve consistency between the operational and business strategies.

The readings and detailed session information for each of the Operations sessions are provided in your binder against each day’s schedule.

**II: Competitive Strategy (Arvind Bhambri) (Theme IV)**

The purpose of this module in theme 4 is to lay the foundation for an integrative view of strategy analysis and development. The ultimate purpose of a strategist is to create and sustain competitive advantage to create and capture value. Towards this end, a strategist needs, at minimum, to do the following:

* Understand a company’s external environment with sufficient insight to identify valuable opportunities;
* Configure the company’s activities to achieve a competitive advantage;
* Sustain and renew the company’s competitive advantage in the face of competitive actions; and
* Ensure that the company not only creates value but also captures it.

Our discussion of strategy will be spread over two themes: 4 and 8. In theme 4, we will begin with a basic overview of strategy, and introduce generic strategies, activity systems and business models. We will build on these basic concepts in theme 8 with a deeper discussion of industry mapping, competitive advantage, competitor dynamics, corporate scope, and renewal.

The strategy readings and cases in theme 4 are listed below.

Readings:

Can You Say What Your Strategy Is? D. Collis and M. Rukstad     HBR R0804E

What is Strategy? Michael Porter, Harvard Business Review (HBR 4134)

Blue Ocean Strategy, W. Chan Kim and R. Mauborgne (HBR R0410D)

Competitive Advantage: The Value Chain and your P&L, Joan Magretta (HBSP 8890BC)

Strategic Intent, G. Hamel and C. K. Prahalad (HBR 6657)

The Five Competitive Forces that Shape Strategy, Michael Porter, (HBR R0801E)

Why the Lean Start-up Changes Everything, Steven Blank (HBR R1305C)

Cases:

Dogfight over Europe: RyanAir (A) (9-700-015)

Teva Pharmaceutical Industries (9-707-441)

Tesla Motors (9-714-413)

**III: Strategic Communication (Greg Patton) (Theme IV & Theme V)**

The primary objective of this Strategic Communication module is to analyze your strategic leadership and communication behaviors and enhance your personal development in this area. This strategic communication component culminates in the Year One Communication Skill Development Project. The USC Marshall, Keenan MBA Career Resource Center (CRC) has been integrated into this initiative to enhance your efforts. This Project comprises 25% of your Theme IV and 100% of your Theme V grade and is a strategic assessment of your skills and identification of a detailed and focused development plan for the rest of your Executive Program.

The strategic communication component centers on individual effectiveness and focuses on communication skills involved in connecting interpersonally, relationally and in small groups and team while presenting your ideas and leading initiatives. These sessions include theory and application, assessments and peer feedback and exercises and simulations that will enable the generation of a detail personal assessment and development plan. There are a series of personal assessments that we will leverage including the Strength Deployment Inventory (SDI) and the multi-rater Professional Communication Inventory (PCI). The topics and issues discussed in theme IV/V include:

* **Skills Assessments & Personal Development:** Constructive feedback and regular feed forward is integral to continued executive development and yet, in many situations, the higher you go, the less constructive feedback you can expect. Feedback is an ongoing process that involves creating an appropriate environment, motivating interest and coaching others to be successful. We will address the dilemma of executive feedback while preparing you for your final communication report.
* **Professional and Career Development:** We will be joined in this theme by John Bertrand, Senior Associate Director for Programs & Education at the USC Marshall, Keenan MBA Career Resource Center. He will provide an application of the strategic communication content to career development.
* **Presentations & Connecting with Audiences**: Most of the estimated 33 million presentations provided each business day fail miserably to connect with their audience. This session is geared to expand your presentation knowledge, preparation, strategy, focus and skills to further enhance your influence and organizational success.
* **Teams, Persuasion and Influence:** Building on the concept of communication styles, we will use your study team as an opportunity to look at different styles in action and to make predictions about strengths and development opportunities. We will also discuss core persuasion strategies that can help you drive your ideas forward more quickly and enhance your influence in and outside the organization.
* **Organizational Communication:** The operational functions of a firm are dependent on communication and leadership at all levels of an organization. This topic will specifically address the role of communication in operations management through a real-time business simulation.

Prior to each session, reading the materials will accelerate your skill development and help you apply the material back to your workplace more effectively.