



PROFESSOR JUSTIN WOLFERS

GRADUATE SCHOOL OF BUSINESS STANFORD UNIVERSITY

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G-300

RESEARCH IN NON-MARKET STRATEGY

Previous students have found group research projects focusing on non-market strategy issues to be a tremendous learning experience, reinforcing the basic lessons of P230, “Strategy and the Business Environment”, and making classroom learning more concrete in the context of a substantive business problem faced by an organization. This is an opportunity to learn more about both a specific industry, and to apply theory to practice. Each should enrich the other.

This year we are offering a new and experimental class listing, in which groups can opt to do group research as part of a two-unit course. Faculty will be experimenting with different arrangements, and this document outlines expectations for students who choose to pursue research in non-market strategy under my tutelage.

If you are interested in pursuing such a project, I would be happy to discuss it with you. Please note that I am willing to supervise projects of any first-year students, not just those in my classes.

SCOPE OF SUCCESSFUL PROJECTS

Group research in non-market strategy is intended to provide a deeper understanding of a specific organization and industry of your choice and to assess the impact of the business environment on organizational performance. The project should focus on the social, political, legal, or ethical environment of a company, nonprofit organization, or (somewhat less desirably) industry and on a strategy for addressing an issue or problem. You are encouraged to work with a company or organization, and since the quarter is short, you should make contact with the company or organization as soon as possible to confirm their participation.

Projects are more likely to be successful the more specific is the topic. Broad topics of interest can usually be recast at the company or organizational level. For instance, “trade barriers” by itself is much too broad a topic for the project, but a study of how Chinese pencil companies (or

one such company) should address Mexican trade barriers is a good topic, depending on the availability of information and access to the company or industry.

Your research will be assessed based on how compellingly it addresses the specific research questions posed. You will be expected to show a mastery of the analytic frameworks discussed in P230, and other relevant frameworks, as they apply. Group grades will reflect not only the final written presentation, but application throughout the process, including satisfactory participation in our seminar meetings, and the final presentation of your research.

A sampling of past projects completed for P230 have focused on questions such as:

- How should a laboratory research firm deal with the threats made by a radical anti-vivisectionist group?
- How could MCI-World Com navigate the tricky anti-trust waters in attempting to acquire Sprint?
- How should a major manufacturer of AIDS medications respond to activist and government pressure to provide medication at cost to third world countries?
- What lobbying strategies should an activist group pursue in order to make marijuana available for terminally ill patients?
- How should a major music label respond to the Napster threat?
- How can a major biometrics company respond to the heightened demand for their products post-9/11, while balancing concerns about privacy?

ORGANIZATION

Groups can be organized in either of two ways:

- Form your own group of four, five or six students
- For those who are interested in working with others you may not otherwise encounter, please send me an email, noting your previous occupation and industry, whether you identify as a quant or a poet, and relevant experience in non-market (legal, social, political) institutions. I will add you to the matching pool. If I receive sufficient interest then I shall try to form heterogenous and balanced teams, taking account of these factors. If you want to be included in the matching pool, I will need to hear from you by noon on April 4. This then gives your group a week to research a topic and deliver the research prospectus.

There is no requirement that all members be from the same section of P230. I am happy to supervise students whether or not they are in my sections. Each group must decide whether to take the class either for a letter grade, or pass/fail. The entire group is bound by this decision.

Past students have shown both a willingness to learn from their peers and also to contribute to the learning of their colleagues. Thus the groups under my supervision will form a mini-seminar in order to exchange ideas and insights

KEY DATES AND DELIVERABLES

Matching Pool: Friday April 4, Noon.

If you are interested in joining the matching pool, please send me an email indicating your interest in being matched into a research group by Noon on Friday April 4. I shall inform you of your group assignments (if any) shortly thereafter. If you are organizing your own group, then there is no need to be in touch before this date, beyond indicating your group's interest in pursuing a research project.

Prospectus Due: By Thursday April 10, 5pm

By this date, I will require a document that outlines the broad parameters of your team's research project. Toward that end, I will require a 2-3 page written document that:

1. Describes your research question in a succinct manner. Most projects will adopt the perspective of a specific strategic actor.
2. Describes the intended topic, scope, and focus of your research. You should cover:
 - a. Likely sources of data that you intend to analyze.
 - b. If you have not yet secured formal consent from an outside source to provide you with data, you should specify your plans to do so, also noting any contingency plans.
 - c. Likely analytic frameworks (necessarily tentative)
 - d. Strategic alternatives to be considered (again, tentative)

That is, I want evidence that your proposal is *feasible*.

3. Names no fewer than four nor more than six people who will comprise the project team.
4. Indicates whether you plan to take the class on a pass/fail or letter-graded basis.
5. Describes your proposed work plan, including the duties and responsibilities of each team member, key project milestones, and the methods you intend to employ to ensure that the team is productive.

Your project will naturally evolve beyond this prospectus. However this is an ideal opportunity to ensure that your proposal is *feasible*, and also to obtain feedback on your research directions.

Please email me a copy of this document in Word form, and deliver a hard copy to my assistant, Pauline Mena in Littlefield 330, by 5pm.

Agreement signed: By Friday April 11

By the end of the day, you will need to have secured my agreement to supervise your project. I do not intend to say no to any proposals that are well-specified, look likely to succeed given the prospectus, and that fit with the objectives outlined in this document.

Meet with Library: By Friday April 25

I will forward copies of each prospectus to Jackson library. A research librarian will then be in touch with each team to set up a meeting to discuss information resources of potential value to your research and strategies for getting the secondary data you need.

Your team should meet with the library within this two-week window and will be able to call on your research specialist throughout the project.

Progress Meeting: Wednesday April 30, 5:00pm

First meeting of project seminar. Groups will share progress to date with other teams.

1. A 2 page project overview is due to me by the start of class assessing how the team is performing against its initial work plan and deadlines.
2. Each group should be prepared to speak for about 5 minutes, outlining your research question, your approach, and likely data sources. You might also want to think about issues that you would like to obtain feedback on. A short discussion will follow.
3. Your obligations are equally to provide feedback to other project groups.
4. Team members will be expected by this date to provide open-ended peer feedback to fellow team members on their contributions and performance to date, using an online tool. This feedback will be anonymous to student recipients but not to me.

Final Paper Due: Wednesday June 4, 6:30pm

Please hand in the paper at the start of class. An electronic copy (Word or PDF) should also be emailed to jwolfers@stanford.edu, cc'ing mena_pauline@gsb.stanford.edu.

The paper should be written in a style suitable for thoughtful executives who are generally familiar with the situation but who are relying on your analysis. Papers are to be no longer than 25 pages, including exhibits.

Final Presentations: Wednesday June 4, 6:30-9:00pm

Each team will provide a concise 15 minute presentation describing their research question, analytic approach, strategic recommendations, and appropriate doubts or uncertainties. Up to 5 minutes general discussion will follow. Please feel free to use appropriate visual aids, including PowerPoint, overheads, and handouts.

GRADING

Following feedback from students, I am willing to experiment with a new grading system that helps ensure that individuals are accountable to their teams. This system is based on carrots rather than sticks.

I will begin by assigning each team a numeric grade. This grade can then be converted into a letter grade according to the following scale:

- LP 65-74.9
- P: 75-84.9
- HP: 85-94.9
- H: 95.0-100

You might be assigned a grade that leaves your group some “spare” points. That is, a group of 5 students might earn a team grade of 83, ensuring that all receive a “P”. However, the team as a

whole then has $5 \cdot (83 - 75) = 40$ “extra” points. That team might then choose to give these extra points to one or more team members, in such a way as to push those team members to a higher letter grade. For instance, they might choose to push up to four students to an HP, or they might choose to award one team member an H, and two HP’s, or to spend their entire allocation awarding two H’s, with others still receiving the P.

I will only accept recommendations to *raise* the letter grades of team members above the original team score, and will only do so on the *unanimous* recommendation of all team members. If I do not receive such a recommendation, then the letter grades corresponding to an equal distribution of points will be assigned. I will not intervene in team deliberations, but do suggest that you work out a mechanism for assigning extra credit ahead of time. I do, however, reserve the right to intervene if the allocation of grades appears to be contrary to the basic principles guiding the GSB, particularly academic and personal integrity, promoting group learning, and reward for effort.

For groups taking the class on a pass/fail basis, or groups earning a failing grade, the above does not apply. In these cases the grade initially assigned applies equally to the whole group and will not be altered.

FEEDBACK

Let me emphasize that this is an experimental course listing, and as such I welcome your feedback about ways in which we can improve this in future years.