APPLIES TO ACADEMIC YEAR 2015/2016

GRA 6829 Strategies for Industrial Competitiveness

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

Responsible for the course
Torger Reve

Department
Department of Strategy and Logistics

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 levels. 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 and industries.

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

- To make students understand how the competitiveness of firms is embedded in the external context of an industry and industrial clusters.

- 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 is crucial to gain welfare effects.

Prerequisites

All courses in the Masters programme will assume that students have fulfilled the admission requirements for the programme. In addition, courses in second, third and/or fourth semester can have spesific prerequisites and will assume that students have followed normal study progression. For double degree and exchange students, please note that equivalent courses are accepted.

Compulsory reading
Books:
Delgado, Mercedes ... [et al.]. 2012. The Determinants of national competitiveness. National Bureau of Economic Research. 46 p. (Working Papers / National Bureau of Economic Research ; 18249)
http://papers.nber.org/papers/w18249
Porter, Michael E. 2008. On competition. Updated and expanded ed. Harvard Businesss School

Book extract:
Reve, Torger. 1996. Toward an integrative model of strategy development : from dynamic clusters to core capabilities. I: Falkenberg, Joyce and Sven A. Haugland, eds., Rethinking the boundaries of strategy. Handelshøjskolens forlag. pp 103-122

Articles:
Boschma, Ron A. 2004. Competitiveness of regions from an evolutionary perspective. Regional Studies. 38(9). 1001-1014
Krugman, Paul. 1999. The role of geography in development. International Regional Science Review. 22(2). p. 142-161
Porter, Michael E. 2011. Creating shared values. Harvard business review. January – February. 62-77
Reve, Torger. 2011. From industrial clusters to global knowledge hubs. Journal of Competitiveness. pp 63-76

Recommended reading
Books:
Glaeser, Edward L. 2011. Triumph of the city : how our greatest invention makes us richer, smarter, greener, healthier, and happier. Penguin Press
Reve, Torger og Amir Sasson. 2012. Et kunnskapsbasert Norge. Universitetsforlaget. 319 s

Other:
Amir Sasson and Atle Blomgren. 2011. Knowledge Based Oil and Gas Industry. BI Norwegian Business School. 130

Course outline
In this graduate course we will present the diamond model, the emerald model and the development of industrial clusters in advanced, emerging and developing economies. The model is extended to include current research on knowledge based competitiveness. The course will draw on recently completed research from the large national research project "A knowledge-based Norway" (www.ekn.no), headed by professor Torger Reve and associate professor Amir Sasson.

Strategies at both firm level, cluster level, regional and national levels will be discussed, integrating variables at the business, industry and societal levels. The course is targeting graduate students of business and strategy, but the course is also relevant for other specializations. The empirical approach is global, and the students are asked to analyse industries on all continents.

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 100 universities in 70 different countries.

BI students taking GRA 6829 will have free electronic access to lectures and case discussions at Harvard, and extensive net based data resources at Harvard Business School are available for project work. This also includes free downloading of the HBS cases used in the course.

1. Firms and Industries

Introduction to Competitiveness
The Drivers of Competitiveness
Industrial Contexts
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
Developing Cluster Charts
The Emerald Model: Knowledge-based Policies

3. Industrial Cluster Development

Clusters and Competitiveness
Natural Resource Based Clusters
Knowledge Based Cluster
Emerging and Mature Clusters
Transformations of Clusters
The Global Knowledge Hub Model
Institutions for Collaboration
Mechanisms for Cluster Upgrading

4. Economic Strategy for Industries, Regions and Nations

National Economic Strategies
Role of Government
Incentives and Regulation
Regional Economic Strategies
Stagnation, Transformation, Innovation
Economic Strategies: Emerging and Developing Economies

Asian Competitiveness and the Role of China
Increasing Role of Emerging Economies

Computer-based tools

Learning process and workload
The course is structured as a combination of short lectures and extensive case discussions, as well as selected top level guest lectures. The Harvard Business School (HBS) format of the course requires that the students should prepare extensively for case discussions in class. **It is simply impossible to come to class unprepared for the topic to be discussed.**

Cases are taught using the HBS case approach where all students are expected to **participate actively in case discussions** on an individual basis. At the same time we use the Kellogg case approach which implies that study groups prepare structured **case presentations in advance**.

Class sessions may be audio- and videotaped, and the class output can be shared with other universities in the Harvard Microeconomics of Competitiveness (MOC) network.

The students are required to undertake a **group project** analysing the competitiveness and cluster development of a specific industry or region. The empirical settings for these group projects are provided by the large national research project: "A knowledge-based Norway" (www.ekn.no), but students are free to choose industries in any country. Students also have an excellent chance to write their MSc theses within the framework of the course.

The best student project is entered into the Harvard MOC project competition, and both in 2008 and in 2011 BI MSc students have won this international competition. The winning paper and the video taped project presentation by Joachim Espen and Marius Nordkvelde on Oslo Cancer Cluster (2008) and by Morten Finslo, Rune Steihaug and Javad Mushtaq on Oslo Maritime Finance Cluster (2011) are available as a quality benchmark on It's Learning.

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/It's learning or text book.

Examination
The course grade will be based on the following activities and weights:
Active class participation in case discussions and case presentations (50%), based on detailed recording and evaluation of every student participation item in class.
Group project (50%), based on hand-in of written report and presentation material.

Form of assessment	Weight	Group size
Class participation	50%	Individual
Report	50%	Group of max 3 students

Specific information regarding student assessment will be provided in class. This information may be relevant to requirements for term papers or other hand-ins, and/or where class participation can be one of several components of the overall assessment. This is a course with continuous assessment (several exam components) and one final exam code. Each exam component is graded using points on a scale from 0-100. The final grade for the course is based on the aggregated mark of the course components. Each component is weighted as detailed in the course description. Students who fail to participate in one/some/all exam components will get a lower grade or may fail the course. You will find detailed information about the points system and the mapping scale in the student portal @bi.

Examination code(s)
GRA 68291 continuous assessment accounts for 100% of the final grade in the course GRA 6829

Examination support materials

Permitted examination support materials for written examinations are detailed under examination information in the student portal @bi. The section on support materials and the use of calculators and dictionaries should be paid special attention to.

Re-sit examination

It is only possible to retake an examination when the course is next taught. The assessment in some courses is based on more than one exam code. Where this is the case, you may retake only the assessed components of one of these exam codes. All retaken examinations will incur an additional fee. Please note that you need to retake the latest version of the course with updated course literature and assessment. Please make sure that you have familiarised yourself with the latest course description.

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.