

UGBA 190T.3 – Strategy for the IT Firm – 2 units – Fall 2019

Course Overview

Interested in working in tech? Or working with tech firms while in a banking, consulting or accounting role? Wondering if Netflix can keep spending money hand over fist? How Marriott can stand its ground against Airbnb? Why Sprint just can't get back on its feet? Then come join us.

In this course, we will focus on ~~seven~~ eight sources of competitive advantage. Two are from strategist Michael Porter, and six are added for the purpose of this class.

- Cost: low-cost leader; from Porter
- Differentiation: differentiation sufficient to justify pricing above competitive products; also from Porter
- Ecosystem: for example, having more software developers on your OS or product
- Talent: having the best people in your organization (Bell Labs, Google)
- Process: being able to manufacture or distribute your product in some disruptive new way
- Data: having the best data set
- Channel: having a better network of partners to reach end customers than competitors
- Culture: why do some companies survive decades while others fail? Culture plays a role.

Software needs hardware; hardware needs software. Similarly, networks and devices need content; content needs devices and networks. In this class we will look at content distribution and the blur between content providers and network providers (e.g. Netflix and telcos); distribution and technology platforms; interoperability, network effects and standards.

This class will use a combination of strategy frameworks; microeconomic concepts (network effects, platforms, content production and distribution costs); marketing concepts (customer acquisition and segmentation; LTV; virality) and business models (XaaS, free, freemium, etc). We will also look at “moonshots” as a means of solving large problems.

Teaching Method

This course will leverage MBA case materials; current articles; our core text *Information Rules*; investor relations materials; selections from other readings, podcasts and videos as relevant. Active participation in class discussion is required.

Prerequisites

Familiarity with cost accounting, microeconomic concepts, marketing concepts and strategy frameworks will be helpful. Students must be third-year and above.

Grading

50% class attendance and participation; 30% for three individual papers; 20% final group presentation.

About the Instructor

Jon Metzler is Lecturer at the Haas School of Business and lectures on IT Strategy, international business, and on Japan in the undergraduate and MBA programs. He has lectured at Haas since 2014. Outside of Haas, Jon consults to telecom carriers, device makers, infrastructure providers and media companies. He has new business creation experience in print, events, wireless location, edtech, wireless broadband, online media and more. Jon is a Haas MBA/MA-Asian Studies alum and during his time at Haas co-founded the Berkeley Asia Business Conference. He is a faculty mentor at Berkeley Skydeck. Jon can be reached at jon dot metzler at berkeley dot edu.