

**15.928 PROSEMINAR IN STRATEGIC MANAGEMENT AND CONSULTING:
THEORETICAL FOUNDATIONS
Spring 2003**

Open to SMAC Track Registered Students or Permission of Instructor

Overview

15.928 Proseminar in Strategic Management and Consulting: Theoretical Foundations provides students with strategic frameworks and a broad exposure to business matters that affect strategic management and the consulting industry. To fulfill that objective, the Proseminar invites distinguished executives from businesses and consulting firms.

Fifty top executives from the U.S. and abroad were interviewed to identify the major issues that they were facing in today's world. From this survey six themes emerged as the leading subjects of strategic importance. We have organized the Proseminar accordingly. These themes and the speakers that will be addressing them are:

- **Theme 1. Restoring Credibility and Winning Stakeholders Trust**

The seemingly endless disclosures of lapses in the integrity in Corporate America have shaken the confidence in businesses and their financial reports. The major task is to enforce the principles of transparency and accountability involving every member of the corporate reporting supply chain: company executives, boards of directors, independent auditors, information distributors, third party analysts, investors, standard setters, and market regulators.

- Robert Eccles (Founder and President of Advisory Capital Partners, and former Professor at Harvard Business School)
- Paul Tellier (President and CEO, Bombardier)

- **Theme 2. Focus on Short-Term Efficiency – Cost Containment and Implementation**

The economic downturn that we have experienced in the last year and a half has generated a concentration of attention on the bottom line and an emphasis on developing a lean and cost-efficient infrastructure, and a strong belief that execution is everything. The challenge is to address these short-term pressures in a way that we do not compromise the future of the organization.

- James McTaggart (Founder and CEO, Marakon Associates)
- Jürgen Weber (Chairman of the Executive Board, Lufthansa)

- **Theme 3. Largest Destruction of Shareholder Value – How Could It Happen?**

As of September 30, 2002, the S&P 500 has fallen roughly 45% and NASDAQ has fallen 78% from their March 2000 highs. Countless technology and telecommunications companies have fallen 90+% or have disappeared. Something to the order of \$7 trillion of equity value has evaporated over this period. The big question is why did this happen and are there any lessons to be drawn to prevent a similar occurrence in the future.

- Stewart Myers (Gordon y Billard Professor, MIT Sloan)
- Hans-Jörg Rudloff (Chairman of the Executive Committee, Barclays Capital)

- **Theme 4. Structuring the Organization for Unstable Markets**

The greatest concerns are to assure business continuity, stabilization of earnings in volatile markets, disaster recovery, and mechanisms to successfully face disruptive technologies. These conditions require an organization with a continuous capacity for adaptation. We will explore what are the critical elements of such a structure.

- Philip Evans (Senior Vice President, Boston Consulting Group)
- Rudi Lamprecht (Member of the Managing Board, Siemens AG)

- **Theme 5. Motivating Employees in a turbulent Environment – Becoming an Employer of Choice**

In these difficult economic times, it has become even more critical to attract, satisfy, and retain the top talent.

- Gary Cowger (President, GM North America)
- Christopher Bartlett (Thomas D. Casserly, Jr. Professor of Business Administration, Harvard Business School)

- **Theme 6. Globalization – The Question of Fairness**

Globalization has both strong supporters and detractors. There are those that advocate globalization as a powerful means to bring more prosperity and democracy into the world. The detractors argue that the rewards of globalization are spread unequally and inequitably both among citizens of a given country and across countries in the world community. How can we shape the direction of globalization in a just and equitable way?

- Philip Khoury (Dean, School of Humanities, M.I.T.)
- Dale Laurance (President, Occidental Petroleum)

Both 15.928 and 15.929 combined account for 12 credits. Therefore although the requirements might feel uneven, it's the combined load that truly counts.

Class Participation

The quality of the Proseminar will heavily depend on your full involvement and commitment to class participation. It is imperative that you are well prepared and think in advance about questions you might want to pose to the speakers. We realize that we will have a fairly large class but this should not dissuade you from your personal involvement in the dialogue.

Class participation includes punctuality in attendance. We expect you to arrive, be seated, and be ready for class on time, and to stay in class for the entire session. Arriving late is inconsiderate to fellow students as well the guest lecturers. We ask that you use a name card for during the sessions.

Class participation also includes maintaining a professional atmosphere in class. This means utilizing computers and technology suitably (silencing wireless devices, no web-browsing or emailing), and refraining from distracting activities during class (side conversations or games). Please refer to the Sloan Professional Standards document for more details.

Evaluation

15.928 is a Pass/Fail course. Students will be evaluated based upon the following criteria:

- Participation 30%
- Individual Memoranda 40%
- Speaker Briefing 30%

The first year SMAC Track students are required to take both 15.928 and 15.929. Therefore the course load should be viewed as a combined 12-credit course load originated from both courses.

Attendance is mandatory. If you must miss a session, inform the TA's prior to the class with a valid excuse. No more than two excused absences will be allowed.