



**The MBA Academy**  
Making Business Accessible



**PeoplePlus**  
skills for growth

# Mini-MBA Workbook



**Way2Learn** 

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## Introduction to the Mini-MBA

This course features videos and worksheets designed to inspire and empower you through key principles of business.

The concepts covered are the same as those normally taught by the world's leading business schools on Masters in Business Administration courses (MBAs).

As well as providing you with an understanding of the core business concepts, you will develop a new and creative way of looking at business problems using the same approaches that are used by the most successful entrepreneurs and business visionaries.

Therefore, as well as learning the essential business concepts, you will develop a new business mindset.

You are going to learn how you can carry these ideas into other areas of your life, helping you to spot opportunities and overcome challenges in a way that will propel you forward.

Watch the course videos and complete the worksheets in this workbook as you progress through the course.

### **IMPORTANT INFORMATION – PLEASE READ.**

**\*Please note that throughout the workbook videos and episodes will be referred to. On Page 5 you will find a list of videos and what episodes they can be found in.**

**\*\* Episodes may refer to printing out resources, this is NOT required. All resources are printed in your workbooks. Throughout the workbook there are pages for you to make notes, and should you need more space to complete your answers there is room at the back of the workbook.**

## Episode and Video Guide.

<b>Episode</b>	<b>Video</b>	<b>Subject</b>
Episode 1	Introduction to the life-long Mini MBA.	Course instructions and details.
Episode 2	Video 1.1 mini MBA	Introduction to module 1
Episode 3	Video 1.2 mini MBA	Porter's 5 Forces Analysis - customers, suppliers, competition
	Video 1.3 mini MBA	
Episode 4	Video 1.4 mini MBA	Porter's 5 Forces Analysis - alternatives, market entry
Episode 5	Video 1.5 mini MBA	Porter's 5 Forces Analysis - strategy
	Video 1.6 mini MBA	
Episode 6	Apply - business workshop video 1	Module 1 workbook
	Apply - business workflow video 2	
	Transform video 1	
Episode 7	Video 2.1 mini MBA	Module 2 - the internal layer
	Video 2.2 mini MBA	
Episode 8	Video 2.3 mini MBA	Step 2 - strategy canvas
	Video 2.4 mini MBA	
Episode 9	Video 2.5 mini MBA	Step 3 - strategy selection
	Video 2.6 mini MBA	
Episode 10	Video 2.7 mini MBA	Step 4 - key asset map, business strategy
Episode 11	Apply - business workshop video 2	Module 2 workbook
	Apply - business workflow video 2	
	Transform video 2	
Episode 12	Video 3.1 mini MBA	Module 3 - Future 5 Forces Model
	Video 3.2 mini MBA	
	Video 3.3 mini MBA	
Episode 13	Video 3.4 mini MBA	Module 3 - Future Brand Identity Model
Episode 14	Video 3.5 mini MBA	Responding to change
Episode 15	Video 3.6 mini MBA	Corporate strategy and conclusions
	Video 3.7 mini MBA	
Episode 16	Apply - business workshop video 2	Module 3 workbook
	Apply - business workflow video 2	
	Transform video 2	

## Recommended Reading List

*Each module in the Mini-MBA course has been developed as a result of several years' work. A large proportion of this time consisted of filtering through the wealth of strategy and management books and articles that are available. However, the book mentioned below is the most important book to read for Module 1.*

### Module 1

**The Empty Raincoat by Charles Handy, Arrow books, The Random House Publishing Group Limited.**

*As well as stressing the importance of using frameworks to organize complex issues, in this book Charles Handy (the co-founder of London Business School) highlights the need for businesses to reinvent themselves for the future.*

*(If you purchase this book - read Chapter 3: The Sigmoid Curve - in particular the section beginning:*

*"...The world keeps changing. It is one of the paradoxes of success that the things and ways that got you where you are are seldom those that keep you there..." and the section beginning: "The Sigmoid Curve is the S-Shaped Curve that has intrigued people since time began....".)*

*The Sigmoid Curve is also discussed in Module 3 of the course both when referring to The Future Brand Identity Model (in **episode 13, video 3.4**) and in terms of creating an inner urge for progress that can carry the business into the future (in **episode 15, video 3.7**). (Please note - In the US this book is called: 'The Age of Paradox')*

## Module 2

**Blue Ocean Strategy – How to Create Uncontested Market Space and Make the Competition Irrelevant by W. Chan Kim & Renee Mauborgne, Harvard Business School Press.**

*This book introduces a number of thought-provoking concepts. However, its real strength lies in equipping the reader with some useful approaches to:*

- *Identifying the various customer needs; and*
- *Graphically representing where a business is positioned in the market in relation to those customer needs (by using a Strategy Canvas).*

## Module 3

**Built to Last: Successful Habits of Visionary Companies, Jim Collins and Jerry I. Porras, Random House**

*One of the most fascinating, easiest to read, thought provoking books ever written about management, business and strategy. By using a vast array of examples from a wide range of industries Collins and Porras explain why some companies have continued to be successful despite dramatically changing external circumstances A core theme of the book is that businesses should know what they stand for and continually build from there, thereby creating a continual inner urge for progress that can carry the business into the future.*

## Marking Criteria

The marking criteria provides an overarching framework for learner attainment. They are designed to:

- help students understand broadly what learning they should aspire towards at every level of their study in relation to subject knowledge and skills acquisition.
- support consistency in marking.

All students are expected to have attained these outcomes for an award to be made.

Below is a list of skills that refer to each grading criteria that can help learners to check their work to support a pass criteria.

What will I learn ↓	What will I be able to do ↓	What will I become ↓
<b>Academic skills:</b>	<b>Knowledge handling skills:</b>	<b>Proactive about my wellbeing:</b>
1a. How to think in and beyond my discipline	3a. How to develop ideas and solve problems	5a. Good at caring for my physical and mental health
1b. How to express my ideas	3b. How to think creatively and innovatively	5b. Able to develop my self-awareness
1c. How to develop effective learning strategies	3c. How to analyse and present data	5c. Able to develop a positive mindset
<b>Research skills:</b>	<b>Work well independently:</b>	<b>Clear about my direction:</b>
2a. How to conduct my own research	4a. Organise myself effectively	6a. Clear about my motivations and values
2b. How to evaluate the research of others.	4b. Act with integrity	6b. Confident in expressing my strengths
2c. How to think critically.	4c. Recover from difficulties and setbacks	6c. Ready for my next steps.



## Marking Criteria

You will see from the below table where you have passed all learning outcomes, or where you have been referred.

One referral or more means that you need to revisit your work and resubmit your answers in the answer book we have returned to you.

If you have been referred, questions marked '✓' are correct; those marked '\* ' are incorrect or incomplete.

Marks	REFER	PASS	PASS PLUS
<b>Knowledge and understanding</b>			
<b>Content knowledge</b> SP 1a, 1b,	Knowledge is inadequate, without the required breadth or depth, with deficiencies in key areas.	Demonstrated breadth and depth of introductory knowledge and understanding.	Exceptional knowledge and understanding of introductory material, significantly beyond what has been taught.
<b>Intellectual skills</b>			
<b>Use of evidence and sources</b> SP 1b,	Not demonstrating an ability to interpret or comment on directed reading.	Ability to interpret and comment on directed reading.	Excellent ability to evaluate, interpret, and comment on directed and independent reading.
<b>Logical argument and evaluation of perspectives</b> SP 1b	Limited or no use of the reading to develop lines of argument and make judgements in accordance with basic theories and concepts.	Use of the reading to develop lines of argument and make sound judgements in accordance with basic theories and concepts.	Consistent use of directed and independent reading to develop clear lines of argument and make sound judgements in accordance with basic theories and concepts.
<b>Problem-solving</b> SP 3a, 3b	No recognition of different approaches to solving problems in the field of study.	Some evaluation of the appropriateness of different approaches to solving problems in the field of study.	Thoroughly evaluating the appropriateness of different approaches to solving problems in the field of study.
<b>Research and Disciplinary Practices</b>			
<b>Research</b> SP 2a, 3c	Limited evidence of ability to undertake straightforward research tasks, even with guidance.	Can collect and interpret appropriate data/information and undertake straightforward research tasks with external guidance.	Can collect and interpret appropriate data and successfully undertake research tasks with a degree of autonomy.
<b>Academic skills</b> SP 1a, 2a, 4b	Writing styles and referencing used weakly.	Writing styles and referencing generally sound.	Consistently accurate use of Writing styles and referencing.
<b>Professional and life skills</b>			
<b>Insight</b> SP 5b, 6a, 6b	Displays limited awareness of own strengths or weaknesses.	Shows ability to reflect on own strengths and weaknesses and shows ability to identify steps for self-development to improve practical and professional skills.	Demonstrates ability to assess own strengths and weaknesses. Demonstrates ability to identify a programme of self-development to improve practical and professional skills.
<b>Self-management</b> SP 4a	Shows some evidence of self-organisational skills and behaviours. Ability to complete most tasks by deadlines.	Shows self-organisational skills and behaviours. Has a professional attitude to completing most tasks.	Works autonomously demonstrating very good self-organisational skills and behaviours. Has a professional attitude to completing tasks.

## Apply 1

### Worksheet 1 - Industry Analysis (Step 1)

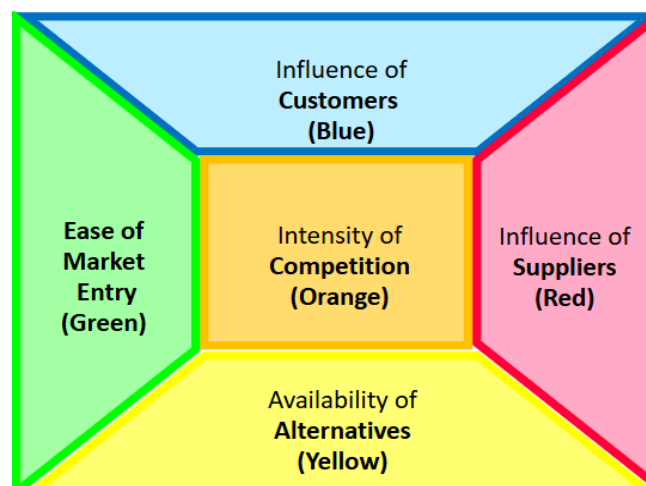
As explained in the videos for Module 1 (*episodes 2-6*), before it is possible to develop the best strategies for a business, it is important to understand the critical factors for success within its industry. Therefore, carrying out an industry analysis is always the first step in developing strategy. The most powerful and popular means of carrying out an industry analysis is called a Porter's 5 Forces Analysis.

This worksheet sets out some of the main points for consideration when completing a Porter's 5 Force Analysis.

#### ***Exercise 1 - Porter's 5 Forces Analysis***

Select a specific product or service provided **by a business you are interested in**; and carry out a Porter's 5 Forces Analysis on the relevant industry by completing the tasks set out on the next few pages. (*episodes 3 – 5, videos 1.2 - 1.6*)

Remember, the more narrowly you define the industry in question the more powerful the exercise will become. Specify the industry being analysed:



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## Influence of Customers

Customers are one of five forces that determine a business's profitability. The stronger the influence of customers, the greater ability they have to drive down prices and thereby drive down profitability. The strength of this force can vary dramatically from industry to industry. As a rule of thumb, if customers are fickle and purely make the decision about which business they buy from based upon price, they will force the businesses within the industry to keep their prices to a minimum and thereby drive down profitability (watch *episode 3, video 1.3* for a more comprehensive explanation). By understanding the Characteristics of Customers and what drives their decision-making process, a business is often able to identify the types of strategy it can use to address this force and thereby improve profitability.

**In determining the Characteristics of Customers some key questions are:**

- 'What factors are really important to the customers in relation to the product / service in question?'
- 'How fickle are the customers?'
- 'How much choice do they have?'
- 'How easy would it be for the customers to obtain an identical product / service from another business?'
- 'Is price the only differentiating factor or does the business in question provide something unique?', 'Do customers know (or care) about this differentiating factor?'
- 'How easy is it for customers to compare prices?'
- 'What is actually driving a customer's decision-making process?'

Using the above the questions as a guide, describe the Characteristics of Customers within the industry. In addition, specify if there are different types of customers for whom answers to the above may differ. Finally, taken as a whole, state whether or not you believe this to be a strong / moderate / weak force. (Word count guide 150)




## Influence of Suppliers

Suppliers provide a business with the various inputs it needs to produce its products / services (raw materials, software, premises, labour, advertising etc.) Therefore, suppliers are those features that drive up costs of a business and thereby drive down profitability. The influence that any given supplier has on the profitability of a business is largely determined by how reliant that business is on that supplier.

### **The key questions in determining the Characteristics of Suppliers are:**

- 'What are the various types of suppliers in this industry?'
- 'Is the business reliant on a particular supplier?'
- 'How easy would it be for the business to switch to new suppliers?'

Supply also includes the supply of labour. Therefore, if a business is reliant on a skilled workforce, they will have higher salaries, thereby driving up costs and driving down profitability. Generally speaking, the more skilled the workforce with regards to a piece of work, the higher the costs to the business.

### **You should ask:**

- 'How skilled is the workforce with regards to this particular product / service?'
- 'Does a large proportion of the work need to be carried out by a senior member of staff or could someone less experienced / qualified carry out the work in question?'
- 'Could aspects of the work be automated?'
- 'Is the business reliant on small pool of potential employees?'
- 'Are there many similar businesses for which they could work?'
- 'Could the business outsource aspects of work to parts of the world (or the relevant country) where this would be cheaper?'
- 'Could the business reduce its reliance on certain suppliers by encouraging its customers to do some of the work for it?' (e.g. Supermarket self-checkout, Amazon book reviews, Airport Self-Check-in)

Using the above the questions as a guide, describe the Characteristics of Suppliers within the industry. In addition, specify if there are different types of suppliers - for whom answers to the above may differ. Finally, taken as a whole, state whether or not you believe this to be a strong / moderate / weak force. (Word count guide 150)






## Intensity of Competition

Competitors erode profitability as they force businesses to drive down their prices and / or drive-up costs (in order to provide additional product / service features, raise product / service levels or spend more on marketing & advertising) in an attempt to outdo one another.

### **Key questions are:**

- 'Who are the main competitors to the business with regards to this particular product / service?'
- 'How intense is competition with regards to the specific product / service in question?'
- 'Do all the businesses provide identical products / services?'
- 'Is competition purely price competition or could the business provide a superior product / service to that of the competition?'
- 'Could the business avoid a price war by making it difficult / confusing for customers to compare prices across the various competitors?'
- How perishable are the goods / services (e.g. consumer electronics / hotel rooms)?  
*(see episode 3, video 1.3)* Does the passing of time force the business to reduce its prices?'

Notes Space

Using the above the questions as a guide, describe the Nature of Competition within the industry. Finally, taken as a whole, state whether or not you believe this to be a strong / moderate / weak force. (Word count guide 150)




## Availability of Alternatives

Alternatives are not direct competitors; rather they are replacement products / services from other industries. (For example, an alternative to joining a gym might be to go for a jog in the park or buy home gym equipment. Therefore, even if a gym had a complete monopoly in the market (i.e. zero direct competition), it still would not be able to charge whatever it wanted because after a certain price point customers would simply switch to these alternatives). Therefore, alternatives can place a price cap or a ceiling on what the businesses within an industry can charge. Consequently, they can constrain the profitability of the businesses operating within an industry even if there is no direct competition.

Start-up businesses that provide something unique in the market often take the view that they have no competition. Whilst this may be correct in that they may have no direct competitors; it will almost certainly be the case that there will be an alternative product or service (which may come from a completely different industry) that will provide similar benefits to the business's products / services.

### **Key questions here are:**

- 'What are the various alternatives?'
- 'What are their key features?'
- 'Are the benefits they provide similar enough to place a price ceiling on what a business can charge?'
- 'What are the real differences between the business's products / services and those of the alternative?'
- 'What benefits does the alternative provide over and above that of the business?'
- 'What benefits does the business provide over and above that of the alternative?'

List the various alternatives to those provided by your industry (or the industry in question) and using the questions above as a guide, describe the Characteristics of Alternatives. Finally, taken as a whole, state whether or not you believe this to be a strong / moderate / weak force. (Word count guide 150)




## Ease of Market Entry

Profitability is also determined by the ease with which new competitors may enter into the industry in question. If it is easy for new competitors to enter into the industry, it means that the existing competitors (the incumbents) will be forced to keep their prices to a minimum and /or their spending (on marketing & advertising, product / service features, new product development) to a maximum in order to put off potential new entrants from coming into the market (watch *episode 4, video 1.4* for a more comprehensive explanation). Therefore, barriers to entry are to the benefit of the existing competitors.

### Key questions here are:

- ‘How easy would it be for new competitors to start providing a similar product / service?’ Please note this could include businesses already operating in this area but who do not currently provide this specific product / service.
- ‘What are the barriers to entry?’ (e.g. high level of investment, a high level of technological know-how, demand side economies of scale (*see episode 4, video 1.4*), a widely adopted technical / industry standard, exclusive rights, brand / reputation, supply side economies of scale - (*see episode 4, video 1.4*)).
- ‘To what extent does this force compel existing competitors to keep costs to a minimum and / or spending on new product development, product / service levels, marketing and advertising to a maximum?’

Notes Space

(Word count guide 150)

[illegible]





## Module 1 Workflow Resources - Pre-meeting Analysis

### **Step 1 - Industry Analysis**

Specify the product / service to be analysed (this could relate to one of your own products / services or one of your customer's / client's):


Please answer the following questions to identify the key factors that determine profitability within the relevant industry.

**Customers:** 'With regards to the product /service in question, what is driving the customers' decision-making process when they decide who to buy this product / service from?' 'How fickle are the customers?' 'How much choice do they have?' (Word count guide 90)



**Suppliers:** ‘Who are the key suppliers that drive up the costs of the business in providing this product / service?’ ‘Is the business particularly reliant on any one of these suppliers?’ ‘How skilled is the workforce?’ (Word count guide 90)



**Competitors:** ‘Who are the business’s main competitors in relation to the product / service being analysed?’ Do all the competitors provide similar products / services?’ If not, how do they differ? (Word count guide 90)



**Alternatives:** ‘What are the various substitutes / alternatives?’ ‘What are their key features?’ Do the alternatives provide benefits over and above those of the business’s products / services?’ (Word count guide 90)



**Barriers to Entry:** ‘How easy would it be for new competitors to break into this industry?’  
 ‘What are the barriers to entry in this industry?’ (Word count guide 90)


## Transform 1

### Personal Development Plan 1

This development plan will help you to align your personal aspirations with the success of your organisation. It will ask to identify the most positive aspects of your work, skills and organisation and to visualise a potential future. It should not take long to complete and there is no requirement to share your answers with anyone within your organisation. The plans are for your own personal benefit, and you may wish to keep your answers confidential. You may also wish to reflect on your answers and revisit the Personal Development Plans at any point.

#### ***Part 1 - Present***

##### **1. Your Work**

Which aspect of your work do you enjoy the most? (Even if you currently do not have a passion for what you do, you should try to think of at least one aspect of your work that you really do enjoy). (Word count guide 90)



## 2. Your Skills

Without being modest, please specify in the space provided below, what you value most about yourself in terms of your own skills and talents. (Word count guide 90)




### 3. Your Organisation

What excites you the most about working at your organisation? In answering this, please consider what are the best aspects or qualities of your organisation; the factors that give it life and perhaps without which, it would cease to exist. (Word count guide 90)

[illegible]

## Part 2 - The Future

Imagine you have stepped into the not too distant future and you are in a similar role to the one you are in at present. However, as you look around your organisation you realise that your working life has improved significantly. Now ask yourself the following questions.

## 1. New Skills

What new skills have you learnt in this new improved future? What existing ones have you enhanced? (Word count guide 90)

[illegible]

## 2. Working Environment

Describe your working environment in terms of what you see in this new improved future. What is new, changed, better, or more effective and successful? For example, this could be as simple as a more organised, uncluttered workspace which lends itself to a more efficient way of working? (Word count guide 90)

[illegible]

### 3. Character Traits

Finally, picture your best self in this new improved future and consider the most important character traits which you would possess (even more so than now). Then, if you were to overhear someone talking about you which, 5 words would you like them to use to describe you. To help with this, some examples are set out below. However, this is by no means an exhaustive list and it has simply been included to prompt your thinking.

1
2
3
4
5

Calm	Confident	Courageous	Decisive	Determined
Efficient	Engaging	Enthusiastic	Focussed	Innovative
Inspiring	Knowledgeable	Open-minded	Optimistic	Organised
Pioneering	Reliable	Supportive	Sympathetic	Trustworthy
Understanding	Upbeat	Visionary		

## Apply 2

### Worksheet 2 - Internal Analysis (Steps 2, 3 & 4)

#### ***Exercise 1 - Draw a Strategy Canvas (Step 2)***

As highlighted in Worksheet 1, identifying those factors that have the biggest impact on profitability within an industry (though a Porter's 5 Forces analysis - Step 1) is an important starting point in developing strategy. However, the industry forces are not the only criteria that determine the best strategies for a business. This is demonstrated by the fact that different businesses within the same industry will often successfully pursue very different strategies to address the same industry forces.

To identify the best strategies for a specific business within an industry, we need to determine the customer needs that the business prioritises. This can be achieved by drawing a Strategy Canvas (as explained in *episode 8, video 2.4*). Drawing a Strategy Canvas is Step 2.

#### ***Exercise 1.1 - List the Customer needs***

Specify the product / service to be analysed

Use the space below to list the attributes important to the customers of this product / service. (Please note the factors that are important to the customers (the customer needs) may not be obvious and therefore this exercise may require some creative, lateral thinking.)


### ***Exercise 1.2 - Draw the Strategy Canvas***

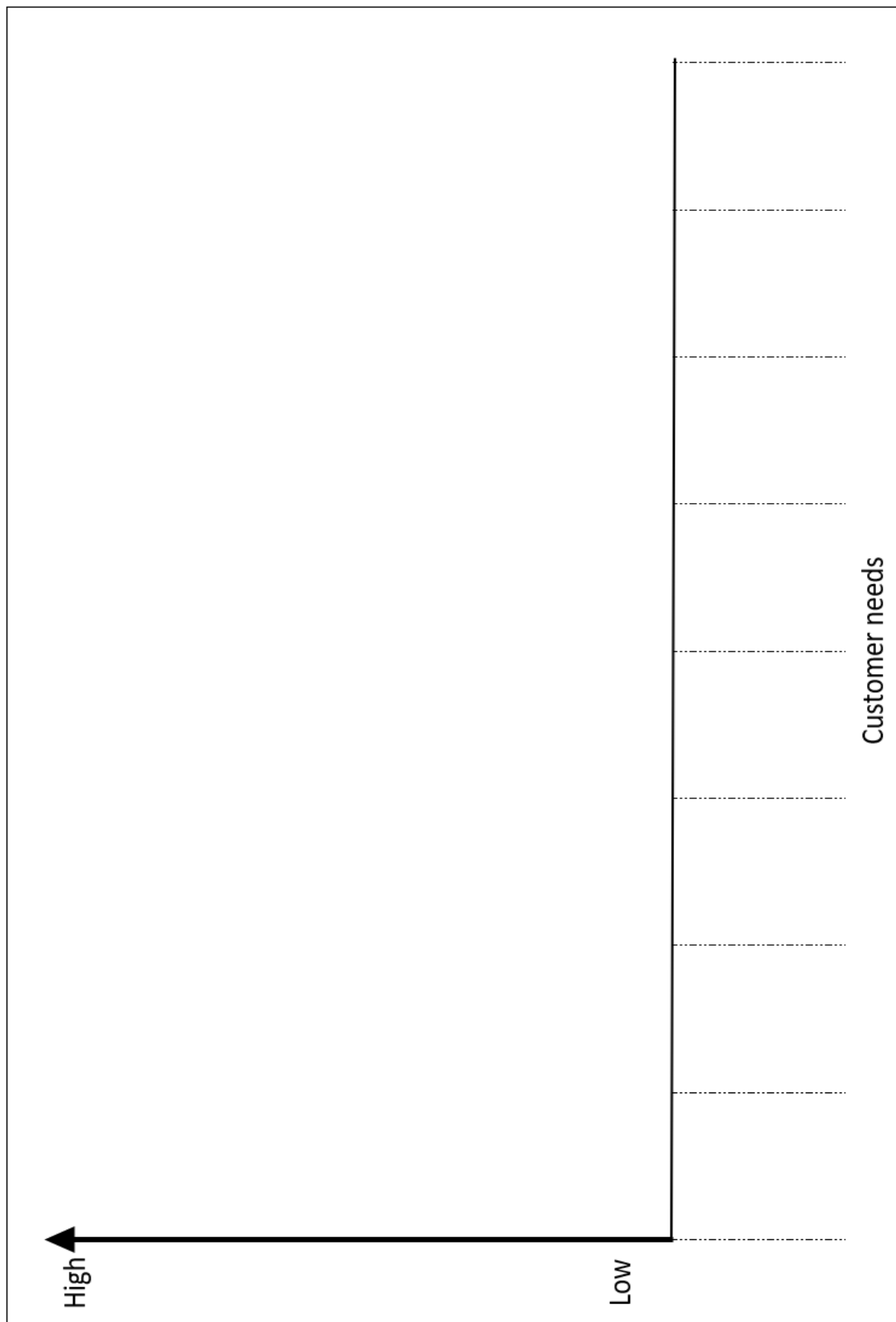
On the next page insert the customer needs (listed above) on the horizontal axis (the x-axis) and draw a strategy canvas for your product / service, determining how high you believe that each customer need should score.

The higher-up you score any given customer need, the more you think the business should prioritise (and therefore invest in) that need. However, remember price is an exception to this rule - the higher the score in relation to price - the higher the price (see below and *episode 8, video 2.4*).

Where possible compare your product / service with that of at least one of your competitors.

#### ***When carrying out this exercise remember:***

- The purpose of drawing a strategy canvas is to represent where you would like your business to be positioned in the market in relation to the product or service in question.
- However, even though you should be idealistic when drawing a strategy canvas (in that it represents where you would like the business to be positioned in the market), you must also be realistic and recognise that there will always have to be some kind of a trade-off. Clearly a business will not be able to provide a superior product / service in relation to each and every customer need whilst at the same time providing the cheapest product / service. The strategy canvas maps out this trade-off.



## ***Exercise 2 – Select a Business Strategy (Step 3)***

There exists a set of predefined strategies that correspond to each of the 5 industry forces and which have been designed to address those industry forces to improve profitability. These strategies are listed on the next few pages.

### ***Using your understanding of:***

1. the nature and characteristics of the forces at work within the industry (Step 1) - as defined in Worksheet 1; and
2. the customer needs that business seeks to prioritise - defined by the Strategy Canvas (Step 2) - (Worksheet 2 - Exercise 1)

Select the different business strategies which could be of benefit to your chosen business, remembering that any strategies that you choose to pursue must be consistent with the strategy canvas.

(However, whilst you may select a number of different business strategies which could be important for your business in this Exercise 2, the next exercise (Exercise 3) will ask you to **focus on just one specific business strategy** for the remainder of this worksheet. This is purely for the purposes of this workshop and the allocated time available.)



## Supplier Strategies

### To help the business reduce costs

- ☐ Reduce costs by providing limited product / service features (see Strategy Canvas for details). (See *episode 8, video 2.4* - where are existing customers currently being overshoot?)
- ☐ Maximise resource utilization (e.g. Southwest Airlines) – use your assets as effectively and efficiently as possible
- ☐ Design products for low cost manufacture
- ☐ Sell goods online (thereby dispensing with the need for expensive high street premises)
- ☐ Exercise efficient supply chain management - just in time production (synchronise the various activities of the business to reduce any waste - see *episode 9, video 2.5*)
- ☐ Grow the business (organically / acquisition) and generate supply side economies of scale
- ☐ Outsource aspects of development / production / delivery or any other activities to parts of the world where this is cheaper
- ☐ Outsource activities to other organisations who can make / do them more cheaply
- ☐ Make it as easy as possible for the suppliers to supply to you
- ☐ Get the customers / end users to do some of the work for you (e.g. supermarket self-checkout, Amazon customer reviews, IKEA: self-selection, self-transport and self-assembly)
- ☐ Develop automated processes, for example:
  - ☐ Automated manufacturing processes (through production line technologies)
  - ☐ Automated distribution and logistics
- ☐ Standardise specifications for parts to make supplier switching easier (e.g. in car manufacturing)
- ☐ Purchase a supplier (vertical integration)
- ☐ Buy the cheapest possible components for your products
- ☐ Bind-in suppliers and prevent them from working with competitors (e.g. exclusivity agreements, restrictive covenants, garden leave clauses)
- ☐ Purchase a competitor and introduce synergies to reduce any duplication
- ☐ Efficient manufacturing processes
- ☐ Efficient distribution processes

- 

[illegible]

## Customer strategies

- ☐ Win customers by providing them with a unique or superior product / service - best described by the Strategy Canvas itself (See Strategy Canvas for full details)
- ☐ Win customers by providing them with the cheapest product or service - best described by the Strategy Canvas itself (See Strategy Canvas for full details)
- ☐ Tie customers in with long term agreements (e.g. insurance, gym membership, mobile)
- ☐ Make it difficult for customers to switch to competitors
- ☐ Customer reward / loyalty programmes (e.g., store cards, Air Miles, discounts for best customers, discounts for bulk purchases, stamp cards in coffee shops etc.)
- ☐ Provide customers with credit / hire purchase agreements
- ☐ Provide a range of complementary products or services (e.g. boiler repair provided by gas suppliers)
- ☐ Make it as easy as possible for customers to buy from you (e.g. make the purchase process as quick and straightforward as possible).
- ☐ Make it difficult for customers to compare prices across the various competitors (important where the business does not provide the cheapest product in the market) for example by:
  - ☐ Avoiding price comparison sites
  - ☐ Introducing confusing pricing policies (e.g. mobile / cell phones, utilities industries)
- ☐ Make it easy to compare prices (important where the business provides the cheapest product in the market) by:
  - ☐ Providing details to price comparison sites
  - ☐ Encouraging transparent pricing policies
- ☐ Make customers aware of the benefits of the product or service through marketing and advertising / public relations campaigns. Specify the types of marketing campaign (including search engine optimisation) that you will use:
- ☐ Advertise / market to the customers' customers so that they will put pressure on your customers to buy your products / services (e.g. Intel, Teflon, Dolby, NutraSweet, Lycra). Specify the medium for pursuing this strategy

- 

[illegible]

## Competitor Strategies

### **To help the business overcome the competition**

*(Please note that several of these strategies are identical or similar to Customer Strategies and Supplier Strategies. This is because, as well as dealing with these specific forces, these strategies will also ultimately provide a business with an advantage over the competition.)*

- ☐ Purchase a competitor to reduce competition
- ☐ Differentiate products / services from those of competitors by:
  - ☐ Providing a superior product or service in relation to certain features - best described by the Strategy Canvas (see Strategy Canvas for full details)
  - ☐ Providing the cheapest product or service in the market - best described by the Strategy Canvas (see Strategy Canvas for full details)
- ☐ Make it difficult to compare prices across the various competitors (where the business does not provide the cheapest product in the market) by:
  - ☐ Avoiding price comparison sites
  - ☐ Introducing confusing pricing policies (e.g. mobile carriers)
- ☐ Make it easy to compare prices (where the business provides the cheapest product in the market) by:
  - ☐ Providing details to price comparison sites
  - ☐ Encouraging transparent pricing policies
- ☐ Accentuate benefits of the product or service over the competitors through product packaging / marketing / advertising / public relations campaigns
- ☐ Shut out competitors by forming alliances with linked or complimentary businesses/organisations (e.g. games developers)
- ☐ Bind-in suppliers and prevent them from working with competitors (e.g. exclusivity agreements, restrictive covenants, garden leave clauses)
- ☐ Purchase a supplier in order to shut out competitors (vertical integration)
- ☐ Develop a widely adopted technical / industry standard (e.g. Microsoft, Google (Android))
- ☐ Register, enforce & protect the business's key intellectual property rights
- ☐ Retaliation tactics (e.g. temporarily sell at a loss to price competition out of market)

- 

[illegible]

## Barrier Strategies

### To help the business to raise barriers to entry and prevent new competition

- ☐ Develop a wide network of users (so that the business can benefit from demand side economies of scale), (e.g. Facebook, Twitter)
- ☐ Develop a strong brand / reputation
- ☐ Retaliation tactics (e.g. temporarily sell at a loss to price competition out of market)
- ☐ Shut out competitors by forming alliances with linked or complimentary businesses/organisations (e.g. games developers)
- ☐ Bind-in suppliers and prevent them from working with competitors (e.g. exclusivity agreements, restrictive covenants, garden leave clauses)
- ☐ Purchase a supplier in order to shut out competitors (vertical integration)
- ☐ Develop a widely adopted technical / industry standard (e.g. Microsoft, Google (Android))
- ☐ Register, enforce & protect the business's key intellectual property rights
- ☐ Tie customers in with long term agreements (e.g. insurance, gym membership, mobile)
- ☐ Make switching to competitors more difficult
- ☐ Employ the best employees and prevent them from working for competitors with restrictive covenants and garden leave clauses (e.g. Microsoft, Google)
- ☐ Grow the business and introduce efficiencies that allow the business to spread its costs over products and services so that the business can benefit from exploit supply side economies of scale
- ☐ Secure a favourable physical location
- ☐ Specify any other possible strategies for dealing with this force not otherwise listed above:


## Alternative Strategies

**To help the business deal with alternative (or substitute) products / services from other industries**

*(In dealing with alternatives, it can be helpful as a starting point to add the alternative products / services to the strategy canvas to compare them with your business and determine which needs they meet. As well as helping you deal with alternatives – this can also reveal new customer needs thereby providing new ways of differentiating your products or services from those of the competition.)*

- ☐ Differentiate products / services from those of alternatives by:
  - ☐ Providing a superior product or service in relation to certain features - best described by the Strategy Canvas (see Strategy Canvas for full details)
  - ☐ Providing a product or service to that provided by alternatives - best described by the Strategy Canvas (see Strategy Canvas for full details)
- ☐ Add new product or services features so that the alternative is no longer deemed to be a valid replacement
- ☐ Accentuate benefits of the product or service over alternative through product packaging / marketing / advertising / public relations campaign
- ☐ Adopt benefits provided by alternatives. Specify the benefits to be adopted:

- ☐ Enhance product features to ensure alternative is not determined to be a valid replacement (e.g. The gym industry introduce fitness classes & personal trainers) - so that buying home gym equipment is less of a valid replacement - see *episode 5, video 1.5*)
- ☐ Tie customers in with long term agreements (e.g. insurance, gym membership, mobile)
- ☐ Make it difficult for customers to switch to an alternative
- ☐ Customer reward / loyalty programmes (e.g., store cards, Air Miles, discounts for best customers)
- ☐ Provide a range of complementary products or services
- ☐ Make it as easy as possible for customers to buy from you
- ☐ Specify any other possible strategies for dealing with this force not otherwise listed above:





### **Exercise 3.1 – The Key Asset Map (Step 4 - Part 1)**

A business will have to have the appropriate assets in place (referred to as key assets) in order to execute any business strategy. The **Key Asset Map** is where we set out those key assets.

1. Choose one of the **business strategies** that you selected in Exercise 2 and enter it into the box on the right hand side below (normally, of course, you would enter more than one strategy in the box on the right-hand side. This is purely for the purposes of this exercise and the allocated time available).
2. Specify which assets (in terms of its physical, financial, human resources, organisational assets (IP and third-party agreements) and organisational processes) need to be in place to execute this strategy by completing the Key Asset Map in the left-hand box below.


**Step 3 – Business Strategies**

✓

↑

**Step 4 – Key Asset**

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### ***Exercise 3.2 – Functional Strategies (Step 4 - Part 2)***

Having identified the Key Assets the business will need to have in place, the business must then direct all of its energies to putting those key assets in place. This is Step 4 - Part 2 and can be achieved through the use of functional strategies.

**There are 4 types of Functional Strategies.**

**Functional Strategy Type 1** - 'Use the financial assets that are currently in the business or generated in the normal course of business to buy key assets.'

**Functional Strategy Type 2** - 'Obtain additional financial assets by raising finance through a grant, loan or investment. These financial assets can then be used to buy key assets in accordance with Functional Strategy Type 1.'

**Functional Strategy Type 3** - 'Obtain additional financial assets by generating those finances in ways that are outside the business's normal course of business. These financial assets can then be used to buy key assets in accordance with Functional Strategy Type 1.'

**Functional Strategy Type 4** - 'Enhance the existing assets in such a way that they are transformed into key assets.'

It will normally be necessary to combine a number of functional strategies in order to put the key assets in place.

### ***Exercise 3.3 – Identify actions your business could take***

With the assets currently available to you and the different types of functional strategies and how they should be combined, describe the various actions that your business could take in order to move it from where it is now to put the key assets in place. You are asked to do this in narrative terms for this exercise. You may wish to add additional actions if necessary.

Action 1

Action 2

Action 3

Action 4

Action 5

## Transform 2

### Personal Development Plan 2

This second development plan will ask to identify some practical steps that can be used to realise your own personal aspirations in a way that is aligned to the strategies of your organisation. The exercises should not take long to complete and there is no requirement to share your answers with anyone within your organisation. The plans are for your own personal benefit, and you may wish to keep your answers confidential.

#### **1. Strategies towards which you could contribute**

Revisit the business strategies that are listed in Worksheet 2 (of the Apply element of the course) and make a note in the space below of all of those strategies that could be (1) of benefit to your organisation and (2) towards which you could in some way contribute (even if only loosely and indirectly).


#### **2. Character Traits**

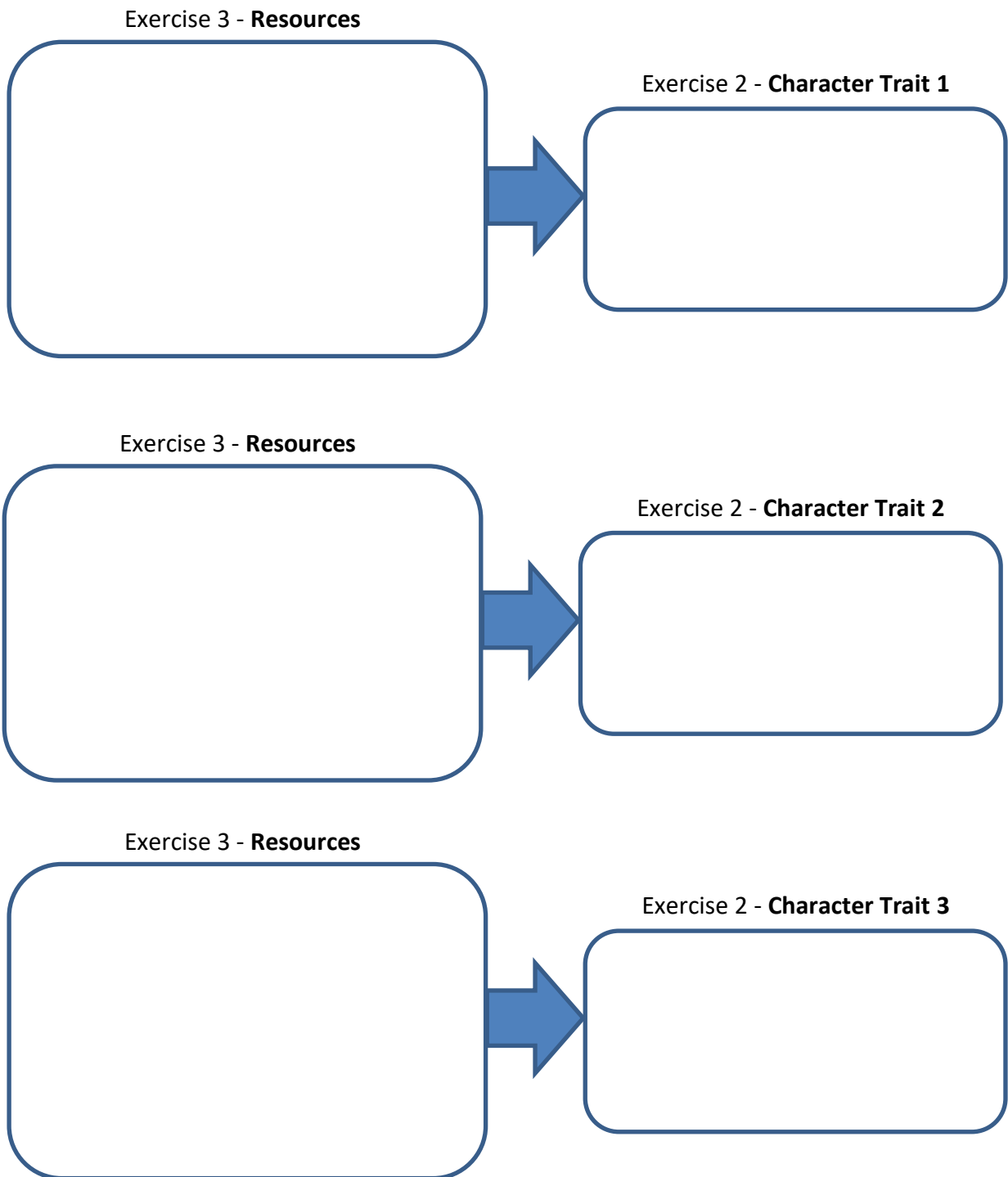
Look at the character traits that you listed at the end of Development Plan 1 and circle any traits, which if enhanced in some way, would help you make a bigger and more effective contribution to any of the strategies you listed in Exercise 1 above.

Then, on the next page, write between 1 - 3 of the most important character traits that you have circled into the right-hand boxes of the diagrams. (One character trait per right-hand box).

Examples have been provided in the *Transform video for this Module 2- episode 11*.

### 3. Functional Strategies

Finally, identify what resources you would need to use in order to put these character traits in place. Set these out on the left-hand side of the page. Examples are given in *Transform video for this Module 2 – episode 11*.



## Apply 3

### Worksheet 3 - General Analysis (Steps 5, 6 & 7)

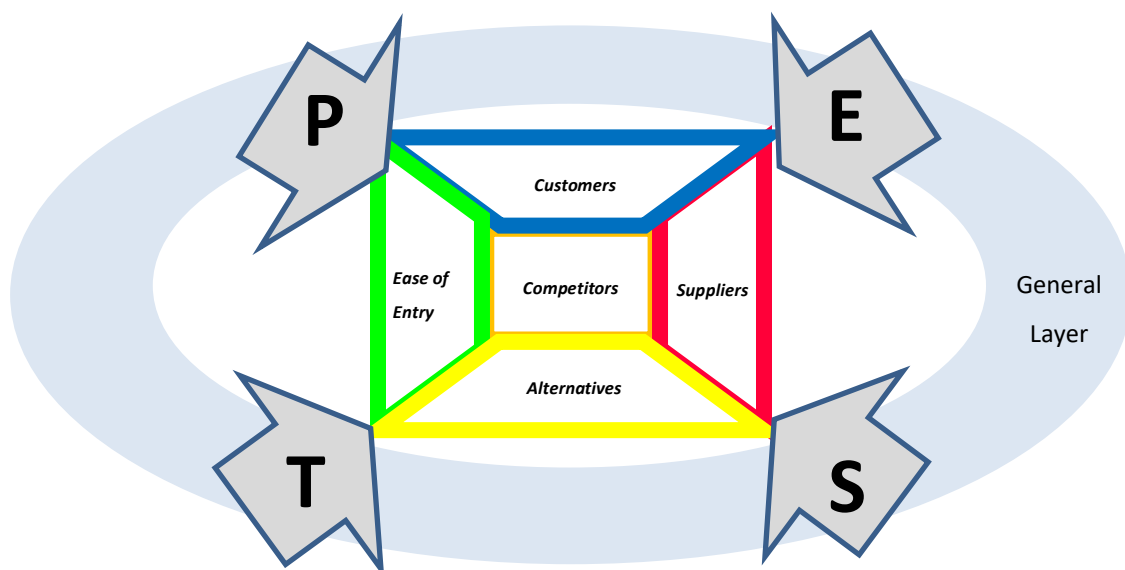
You should begin this worksheet by selecting a product / service to be analysed.

Specify the product / service to be analysed:


#### **Exercise 1 - The Future 5 Forces Model (Step 5 Part 1)**

As explained in the **module 3 videos – episodes 12-16**, every business will have to make adjustments to its strategies from time to time based upon changes that take place within the General Layer.

The starting point is to interpret those external changes in terms of their impact on the 5 Industry Forces. This can be achieved by applying the Future 5 Forces Model. This is Step 5 (Part 1) and it forms the basis for the first exercise on this worksheet.



The next two pages ask you to identify two changes from within any of the Political, Economic Socio-Cultural or Technological (PEST) factors which will impact on (or which are currently impacting on) an industry of your choice. You are then asked to make a note of the implications of these changes on your 5 industry forces. When completing this exercise, please remember the following:

- The changes that you identify should be specific. For example, if you wish to consider a change taking place within **Political** conditions you should identify one particular change in the law or a change in government policy and then focus on this specific change in terms of how it could an impact on your 5 industry forces.
- When considering the impact of any change on the 5 industry forces, it can seem reasonable to suggest that the change will impact on all the businesses in the industry in exactly the same way. However, because different businesses within the same industry will commonly prioritise different customer needs (Step 2), pursue different Business Strategies (Step 3), have different Key Assets and different approaches to putting those Key Assets in place (Step 4), the same change can have very different implications for those different businesses. This means that a change that at first appears to negatively impact on a business could in fact give that business an advantage if it deals with it in a superior manner to the competition.
- Some changes can come under more than one PEST heading. For example, people becoming more environmentally aware (a Socio-Cultural Factor) can lead to a change in the law (A Political Factor). In these circumstances it does not matter which heading the change comes under (Socio-Cultural or Political), provided you consider it in relative terms (i.e. in terms of its impact on the 5 industry forces).
- It is unlikely that the change you choose to focus on will impact on every industry force. For example, perhaps the change you choose to focus on has no impact on Barriers to Entry. In these circumstances, just leave this section blank and move onto the next one.



**Change 1**

Please specify a change in one of the PEST factors which you believe will impact on one or more of the 5 industry forces to the product / service you have chosen to analyse:

**Change 1:**

How does this impact on your business's:

**Customers****Suppliers****Competitors****Barriers to entry****Alternatives**

**Change 2**

Please specify a change in one of the PEST factors which you believe will impact on one or more of the 5 industry forces to the product / service you have chosen to analyse:

**Change 2:**

How does this impact on your business's:

**Customers****Suppliers****Competitors****Barriers to entry****Alternatives**

Due to the changes in the PEST factors, we can start to appreciate that it will be necessary to revisit and make adjustments to the strategies currently pursued by the business (this is Step 6). However, before moving onto Step 6 we need to apply The Future Brand Identity Model (Step 5 (Part 2)).

[illegible]

## Exercise 2 - The Future Brand Identity Model (Step 5 Part 2)

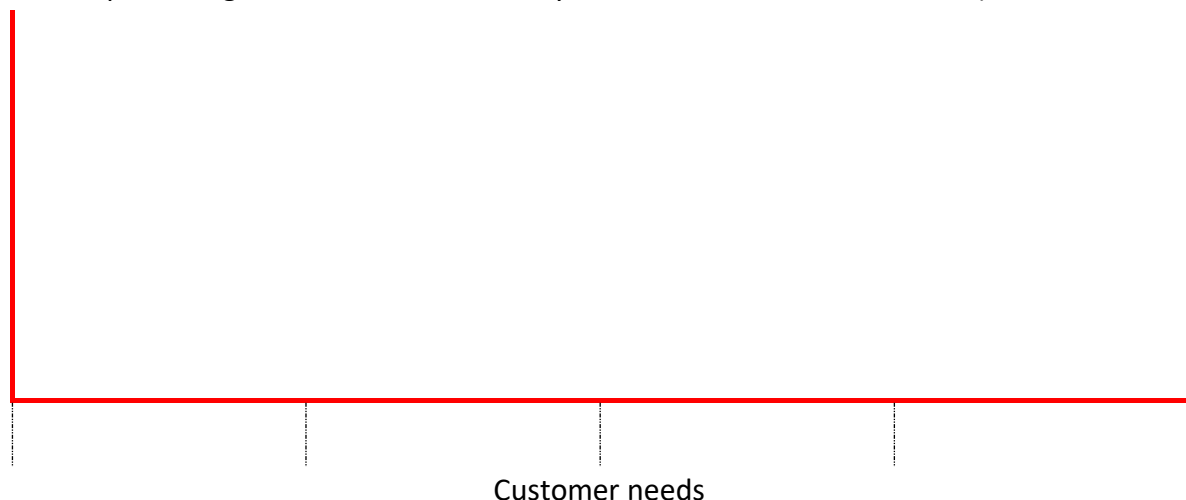
As we saw at Step 3, by selecting business strategies that are consistent with its strategy canvas, a business can help to ensure that where it would like to be positioned in the market (in terms of the customer needs it seeks to prioritise) becomes where the business is actually positioned in the market as perceived by the customers - otherwise referred to as the brand identity of the business.

However, a business cannot expect customer needs to stay the same forever. This is because changes in the Political, Economic, Socio-cultural and Technological factors can create new customer needs or make old ones irrelevant. (Examples of potential new customer needs are provided in *episode 13, video 3.4*)

Clearly, if a business has not accounted for these new customer needs, they will go unmet, which can have a detrimental impact on the brand identity of the business.

Specifying how the business will actually be perceived in the market if these needs go unmet can be achieved diagrammatically through the use of The Future Brand Identity Model. In order to apply the Future Brand Identity Model, please have a go at the following exercise.

1. Enter any newly created or emerging customer needs onto the x-axis on the diagram below:
2. Specify how high you believe your business would currently score in the eyes of the customers in relation to these new needs. (By carrying out this exercise you will be predicting the future brand identity in relation to these new needs.)



### Exercise 3 - Building for the Future (Step 6)

Having identified the impact of the external changes taking place in the market in exercises 1 and 2 above, please use the space below to specify what your business (or perhaps more specifically your team / department) should do to respond to these changes, remembering that any such response such be based upon its existing strengths.

[illegible]

### Exercise 4 - New Markets (Step 7)

Please specify in the space provided below (i) any new opportunities in the form of new products, services or geographical markets (or perhaps more specifically your team / department) where your business can also exploit its core strengths and (ii) the steps you think the business will need to take in order to take advantage of these opportunities.

[illegible]

## Transform

### Personal Development Plan 3

This third development plan will ask to consider your changing role and the new skills and capabilities you will need to develop in the future. At the end of this plan, you will be asked to specify some long-term goals. The exercises should not take long to complete and there is no requirement to share your answers with anyone within your organisation. The plans are for your own personal benefit, and you may wish to keep your answers confidential.

#### **1. Your changing role**

Having completed steps 5 to 7 you will have determined how your organisation should respond to the various changes you have identified and which new opportunities it should pursue in the future. Using the space provided below please specify what the implications of these changes might mean for your own role and how could they impact on your day-to-day work in the future:


## 2. New skills and competencies

Identify the new skills and competencies you will need to develop in order to respond to these changes so that they will (1) help you to enhance your existing strengths and (2) allow you to continue to work on those areas of personal development that are important to you.

Make a note of these in the space provided below:

[illegible]



### ***Exercise 3 – Setting long-term goals***

Having considered how the market is changing and your response to those changes, use the space below to specify some long-term goals that you wish to pursue. These long-term goals should:

1. Be based upon what could you really achieve if you truly mastered the character traits that you have chosen to focus on; and
2. Reflect an area that important to you as an individual, that you are passionate about and that will drive you to continually reassess what you are currently doing in order to see if it is consistent with those overall goals.

#### **Specify Long-Term Goals**


You should now have a clear set of goals, learning objectives and action plans. These will help you to shape your ongoing development into the future.

### Extending Answers page.

[illegible]