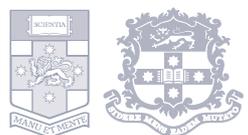


Thinking Strategically



A two-day residential program designed for managers who need to develop better interactive strategies in the areas of pricing and marketing, new-product development, corporate strategy and staff recruitment.

Sydney Thursday 27 – Friday 28 September 2001



The AGSM is a School of both The University of Sydney and The University of New South Wales



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Making business decisions requires many different skills and areas of knowledge: financial, organisational, marketing, economic, legal and operational. Managers increasingly have to make decisions in interactive, strategic environments where their decisions will directly affect the profits of their firm's rivals or allies. In such strategic interactions, managers must be able to think strategically.

This program examines the emerging science of strategy, or game theory, which consists of simple principles that aid decision making. Often, strategic decisions must be made without clear information on others' actions or goals. Can managers do better than tossing a coin in these situations? Yes. Game theory provides a framework for showing how.

The program is not a recipe book of strategies. Instead, we develop the ideas and principles of strategic thinking, using case studies as examples and exercises to reinforce the principles.

Program content

Thinking Strategically encourages managers to think strategically when confronted with the behaviour of customers, competitors (both current and potential) and regulators.

This program improves managers' capacity to systematically analyse a strategic, competitive environment, and instills greater confidence in their ability to make strategic decisions.

Specific topics include:

- 'Strategising' versus economising
- The best approach to interactive encounters
- How to design your interactions
- How to design auctions and how to bid
- The importance of market competitors and 'complementors'

Who will benefit by attending?

The program will benefit middle and senior managers whose operational or strategic decision making requires them to compete in, or coordinate areas, including:

- Pricing and marketing
- Corporate strategy
- Development and marketing of new products
- Make-or-buy decisions
- Staff recruitment

Key benefits

At the conclusion of the program, participants will be able to:

- Look forward and reason back in order to make better decisions when faced with the possible actions of others
- Think through the likely behaviour of rivals and allies in many situations
- Use simple techniques to improve their interactions
- Answer the question: 'Are we in the right game?'

strategically

Agenda

Day 1

8.15 – 9.00am Registration and coffee

Strategic decision making

The concept of the simple game tree shows you how to make better decisions by factoring in what others know, what you know and how others will respond. This helps you justify your decisions to superiors or delegate to subordinates.

Looking forward and reasoning backwards.

Lunch

Credible commitment and reputation

In strategic interactions, beliefs are crucial. Altering others' beliefs about what you will do next can be very effective. Strategic moves, such as threats and promises, can be used to achieve this change. But, to be effective, strategic moves must be credible.

A combination of lectures and in-class interactions will demonstrate how to establish credibility, because reputations do matter. They can be made and lost in repeated interactions. They can also reduce the costs of coordination, and facilitate cooperation where competition might be expected.

The pervasive 'Prisoner's Dilemma' and how to resolve it.

Dinner

Evening session

Day 2

8.30am

Bargaining, bidding and auctions

Do you want to win or be profitable in two-way bargaining and multilateral bidding in auctions and tender processes? We examine bidding behaviour and the role that game theory has played in devising new forms of auctions and tender processes.

Understanding the 'Winner's Curse' and how to avoid it.

Lunch

Choosing the right game

Recent research has emphasised the possibility of common interests in the market. The firm can be seen as being at the centre of a network: buying from suppliers and selling to customers, competing with rivals and benefiting from complementors. Case studies show how to maximise profits by understanding these interactions.

Choosing the right game: suppliers, products, customers, competitors and complementors.

5.00pm Finish

A Certificate of Attendance is presented to participants at the conclusion of the program.



Directors

Professor Robert Marks

Professor Marks first studied engineering at **Melbourne University** before completing a PhD in economics at **Stanford University**. He has taught economics and game theory at the **AGSM**, Stanford

University, **Berkeley** and **MIT**. His research interests include the strategic behaviour of firms and the evolution of economic institutions.

He has published over ninety articles and books on these and other topics. He is the General Editor of the *Australian Journal of Management*.

Professor Marks has consulted many companies in Australia and abroad, for government agencies and other organisations. He has been the director of a number of AGSM's executive programs.



Dr Robin Stonecash

Robin Stonecash has taught economics at the **University of Wisconsin**, the **University of New South Wales**, the **University of Hong Kong**, **Bond University** and the **AGSM**. She has an honours degree in economics and political science from **Swarthmore College**, Pennsylvania, a Masters Degree in economics from the University of

Wisconsin and a PhD in economics from the University of New South Wales.

Her research interests include outsourcing and contract design, competition policy and its application to Australian industry, and market structure and incentives to conduct R&D. As a consultant, Robin has worked with the **NSW Government**, the **Department of Foreign Affairs and Trade** and several private companies. She has worked in Washington DC for **President Carter's Council** on Wage and Price Stability and at the **US Federal Reserve Bank**, Philadelphia.

Thinking Strategically

Two day residential program

Sydney Thursday 27 – Friday 28 September 2001

\$2,733.50 [program fee AUD\$2,485 + 10% GST]

Participant details

| | | | | | |
|---|--|-------------------------|-------------------------|------------------|----------|
| title | | first name | | family name | |
| preferred given name [to appear on name badge] | | | | | |
| position | | | | | |
| parent company | | | division | | |
| business address of participant | | | | | |
| suburb/city | | | state | | postcode |
| telephone switch [] | | telephone direct [] | | facsimile [] | |
| email | | | no. of employees | | |
| major industry of employer | | | main area of occupation | | |
| how did you hear about this program? <input type="checkbox"/> direct mail <input type="checkbox"/> past participant <input type="checkbox"/> HR/training department <input type="checkbox"/> my manager <input type="checkbox"/> advertising <input type="checkbox"/> website <input type="checkbox"/> other (please specify) | | | | | |

Person in charge of executive development in your organisation

| | | | | | |
|-------------------------|--|-------------------------|----------|------------------|----------|
| title | | first name | | family name | |
| position | | | | | |
| parent company | | | division | | |
| business address | | | | | |
| suburb/city | | | state | | postcode |
| telephone switch [] | | telephone direct [] | | facsimile [] | |
| email | | | | | |

I agree to the conditions of enrolment [we are unable to accept this application unless signed]

| | | | |
|---------------|--|-----------|--|
| name/position | | signature | |
|---------------|--|-----------|--|

Payment method [payment must be received before the start of the program]

| | | | | | |
|--|--|------------|----------|-------------|----------|
| <input type="checkbox"/> I enclose a cheque payable to AGSM Limited | | | | | |
| <input type="checkbox"/> Please charge to my credit card the amount of \$ _____ | | | | | |
| Card type: <input type="checkbox"/> B/card <input type="checkbox"/> M/card <input type="checkbox"/> Visa <input type="checkbox"/> Amex | | | | | |
| card number | | | | expiry date | |
| name on card | | | | | |
| signature of cardholder | | | | | |
| <input type="checkbox"/> Please send an invoice [complete details of the person to receive the invoice] | | | | | |
| title | | first name | | family name | |
| position | | | | | |
| parent company | | | division | | |
| address | | | | | |
| suburb/city | | | state | | postcode |
| purchase order number [if applicable] | | | | | |

OFFICE USE ONLY

| | | | | | |
|----------|--|-----|--|------|--|
| PID | | CID | | JOIN | |
| ENT/DATE | | ACK | | INV | |

Application

How to enrol

Please complete your application and fax to

61 2 9931 9370

If you are sending a cheque, please make it payable to **AGSM Limited** and mail to

**Client Services, Executive Education
AGSM Limited
UNSW SYDNEY NSW 2052
AUSTRALIA**

Enquiries

Client Services
Telephone 61 2 9931 9333
Facsimile 61 2 9931 9370
Email enquiries@agsm.edu.au

www.agsm.edu.au

Fee and venue

The fee of \$2,733.50 [program fee \$2,485 + 10% GST] includes accommodation, meals and all program materials. Please contact Client Services for information on group discounts.

The program will be held at
AGSM, UNSW
Gate 11 Botany Street
Randwick NSW 2031

Conditions of enrolment

Should you need to cancel or transfer an enrolment, a full refund will be given if advised in writing at least 10 working days before the start of the program. If you cancel or transfer after that date, a 60% fee of \$1,640.10 [program fee \$1,491 + 10% GST] will apply.

You can substitute another participant up to the start of the program without penalty.

If you do not attend the program and have not advised us in writing before the program start date, the full fee of \$2,733.50 will apply.

AGSM reserves the right to cancel a program if circumstances necessitate. If a program is cancelled, AGSM will make every effort to advise you and a full refund of the paid fee will be made.

GST

Some registered entities will be able to claim an input tax credit for GST charges on taxable supplies made by AGSM. It is the responsibility of those entities to assess their eligibility for any such tax credit.

ABN 83 085 006 382