

4220 - ECONOMIA E GESTIONE DELLE IMPRESE (COMPETITIVE INTERACTION AND CHANGE DYNAMICS)

COURSE CALENDAR 2003-2004

Prof. Dr. Boris Durisin

COURSE OBJECTIVES, FOCUS, METHODOLOGY AND GRADING

Introduction

In the recent past many of the leading companies symbolizing excellence in management have fallen from grace. This happened not because they ignored their customers, failed at building a coherent activity system and the requisite competences, or stumbled in execution, but because business conditions shifted beneath them. The emphasis of this course is on the development and application of conceptual models, which clarify the interactions between competition, patterns of technological and market change, and the structure and development of internal firm capabilities.

In Change Dynamics and Competitive Interaction, students will gain an understanding of how different types of innovation impact company and industry evolution. Students will familiarize themselves with the competitive forces shifting the rent appropriation potential within business eco-systems. The students will gain an understanding on how to sustain value in phases of turbulent technological change. The course will equip students with frameworks to analyze processes of innovation that shape both emerging and mature industries. Class discussions will involve real examples of turbulent changes in various industries to better illustrate the ideas and learning of the course.

Objectives

The objectives of the course are to:

Develop familiarity with, and understanding of of the processes of industry evolution. The course will also serve to

- a) provide an understanding of dynamics of innovation issues faced by managers in emerging and mature industries;
- b) give conceptual frameworks and analytical tools for decisions in these businesses; and

To reinforce and develop skills relating to the analysis of business problems to business practice, i.e.:

- c) given real data and business situations, the student will apply concepts and frameworks and propose good business practice based on comparative analysis; and
- d) the student will plan, organize, and write reports to management on the business problems presented.

Focus

The course will focus on change dynamics and on competitive interaction.

Change dynamics:

Descriptive: The manager's job with respect to being a catalyst of change.

Normative: How the manager coping with change should handle her/his job.

Competitive interaction:

Descriptive: Identifying and working with economic actors involved in the different types of innovation and different phases of industry evolution,

Normative: How the manager can enhance value creation in coping with the evolution of markets and managing the required type of innovation

Methodology

Lecture and discussions will be used for instructor-based presentations. Students will be provided with definitions and concepts in each course module, plus relevant examples.

Guest speakers from leading companies will be invited to lecture in class. Topics covered will include what motivates them to excel, how they implement their ambitious projects, and what guiding principles they apply when facing trade-offs in their activities.

Videos may be incorporated into some class sessions to illustrate major points presented.

Student responsibilities and testing

Students will be responsible for:

- a) class attendance and participation in class discussions
- b) review and understanding of all assigned text material
- c) review and understanding off all material presented in lectures and case discussions/assignments
- d) submitting assignments on time (late submissions will be penalized)
- e) taking midterm and final exams
- f) arriving to class on time

Grading

The following weighting scheme will be used to determine the final grade earned by the student.

Students <u>not</u> taking the mid-term exam			Students taking the mid-term exam		
Class participation			Class participation		
Active Participation	2	6%	Active Participation	2	6%
Guest lecture attendance and participation	2	6%	Guest lecture attendance and participation	2	6%
Assignment			Assignment		
1 st assignment: paper	7	22%	1 st assignment: paper	7	22%
2 nd assignment: project			2 nd assignment: project		
Personal part	13	44%	Personal part	13	44%
Group work	7	22%	Group work	3	10%
			Mid-term exam	4	12%

Class participation: Class attendance must be *at least 75%* or you will not be eligible to pass the course.

All missed classes will be noted. The policy on missed classes is to allow each student three (3) absences, no questions asked, no penalty. All further absences over the limit will reduce the student's participation grade, no questions asked. Students with an excessive number of absences are at risk to fail the course. The only exception to this rule will be if the student - in advance - informs the instructor about the reasons for not participating at the specific session and receives appropriate instructor's approval.

Assignment: The written assignment should be stylistically and grammatically correct and without typographical and spelling errors. Writing is a crucial part of the course.

1st assignment: This first assignment will familiarize you with the framework of our course, the way to write a case study, and the structuring of a comparative analysis. You will be given a paper and you will have to re-write it into a single narrative account.

2nd assignment: You are expected to write a comparative case study on change dynamics and competitive interaction in a specific sector, applying the framework explored in the 1st assignment. The paper must have a clear thesis, be well organized, and employ solid analysis.

TOPIC OUTLINE, SCHEDULE AND COURSE MATERIAL:

Class	Date	Content	
1	02/20/2004	<ul style="list-style-type: none"> Introduction to the course The quest for growth 	C-Intro CR1
2	02/27/2004	<ul style="list-style-type: none"> Guestlecture: Filippo Peschiera, Managing Director, ASSI (Ambrosetti Stern Stewart Italia) 	AC1,2
3	03/05/2004	<ul style="list-style-type: none"> Basic dimension of innovation 	U1
4	03/12/2004	<p>PART 1: CHANGE DYNAMICS AND COMPETITIVE INTERACTION: PATTERNS OF CHANGE IN TECHNOLOGIES AND MARKETS</p> <ul style="list-style-type: none"> Innovation, competition and industry evolution Automotives Dynamics of innovation and the emergence of a dominant design VCRs 	U-Intro U4 U2
5	03/18/2004 16:15-18:45	<ul style="list-style-type: none"> Discontinuity and the introduction of substituting innovations Computer and Semiconductors Discontinuity: Disruptive and sustaining innovations: Overview Computers, Minimills, and Retailing 	FK-AC C1 CR2 U7,9
	03/19/2004	<ul style="list-style-type: none"> Submission of paper 	
6	03/19/2004	<ul style="list-style-type: none"> Innovation and Investor expectation – Capital markets perspective 	FK-AC
	04/16/2004	<ul style="list-style-type: none"> Submission project outline 	
7	04/16/2004	<ul style="list-style-type: none"> Disruptive innovation: Specific Processes Rigid Disk Drives 	C2,5 U1
	04/23/2004	<ul style="list-style-type: none"> Submission: Material collected for project (electronic format) 	
8	04/23/2004	<ul style="list-style-type: none"> Innovation and Investor expectation – Investment banking perspective Guestlecture: Matteo Manfredi, Managing Director, Lazard & Co. S.r.l 	FK-AC
	04/30/2004	<ul style="list-style-type: none"> Submission of first draft for project (electronic format) 	
9	04/30/2004	<p>PART 2: CHANGE DYNAMICS AND COMPETITIVE INTERACTION: ORGANIZATIONAL RESPONSES</p> <ul style="list-style-type: none"> Disruptive Innovation and the role of complementary assets - I From CISC to RISC Disruptive Innovation and the role of complementary assets - II Typesetter 	C2,8 U9 C2,9 U9
	05/14/2004	<ul style="list-style-type: none"> Submission of presentation for project 	
10	05/14/2004	<ul style="list-style-type: none"> The Dynamics of Strategic Change – Top management perspective Guestlecture: Luca Rossetto, Chief Operating Officer, Vodafone Omnitel S.p.A. 	AC12 U10
	05/21/2004	<ul style="list-style-type: none"> Submission of final documents for project 	
11	05/21/2004	<ul style="list-style-type: none"> The Dynamics of Strategic Change – Top management perspective Guestlecture: Enrico Parazzini, Head of Finance, Administration, and Control, Telecom Italia S.p.A.; CEO, Telecom Italia Media S.p.A. 	AC12 U10
12	05/28/2004	<ul style="list-style-type: none"> Wrap-up of course 	C10

Classes are on Fridays from 08:45 – 12:00 in Aula 25 and on Thursday, March 18th from 16:15 – 18:45 in Aula 25. Starting from the second class, a signature on a class list will be taken to identify students that attend classes. Students must attend 75% of the classes.

Course Material

Reading material for students that do attend classes:

1. According to paper / project topic. To be discussed with course instructor.

Reading material for students that do not attend classes: written exam

1. Christensen, C.M. (1997). *The Innovator's Dilemma: When new technologies cause great firms to fail*. Harvard Business School Press, Boston, MA (all book). [C]
2. Utterback, J.M. (1994/1996). *Mastering the Dynamics of Innovation*. Harvard Business School Press, Boston, MA (Chapters: 1-2, 4, 7, 9-10). [U]
3. Foster, R.N., and Kaplan, S. (2001). *Creative Destruction: From 'built to last' to 'built to perform.'* Prentice Hall, London (Chapters: 1, 2, 12, Appendix C). [FK]
4. OPTIONAL: Christensen, C.M., and Raynor, M.E. (2003). *The Innovator's Solution: Creating and Sustaining Successful Growth*. Harvard Business School Press, Boston, MA (all book). [CR]

Registration of grade:

Registration is only possible after all work has been submitted as requested. Generally, corrections will take about 5 working days. It is the student's responsibility to sign in and appear on the "statino."

Appendix

Student Information Sheet

Course: Competitive Interaction and Change Dynamics
Instructor: Prof. Dr. Boris Durisin
Boris.Durisin@sdabocconi.it

Please attach a recent photo

Name: _____

Nationality: _____

Student ID #: _____

Email Address: _____

Phone Number: _____

Previous Professional Experiences:

Previous Educational Background:

Personal Goals for Course:

Personal Interests and Future Plans (Optional):

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