

MGMT 211 – Competitive Strategy and Industrial Structure
Spring 2021

INSTRUCTOR

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Office Hours: TBD

Please note that this syllabus is subject to change.

This is a course on the economics of strategy and industrial structure. Concepts will be introduced using various industry and firm contexts, but the concepts will then be applied to the renewable energy and electronic vehicle industries in general, and then specifically to Tesla which will serve as semester long case study.

This course will build upon and develop student abilities to apply the concepts of industry analysis and game theory that were introduced in the core courses in Management and Economics. The purpose of this course is to develop analytical skills used in high-end strategy analysis. It will be of particular use to participants who seek careers in areas such as strategy consulting and investment banking, as well as any student interested in building analytical skills in developing (quantitative analysis) or understanding (qualitative relevance of analysis) economic analyses of firms and industries.

This will be a unique course that will be of great value to students in today's world where the ability to use data analysis to draw strategic insights is becoming increasingly valued. Thus, the class will be structured to be doable and valuable to both quants and non-quants. As such, quantitative skills will be built using the “**see one, do one, teach one**” method.

Grades will be based on both individual and group components. The individual component consists of class participation and skill building exercises that will be turned in. There will be approximately 16 skill building exercises (usually one per day we meet that there is not a case assigned), but students will only be required to turn in 8 of them. If a student is not happy with their grade on their first 8 assignments turned in they will have the opportunity to do additional exercises and only the best 8 will count towards their final grade. I encourage working with others in the class on the skill building exercises, but you must turn in your own individual write-up. More information on the group project will be discussed in class.

The class will be graded as follows:

INDIVIDUAL (70%)	
Class Participation	30%
Skill Building Exercises	40%
GROUP (30%)	
Group Project	30%

Consideration and appropriate accommodation will be given to unique situations due to the remote nature of the course this year.

Course Calendar (subject to change)

Date	Session	Topic	Readings	Tools/Skills Developed
Foundations of Competitive Strategy				
1/21	1	Introduction	Syllabus "Bringing Science to the Art of Strategy"	
1/26	2	The Entry Decision	Case: Ryanair	Entry Games
1/28	3	How to Win in an Industry	TBA	Choosing What Game to Play
2/2	4	Bargaining Games	Note: Bargaining Games "Strategy's Strategist"	Bargaining Games
2/4	5	Strategy Dynamics	"The Right Game"	Changing the Game
Industrial Dynamics				
2/9	6	Industry Dynamics	"The Making of Tesla" "Customer Demand and WTP"	Matching Technological Change
2/11	7	Strategic Demand Considerations I	"Hypothesis Driven Experimentation"	Demand Estimation, Behavioral Competition
2/16	8	Strategic Demand Considerations II	Note: Multinomial Logit Models	Multinomial Logit Market Modeling, Network Value
2/18	9	Strategic Cost I	Note: Strategic Cost	Estimation of Economies of Scale/Scope and Learning Curves
2/23	10	Strategic Cost II	Case: Offshore Drilling Industry in 2011	Strategic Cost and Firm Strategy
2/25	11	Review/Guest Speaker	TBD	
Uncertainty				
3/2	12	Decision Making Under Uncertainty	"Deciding How to Decide"	Decision Trees, Scenario Analysis and Range Forecasts
3/4	13	Real Options	"Real Options"	Real Option Analysis
3/9	14	Uncertainty and Industry Structure	Case: Fast ION	Financing Innovation
3/16	15	The Value of Information	Note: Information Velocity and Flexibility	Value of Information, Experimentation and Flexibility
3/18	16	Option Games	Option Games	Option Games
3/23	17	Cognition	TBA	Exploiting Multiple Equilibrium in Games
3/25	18	Review/Guest Speaker	TBD	
Cooperative and Bargaining Games				
4/1	19	Co-innovation	"Match Your Innovation Strategy. . ." "Using Supplier Networks to Learn Faster"	Ecosystem Competition and Cooperative Games
4/6	20	Stakeholder Management	Case: Transdigm	Bargaining and Value Capture
4/8	21	Firm Scope	"When and When not to Vertically Integrate"	Cooperative Games and Incentives for Investment
4/13	22	Contracting and Incentives	Case: Arck	Cooperative Games and Market Failures
4/15	23	Managing and Exploiting Uncertainty	Case: Zara	Information Based Strategy
4/20	24	Review/Integration of Course Concepts		
Your Turn				
4/22	25	Presentations		
4/27	26	Presentations		
4/29	27	Presentations/Wrap		