



APPLIES TO ACADEMIC YEAR 2009/2010

## GRA 6829 Strategies for Industrial Competitiveness

### Programme

Master of Science in Business and Economics, Master of Science in Business and Economics (Strategy), Master of Science in Political Economy, Specialization Course

### Responsible for the course

### Department

### Term

According to study plan

### ECTS Credits

6

### Language of instruction

English

### Introduction

The course explores the determinants of industrial competitiveness and successful economic development viewed from a bottom-up, microeconomic perspective. While sound macroeconomic policies and stable legal and political institutions create the potential for industrial competitiveness, wealth is actually created at the microeconomic and firm level. The sophistication and productivity of firms, the vitality of industrial clusters, and the quality of the business environment are the ultimate determinants of the productivity and innovation capacity of nations, regions or industries.

### Learning outcome

The main learning objectives of GRA 6829 "Strategies for Industrial Competitiveness" are:

- To make students acknowledge the symbiotic nature of businesses, legal institutions, culture, history, resources, education, and research - and that the development and prosperity of a region/country is dependent on the interaction between these factors
- To enable students to use the diamond framework of Michael Porter's "On Competition" to assess and influence the potential of industries and economic regions
- To enable students to perform a strategic analysis of an industry, an industrial cluster or a region and drawing policy implications from the analysis

Hence, the students should have a broad view on value creation in societies, understanding the role of knowledge and innovation, and they should be able to identify areas where collaboration among specific institutions are crucial to gain welfare effects.

### Prerequisites

The course is an elective MSc course with no prerequisite GRA course requirements. The students should have a Bachelor degree in business, economics or political science with a basic understanding of strategy and microeconomics. The course is highly international in its coverage of topics and markets. Active participation in case discussions is required.

### Compulsory reading

#### Books:

Porter, Michael E. 2008. On competition. Updated and exp. ed. Boston : Harvard Business School

#### Articles:

Krugman, Paul. 1999. Increasing returns and economic geography. Journal of Political Economy, Vol. 99, No 3. pp 483 - 499

Porter, Michael E., Mercedes Delgado, Christian Ketels and Scott Stern,. 2008. Moving to a New Global Competitiveness Index. The Global Competitiveness Report 2008-2009, World Economic Forum. Pages 43 - 63

Reve, Torger. 1996. Toward an Integrative Model of Strategy Development: From dynamic

clusters to core capabilities. I: Falkenberg, Joyce & Sven A. Haugland, eds., Rethinking the boundaries of strategy. Copenhagen : Handelshøjskolens forlag. pp 103-122  
Reve, Torger. 2008. From industrial clusters to global knowledge hubs. Working paper: BI Centre for maritime Competitiveness. 21 pages

**Collection of articles:**

Harvard Business School Case Collection

**Other:**

A list of compulsory readings will be provided on Blackboard or in class.  
During the course there may be hand-outs and other material on additional topics relevant for the course and the examination.

**Recommended reading**

**Books:**

Reve, Torger & Erik W. Jakobsen. 2001. Et verdiskapende Norge. Oslo : Universitetsforlaget. or similar industrial cluster study for other countries.

**Other:**

National study of industrial competitiveness e.g., Torger Reve & Erik W. Jakobsen. 2001. Et verdiskapende Norge. Oslo: Universitetsforlaget or similar study from another country.  
Thomas Friedman. 2005. The World Is Flat, London: Allen Lance

**Course outline**

In this graduate course we will present the diamond model and the development of industrial clusters in advanced, emerging and developmental economies. Strategies at both corporate level, cluster level and national level will be discussed. Thus the course is targeting both students of business and students of political economy. The empirical approach is global.

The course is offered in cooperation with Professor Michael E. Porter, Institute for Strategy and Competitiveness, Harvard Business School, and his highly successful, second year Harvard MBA course, Microeconomics of Competitiveness (MOC). The Harvard MOC Network now consists of more than 90 universities in 50 different countries.

BI students taking GRA 6829 will have electronic access to lectures and case discussions at Harvard, and extensive Internet data resources are available for project work.

1. Firms and Industries
  - Introduction to Competitiveness
  - Industry Competition, Strategy and Locations
  - Competing Across Borders
  - Globalization and Internationalization of Firms
2. The Microeconomic Business Environment
  - The Diamond Model: Advanced Economies
  - The Diamond Model: Transitional Economies
  - The Diamond Model: Developing Economies
3. Industrial cluster development
  - Clusters and Competitiveness
  - Natural Resource Based Clusters
  - Knowledge Based Cluster
  - Institutions for Collaboration
  - Mechanisms for Cluster Upgrading
4. Economic Strategy for Nations, States and Regions
  - National Economic Strategy and the Role of Government
  - Regional Economic Strategy
  - Economic Strategy: Emerging and Developing Economies
  - Asian Competitiveness and the Role of China and India
  - Global financial crisis

**Computer-based tools**

Harvard Business School Electronic Course Platform and Flash Player 8 Media Software and Netscape 7.x

<http://isites.hbs.edu/index.jhtml?site=3188>

BIs Learning Platform: BLACKBOARD

**Learning process and workload**

The course is structured as a combination of short lectures and extensive case discussions, as well as selected guest lectures. The Harvard Business School format of the course requires that the students should prepare extensively for case discussions in class.

Half of the cases are taught using the HBS case approach where all students are expected to participate actively on an individual basis, while half of the cases are taught using the Kellogg case approach in which the study groups prepare case presentations in advance.

Most class sessions are audio- and videotaped, and the class output can be shared with other universities in the Harvard "Microeconomics of Competitiveness" network.

The students are also required to undertake a group project analysing the competitiveness of a specific industry, region or nation.

Please note that while attendance is not compulsory in all courses, it is the student's own responsibility to obtain any information provided in class that is not included on the course homepage/Blackboard or text book.

### **Examination**

The students are evaluated based on their performance in the case discussions (50%) and on the quality and presentation of the group project (50%). There is no written exam in the course. All parts of the evaluation must be passed in order to obtain a grade in the course

Specific information regarding student evaluation beyond the information given in the course description will be provided in class. This information may be relevant for requirements for termpapers or other hand-ins, and/or where class participation can be one of several elements of the overall evaluation.

### **Exam code(s)**

GRA 68291 accounts for 100% of the final grade in the course GRA 6829

### **Examination support materials**

Exam aids at written examinations are explained under exam information in our web-based Student handbook. Please note use of calculator and dictionary.  
<http://www.bi.edu/studenthandbook/examaids>

### **Re-sit examination**

Re-takes are only possible at the next time a course will be held. When the course evaluation has a separate exam code for each part of the evaluation it is possible to retake parts of the evaluation. Otherwise, the whole course must be re-evaluated when a student wants to retake an exam. Retake examinations entail an extra examination fee

### **Additional information**

#### **Honor code**

Academic honesty and trust are important to all of us as individuals, and represent values that are encouraged and promoted by the honor code system. This is a most significant university tradition. Students are responsible for familiarizing themselves with the ideals of the honor code system, to which the faculty are also deeply committed.

Any violation of the honor code will be dealt with in accordance with BI's procedures for cheating. These issues are a serious matter to everyone associated with the programs at BI and are at the heart of the honor code and academic integrity. If you have any questions about your responsibilities under the honor code, please ask.