

BBUS 544 Spring 2007 - questions for final 3 cases

Dell

1. We have several times looked at a diagram that addresses "customer willingness to pay" and "cost to produce" on a vertical axis, with the difference being defined as the "value created." For example, we used this diagram to compare a firm with a cost advantage to a firm with a differentiation advantage.

Create a diagram of this sort comparing Dell to Compaq for the production and sale of one (1) computer. To do this, first quantify each piece of "value created." You should examine:

- [a] Dell's cost advantage - or disadvantage - relative to Compaq
- [b] Dell's differentiation advantage - or disadvantage - relative to Compaq

Bring a copy of your data analysis to class with you on Monday May 21 (i.e., in addition to anything that you turn in with the weekly paper) so that you can use your analysis in our discussion.

2. What would you recommend to Michael Dell and why? (Use only the information in this case, not what you know about Dell from other cases or from subsequent events.)

Kodak

Giovanni Gavetti (author of the case) has written about two types of "inertia" in strategic decision making and strategy implementation: cognitive inertia (resistance to changing a way of thinking) and action inertia (resistance to implementing a change).

1. Evaluate Kodak's digital imaging strategy from 1981 to date. Have cognitive inertia and/or action inertia been problems for Kodak? If so, is there anything that Kodak's leadership could have done differently?
2. Digital photography has often been cited as an example of a disruptive innovation (first described as disruptive technology in Christensen and Bower, 1995). Are the phenomena described in this case identical to the phenomena that are described in Christensen's work (The innovator's dilemma, The innovator's solution, etc)? Note: this is a good opportunity to be "rigorous": precise in identifying variables and causality.

BRL Hardy

1. Over the next 1-5 years, do you feel that BRL Hardy will achieve competitive advantage? Competitive parity? Competitive disadvantage? What are the major ideas from this course and others that inform your answer to this question? Explain.
2. You have the opportunity for an "elevator conversation" with Steve Millar. What do you recommend to him for BRL Hardy and why? Be very precise.