

Gest D201 - Syllabus:
Introduction à la gestion et aux organisations

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Purpose

The key goals of the course are threefold:

- (1) **Introduce students to management and organizations as they are practiced today in international organizations;** this will be done through a **series of cases** that are typically centred around particular managerial and organizational issues - thus familiarizing students with what managers in such organizations do and with the problems they face.
- (2) In parallel with these business cases or stories, introduce **some major management and organizational theories** which these cases illustrate; this underlines that there is a growing body of knowledge that describes and even underlies international business practice.
- (3) Encourage a **personal reflection** by students where - with the benefit of the stories discussed in class - students position their own professional aspirations in management, and start formulating some hypotheses regarding their possible career options.

The course will give a considerable position to innovation, this being viewed as one of the major requirements of any company wishing to last. In this sense, the course is very "Schumpeterian" in spirit, to use the name of the Austrian economist famous for having identified the market forces of "creative destruction".

Pedagogy

In terms of pedagogy, readings, case studies, lectures and a personal project seek to develop an improved understanding of the managerial and organizational dynamics that drive successful business practice.

It is important to understand that lectures are essential **motivational**: classes are meant to motivate the concepts and frameworks that will be introduced in class. This motivation aims at introducing vocabulary and concepts, but also to induce the further reading that is an integral part of the course.

The course has a '**hands-on**' **aspect**: lectures will regularly consist of an analysis of a particular example or **case**. Cases will be introduced gradually in this course. As the course progresses, the student is asked to become increasingly more acquainted with the case method. The latter requires that the case is read prior to coming to class, and that the student has reflected upon the issues raised in the case.

Prior work, when asked for, is extremely valuable for learning, even if not fully completed. Indeed, students are not expected to have completed the assignment in all its detail, as in that case they would not have to come to class. But having thought about the issue or the case will allow students to learn more from the class session by being in a better position to assess the value of the concepts or solutions discussed. Analysis, to put it simply, is not learned by reviewing solutions proposed by others, or by only listening to the instructor, but is best learned **by attempting it oneself**.

Given that classes are mostly devoted to discussing cases and motivating concepts, deeper learning will substantially rely on **individual reading**. As stated earlier, you will benefit from the lecture much more if you have looked at the cases before class - and by going over the readings and over your notes after class. Indeed, as said earlier, the purpose of class is to review and motivate the readings. Reviewing some aspects, deepening others after class will firm and deepen your understanding. The student will typically find that as a result of this complementary reading one's confidence and familiarity with the material will have increased. **Learning requires repetition (but in a different form)**; hence please consider the follow-up reading as being an integral part of your learning.

Do attend class in an active way. Force yourself to **follow what is going on, ask a question if you are lost, share a viewpoint, question or challenge, try to add to the discussion**. All these are active ways to benefit from class discussion. Be aware that if you have a question, probably many of your classmates have the same one, so that you are in fact doing them a favour if you ask the question for them!!!

A last caveat on class: unfortunately, class time is very limited (at least for this class). Hence, show understanding should the instructor ask you to turn to further reading after class, or to come to see him after class to answer your question. It means that he cannot say all he wishes to say, or that he cannot answer all questions in class (for this may jeopardize the class time or class flow). However, even in such a case, your question will have been useful in that it will have identified for the instructor areas where there are still questions left

Grading

The grading will be based on two components:

- **final in-class exam (50%)** : this will test basic knowledge as discussed in class and in the readings; **the exam is a 2h closed book exam**. Sample questions for the final will be distributed to the students prior to the final. It tests for retention and assimilation of the basic concepts presented in class. Key lessons of cases and arguments built on cases also form the basis of the material for the test.
- **group project (25%)** : this project (which can be done with up to 4 colleagues, but then should also be more substantive than if it is done in smaller groups) will consist in describing a business model for an organization, and also the changes that management is aiming to bring to these. The project will have four parts: (1) the identification of an organization whose members can be interviewed (this typically requires some personal connection to members of that organization); (2) a thorough description of business model of the organization; (3) a description of the changes to the business model (systemic changes, or component-wise changes) that management has aimed to introduce, with a description of the manager's analysis of the changes that have been successful, but also of those changes that proved needless or infeasible, and especially why; (4) a personal group reflection upon lessons to be learned from the data thus gathered - including validation or refutation of some of the concepts expounded in class. The group report will be from a maximum of 10 typed pages (pictures if appropriate can be included and do not count for the page limit). The grading will be based on the quality of the case write-up, the utilisation of the business model framework expounded in class, and on

the quality of the group's analysis. A special sheet describing the assignment appears on the course website, to be distributed to members of particular organizations approached for the purpose of this course project. It may be of interest to share the project write-up with the members approached in the framework of the course. The project write-up is to be delivered or sent by mail to the faculty assistant at ULB by **June 1st**.

- **individual self-assessment project (25%)** : this project is done at the end of the course, and is done individually. The student is asked to write down : (1) the key lessons the course has generated (a maximum of 5), emphasizing why these key lessons represent new learning for the student (e.g. new knowledge, change of a priori views, revision of intuition, ...); (2) what self-assessment the course has triggered in terms of her/his future personal and career development (at ULB, and beyond). The paper is maximum 3 pages long and a format is given on the website. The grading of this paper will focus on the quality of the self-assessment and will be of the following notes: 5=Very Good, 4= Good, 3= Average, 2=Unsatisfactory, 1=Poor. The self-assessment project is to be delivered or sent by mail to the faculty assistant at ULB by **June 15th**.

Class participation is strongly encouraged in the course, as should be clear from the above description of pedagogy. Class presence also contributes to class learning, by bringing forward comments, questions, insights, and sharing them with classmates. As the French saying goes, "le plus absent ont (toujours) tort.". Or in English, "90% in life consists in showing up, and to keep showing up." Should you be unable to come to class, ask a classmate to discuss her/his classnotes and learnings with you.

Should students have questions about the material in class, they are encouraged to discuss this with fellow students - as such exchanges invariably force a clarification, beneficial to both the student in search of clarification and to the student who provides an explanation. Should any question remain, the faculty member can be contacted as well. If you do so, please put his assistant at INSEAD on copy of the mail sent. In addition, individual meetings with the faculty are possible, on appointment and typically after class.

Outline of sessions

Part 1: Products and services, processes, and business models

Case 1: A simple organization: Shouldice Hospital

Topics: industrialisation (or Henry Ford revisited in the health service industry), business model, marketing versus supply, business process, competitive fit, waste, lean enterprise

Case: Shouldice Hospital (video case)

Readings: Shouldice Hospital case (HBS case)

J.P. Womack & Daniel T. Jones, "From lean production to the lean enterprise," *Harvard Business Review*, March-April 1994

W. Skinner, "The focused factory," Ch.6 in: W. Skinner, *Manufacturing: The Formidable Competitive Weapon*, Wiley & Sons, 1985

C Christensen, R Bohmer, J Kenagy, "Will disruptive innovations cure health care?" *Harvard Business Review*, Sept-Oct 2000

S.J. Spear, "Fixing Health Care from the inside, today," *Harvard Business Review*, Sept 2005

Questions: What is so innovative about Shouldice? How does the care it provides compare with a hernia treatment in a generalist hospital? Why might lean hospitals like Shouldice Hospital alleviate the concerns that many governments have regarding growing health care costs? Why might there be resistance to this?

Case 2: The emergence of business opportunities: JAVA and 3M's Post-it Notes

Cases: The JAVA Saga, *Wired*, December 1995 (8 pages), by David Bank

Nayak, P.R., and J.M. Kettingham, "3M's Post-It Notepads," Ch. 3 in: *Breakthroughs*, Pfeiffer & Co, San Diego (1994), 35-56

Reading: G.S. Lynn & al, "Marketing & Discontinuous Innovation: The Probe and Learn Process," *California Management Review*, Vol 38 (3), Spring 1996, pp. 8 - 37

R. Forster, Ch. 4. The S-Curve: A new forecasting tool, & Ch.5. How Leaders become losers, in: *Innovation: The attacker's advantage*, Summit Books, NY, 1986, pp. 89 - 135

Anderson, J., "Weirder than fiction: the reality and myths of creativity," *Academy of Management Executive* 6 (1992) 40-47

Quinn, J, "Managing innovation: controlled chaos," *Harvard Business Review* 63 (May-June 1995): 73-84

Questions: What is the pattern of innovation, as shown by the development of JAVA?
How might you compare this with the development of the Shouldice technique? Of 3M's Post-it Notes?

Case 3: Comparing two complex organizations: ACC vs DJC

Topics: industrialisation (continued), competition, product versus process competition, product vs process innovation, product life cycle, "corporate culture"

Case: American Connector Corporation (HBS case)

Reading: R. Hayes & S. Wheelwright, "Link manufacturing process and product life cycles," *Harvard Business Review*, Jan-Feb 1979

Questions: Does DJC's cost differences depend on unique Japanese business practices? Can you explain the cost differences between ACC's US plant and DJC's plant in Japan using other factors? How serious a threat would the new DJC plant be to ACC? What possible reaction(s) would you recommend to ACC? Be sure to justify your recommendation.

Case 4: Business model innovation: M&S vs ZARA

Case: Supply chains in the textile industry: M&S and ZARA (INSEAD case)

Reading: R. Foster, "Why Leaders become losers," Ch. 1. In *Innovation: The attacker's advantage*, Summit Books, NY, 1986

J. Magretta: "Why do business models matter?", *Harvard Business Review*, May 2002

J. Bower and C.M. Christensen, "Disruptive Technologies: Catching the wave," *Harvard Business Review*, Jan-Feb 1995

C.M. Christensen and M. Overdorf, "Meeting the Challenge of Disruptive Change," *Harvard Business Review*, March-April 2000

G. Hamel, "Business Concept Innovation," Chapter 3 in: *Leading the Revolution*, Harvard Business School Press, Boston MA, 2000, pp. 59-113.

Questions: What is so innovative about ZARA? What are the limits of each of this approach to doing business in the textile industry? In the face of the growing competition in fashion textile (from companies such as ZARA, GAP, H&M, ...) which of the following three options would you choose for M&S: (1) develop a "fashion store within the M&S store concept"; (2) develop a new network of "M&S fashion stores" distinct from the current M&S store network; (3) abstain from this market segment and (fill in)???

Case 5: Business model improvement and turnaround: Nissan and Carlos Ghosn

Case: Building Emotional Capital for Strategic Renewal: Nissan (1999-2002)

Questions: When you read the case, please note the key changes that occurred at Nissan between 1999 and 2002.

Reading: Emotion based view of strategic renewal, by Quy Huy, *Advances in Strategic Management 2005*