

Major Group Project – Workshop

Task Description (ref. Unit of Study Outline)

- Task Description

A case study will be the focus of the major group project including assessment tasks 3, 4 and 5.

The aim of the project is to prepare a proposal for a case study business restructuring and renewal. The recommendation must generate value for shareholders and must align with the interest of stakeholders.

The project should include investigation and analysis of the case study business, industry and industry structure (including participants), recent changes in the industry and the business, opportunity identification and evaluation for the restructuring and renewal of the case study business to create value for shareholders, and the presentation of a long term growth plan for the business including an implementation plan.

Assessment Criteria for the Presentation (ref. Unit of Study Outline)

- Assessment Criteria

1. Use of literature/ Knowledge of theory
2. Methodology used is the most appropriate to the aims and objectives of the task
3. Conclusions
4. Analysis
5. Problem solving
6. Conceptualisation
7. Critical reasoning / critical thinking
8. Originality
9. Presentation (visual)
10. Presentation / communication (oral)

Assessment Criteria for the Written Report (ref. Unit of Study Outline)

1. Presentation, communication & style (written)
2. Clarity of expression (incl. accuracy, spelling, grammar, punctuation)
3. Use of literature/ Knowledge of theory
4. Methodology used is the most appropriate to the aims and objectives of the task
5. Data/information gathering/processing
6. Conclusions
7. Analysis
8. Problem solving
9. Conceptualisation
10. Interactive and group skills (include. Teamwork, Negotiation/micro-politics & empathy)

2. External Analysis

Use the tools for the external environment analysis. E.g. PESTEL, Industry value chain Porter's Five Forces, Industry lifecycle, Strategic Groups

Some guiding questions:

2.a. Macro Environment

Identify key strategic issues in the firm's industry in the macro-environment.

Complete a *PESTEL analysis*

- What are the key issues that the sector confronts or/and will confront in the coming years?
- What impacts will these have on the nature and size of demand?
- How will this affect the company's current strategy?

2.b. Industry Environment

Identify key strategic issues in the firm's industry

Complete a *Porter's 5 forces* and an *industry value chain* analysis and draw conclusions

- What are the dynamics of the chosen industry in the company home country and globally? E.g.
 - Attractiveness of the industry
 - Competition
- Looking forward what do you expect will occur in the industry?
- What insights can you gain from the industry value chain which can have pronounced impact on the firms operating in this industry? E.g.
 - What are the risks and opportunities in each stages of the industry value chain?
 - What is the key aspect in this industry?
- In what stages of the industry value chain is the focal company operating in?

3. Internal Analysis

3.1. What is the current (corporate) strategy of the company?

Use the tools for internal analysis and the findings of your external analysis to define the current (corporate) strategy of the company. E.g. Value Chain, VRIO framework

Some guiding questions:

- What resources and capabilities does the organization have?
- Do any of these provide a competitive advantage or a sustainable competitive advantage?
- What value does the organization provide to their customers?
- In what areas of the business is the company investing resources?
- Is the company ambidextrous? Why or why not?
- Is the company strategy aligned with the external (macro and industry) environment and the changes that you foresee happening in the external environment?

4. Growth Analysis

4.1. Actual situation: Growth Prospect

Consider the company current business activities (exclude growth options that you are going to include in your change of strategy direction for now) as at 2019:

- Complete the company's 3 horizons of growth analysis
- What conclusions can you draw?

4.2. Strategic Change: Future Growth Prospect

- Identify growth options for the company: in what businesses the company should be in over the next few years (Three Horizons of growth: 5 years., 10 years 15 years)
 - Complete the company's 3 horizons of growth analysis including the growth options
- Product maps for each business: analyse the market demands, customer feedback to identify holes in their product line. Which product fill the gaps?

4.3. Strategic Change: Portfolio analysis

- Evaluate the growth options (existing business + growth options) using the MACS framework. For the MACS framework:
 1. Evaluate stand-alone attractiveness
 2. Evaluate the company's ability to extract value using **value chain of activities** and identify **opportunities to leverage existing resources** for each of the growth options
 3. Combine the above 2 steps to map the growth options on the MACS matrix
- Assume you are appointed as a corporate advisor to your case company, advise the leadership about the top 3 growth options to pursue based on all of your analysis to date (be able to support your recommendations with analysis)
- For each of your 3 recommended growth options apply the Resource Pathways framework to determine the most appropriate vehicle to use in pursuing the growth option

4.4. Apply the Resource Pathway framework

After having determined the growth options for your company:

- Define the Resource-Capabilities Gap
- Acquisition of resources. What (technological) capabilities and resources the company will need to develop product in the defined time horizon?
- Timing of the capability needed. Link to the external analysis and three growth horizons
- Build, Borrow or Buy?

MACS Framework

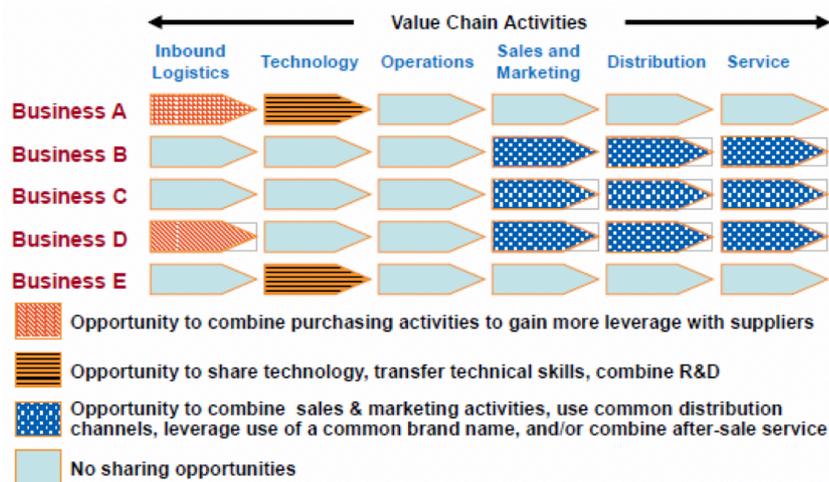
Step 1. Stand-alone attractiveness (example)

Stand alone attractiveness of Worley's existing businesses and growth options

Worley	Stand-alone attractiveness (High, medium, or low)	Measures of industry attractiveness: <ul style="list-style-type: none"> •Market size •Industry growth rate •Industry profitability •Cyclicality •Barriers to entry •Threat of new entrants •Threat of substitutes •Supplier power •Buyer/customer power •Intensity of rivalry
Oil & Gas in Australia		
Oil & Gas in SE Asia		
Saudi Arabia & Middle East		
Houston		
Mining & Minerals		
General Infrastructure		
Software		
Minor Project development		

Step 2. Evaluate company's ability to extract value and opportunity to leverage existing resources

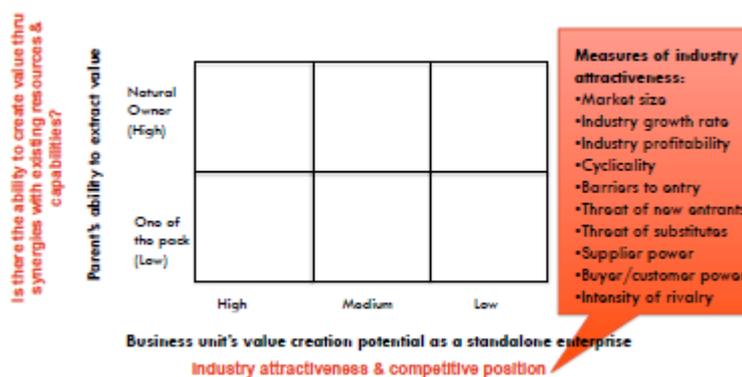
Identifying Opportunities to Share Resources, Capabilities, and Management Systems Across Multiple Businesses

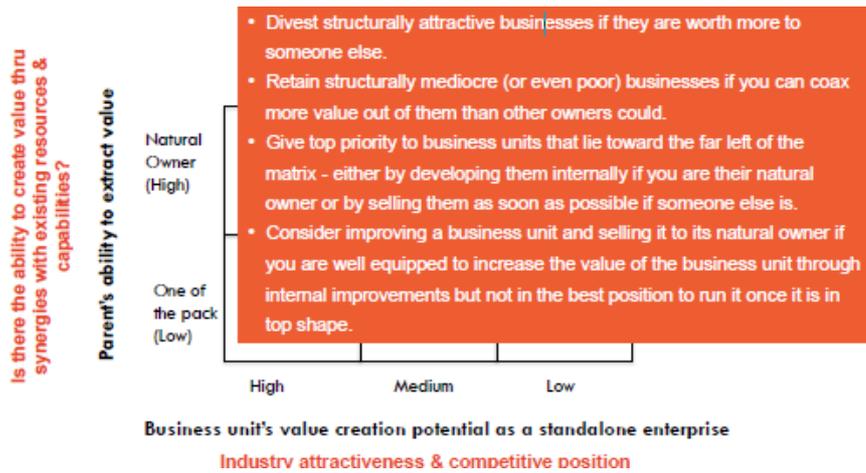


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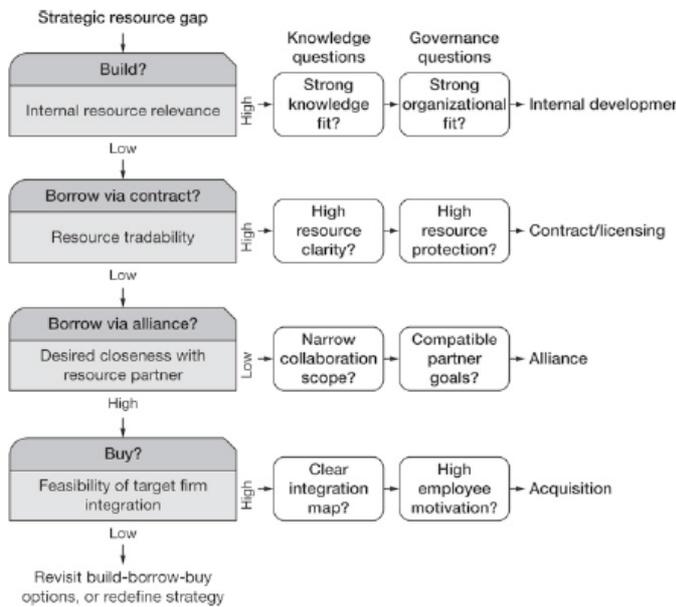
Step 3. Map into the MACS framework

MACS framework





Resource pathway framework

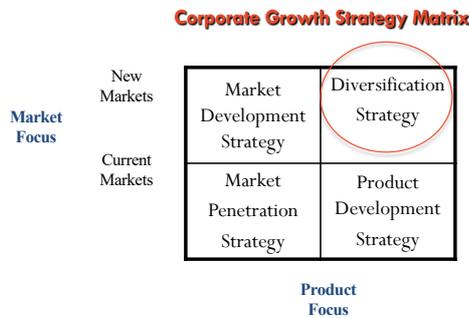


What is new Business

Corporate Venturing

- **Internal corporate venturing** – new businesses created and owned by the corporation
- **Cooperative corporate venturing** – new businesses are created and owned by the corporation together with one or more external development partners
- **External corporate venturing** – new businesses are created by parties outside the corporation and subsequently invested in or acquired by the corporation

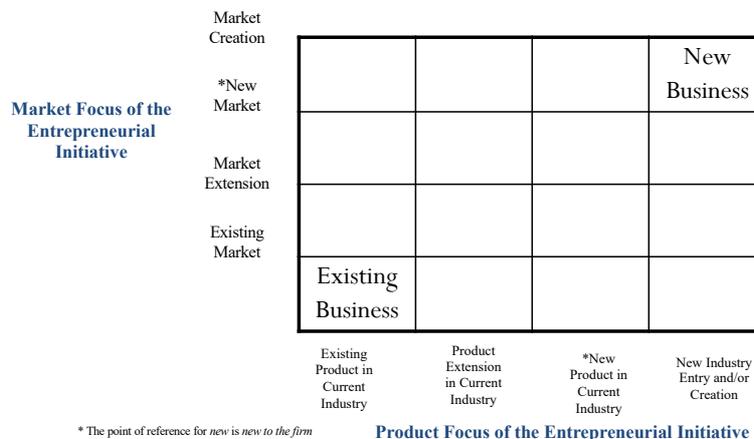
Corporate Venturing: What is new business?



“When a company finds itself dealing with new categories of customers and selling them products or services that are new to the firm”

Morris, M. H., Kuratko, D. F., & Covin, J. G. (2010, p.90). *Corporate entrepreneurship & innovation*. Cengage Learning.

Corporate Venturing: The domain of new business



Morris, M. H., Kuratko, D. F., & Covin, J. G. (2010, p.91). *Corporate entrepreneurship & innovation*. Cengage Learning.