

**Monday-Tuesday, January 4-5, 2016**

- Principles of Fundamental Analysis (Cohen)

**Course Title:** Principles of Fundamental Analysis

**Term:** January

**Faculty:** Prof. Jake Cohen ([Bio Link](#))

**Course Description:** General managers should have a strong understanding of what is involved in fundamental analysis and be able to identify the key value drivers. At the heart of fundamental analysis is the information contained in a company's financial statements (income statements, balance sheets, and statements of cash flows). These financials are used by various stakeholders to evaluate the entity's financial position and performance and to model pro forma financials for future periods.

In this course, we will define the role of general managers in the capital markets system and highlight their interactions with such players as equity research analysts, investment bankers, and consultants as they seek to create value by increasing the company's intrinsic value. We will cover basic and more advanced topics in finance and financial reporting from a high-level *practical* standpoint.

In our discussions, we will undertake financial statement analysis using a four-part framework--(1) business strategy analysis for developing an understanding of a firm's competitive strategy; (2) accounting analysis for representing the firm's business economics and strategy in its financial statements, and for developing adjusted accounting measures of performance; (3) financial analysis for ratio analysis and cash flow measures of operating; and (4) financial modeling and prospective analysis.

**Course Assignments:** Cases, problem sets, CNBC and Bloomberg videos, and various equity research reports.

**Prerequisites:** 15.724 Financial Management, or the equivalent

**Registered Listeners:** Depends on space and permission of the instructor

**Sloan Fellows:** Permitted

## Wednesday-Thursday, January 6-7, 2016

- Advanced System Dynamics (Serman & Nachtrieb)
- Discovering Your Leadership Signature (Ancona)
- Pricing (Tucker)
- Product Design (Eppinger)
- Risk Management (Bertsimas & Levi)
- Topics in Corporate Finance (Iyer)

**Course Title:** Advanced System Dynamics

**Term:** January

**Faculty:** Prof. John Serman ([Bio Link](#)) and Senior Lecturer Rob Nachtrieb ([Bio Link](#))

**Course Description:** Building on 15.736 Introduction to System Dynamics, this course will focus on formulating, analyzing, using, and making decisions from system dynamics models. We'll use a workshop approach to dive deeply into two models: the first focuses on the dynamics of service quality within a firm; the second examines industry dynamics, particularly investment cycles and bubbles, including the housing market. Participants will gain insight into important issues and develop their modeling skills.

**Course Assignments:** Pre-reading, plus deepening and enhancing a model during the first evening of the course.

**Prerequisites:** 15.736 or the equivalent. Not appropriate for those who have already taken 15.872, 15.874, or the equivalent.

**Registered Listeners:** Permitted, provided that they have taken the prerequisite and that space is sufficient. Listeners will be expected to prepare for class and participate fully.

**Sloan Fellows:** Permitted, provided they are not taking 15.872 in Fall 2015.

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**Course Title:** Discovering Your Leadership Signature

**Term:** January

**Faculty:** Prof. Deborah Ancona ([Bio Link](#))

**Course Description:** The aim of this course is to help you understand your own unique way of leading: what we call your Leadership Signature. It focuses on answering two questions: "What kind of leader am I?" and "How can I tell my own leadership story?" In examining your own leadership identity we will pull on theory from the leadership literature, family systems, developmental psychology, personality psychology, and organizational change. We will also build on the 4-CAP model. The course is a mixture of lecture, cases, reflection, video analysis, and storytelling.

**Course Assignments:** Participants will write a short paper applying the various theoretical frameworks and insights from the class to an analysis of their own leadership signature.

**Prerequisites:** None

**Registered Listeners:** Not encouraged, but may be available with the permission of the instructor ([ancona@mit.edu](mailto:ancona@mit.edu))

**Sloan Fellows:** Permitted

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**Course Title:** Pricing

**Term:** January

**Faculty:** Prof. Catherine Tucker ([Bio Link](#))

**Course Description:** This class is focused on practical pricing tactics. We will go through a framework that sets out the steps that firms should take when thinking about pricing a new product or improving the pricing performance of an old product. Tools covered will include monadic pricing surveys, empirical price elasticity calculations, and conjoint.

**Course Assignments:** Each member of the class will try to devise and test a pricing strategy for a product during the session.

**Prerequisites:** None, though it would be particularly effective to take this class after 15.732 (Marketing Management)

**Registered Listeners:** Not Permitted

**Sloan Fellows:** Not Permitted

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**Course Title:** Product Design

**Term:** January

**Faculty:** Prof. Steven Eppinger ([Bio Link](#))

**Course Description:** Presents the modern methods of product development using a systematic innovation approach. Topics include opportunity identification, design thinking, product strategy, identifying customer needs, creativity, concept development, product architecture, industrial design, and green design practice.

**Course Assignments:** Includes a team-based concept development project assignment.

**Prerequisites:** None

**Registered Listeners:** Not Permitted

**Sloan Fellows:** 10 seats held for current Sloan Fellows

**Course Title:** Risk Management

**Term:** January

**Faculty:** Prof. Dimitris Bertsimas ([Bio Link](#)) and Prof. Retsef Levi ([Bio Link](#))

**Course Description:** Uncertainty and risk management present fundamental challenges to managers and firms. Typically, firms have to manage various types of risk, particularly financial (e.g., exchange rates) and operational (e.g., supply chain and project management). This course provides several core analytical and management concepts and will help students to identify, model, think about, analyze, and manage risk. A tentative list of the topics to be covered includes: risk measures, the drivers-event-outcomes framework, low-probability high-impact risk events, hedging risk with financial options, real options, risk management in the supply chain, project risk management, modern portfolio management, systemic risk.

**Course Assignments:** 1-2 short assignments, as well as class participation.

**Prerequisites:** 15.730 (Data, Models and Decisions) or equivalent **and** 15.734 or 15.761 (Introduction to Operations Management) or equivalent; or by instructors' permission

**Registered Listeners:** Not Permitted

**Sloan Fellows:** Permitted

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**Course Title:** Topics in Corporate Finance

**Term:** January

**Faculty:** Prof. Rajkamal Iyer ([Bio Link](#))

**Course Description:** Building on 15.724 Financial Management, this course covers advanced topics in corporate finance. This is an applied course that will use case studies and lectures to introduce financial tools needed to make value-enhancing business decisions. Topics will be selected from such issues as advanced valuation analysis, capital structure decisions, valuing private companies, leveraged buy-outs and real options.

**Course Assignments:** Case studies to be solved in teams.

**Prerequisites:** 15.724 (Financial Management) or equivalent, or by permission of instructor

**Registered Listeners:** Not Permitted

**Sloan Fellows:** Not Permitted

## Friday-Saturday, January 8-9, 2016

- Accounting for Managers: Strategic Cost Analysis and Performance Evaluation (Noe)
- Advanced Marketing Strategy (Wernerfelt)
- Deals, Finance, and the Law (Akula)
- Entrepreneurial Finance (Schoar) <sup>+</sup>
- Entrepreneurial Strategy (Stern) <sup>+</sup>
- Executing Strategy for Results (Sull)
- Key Decisions for Corporate Boards (Pozen)
- Strategic Communication for Executives (Hartman)

**Course Title:** Accounting for Managers: Strategic Cost Analysis and Performance Evaluation

**Term:** January

**Faculty:** Prof. Christopher Noe ([Bio Link](#))

**Course Description:** This course will offer an opportunity to learn how accounting information is used within organizations for decision making and performance evaluation. Topics include product costing, activity based management, flexible budgeting, variance analysis, and performance measurement systems. This course will be useful for entrepreneurs, owner operators, senior managers, or individuals with project management responsibilities.

**Course Assignments:** Case discussions and take home final. Group work for cases is encouraged.

**Prerequisites:** None

**Registered Listeners:** Permitted

**Sloan Fellows:** Permitted

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**Course Title:** Advanced Marketing Strategy

**Term:** January

**Faculty:** Prof. Birger Wernerfelt ([Bio Link](#))

**Course Description:** Building on (but not requiring) 15.732 Marketing Management, this course helps you (a) develop marketing strategies; (b) design efficient business formats; and (c) grow the firm's sources of competitive advantage. It is taught by discussing a sequence of cases about companies that have revolutionized their industries. We start by looking at several customer-based sources of competitive advantage, talking about how to identify them, how to measure them, and how to leverage them. We next introduce a method for comparing alternative business formats (such as brick and mortar vs. electronic), aiming to find the most efficient ways to sell different products to different customers. We end by discussing several ways in which the firm can grow its portfolio of resources.

**Course Assignments:** Students will need to read and prepare one or two cases for each day.

**Prerequisites:** None

**Registered Listeners:** Permitted, but listeners will be expected to prepare and discuss all cases in class

**Sloan Fellows:** Permitted, but encouraged to take half semester versions (Spring H1)

**Course Title:** Deals, Finance, and the Law

**Term:** January

**Faculty:** Prof. John Akula ([Bio Link](#))

**Course Description:** As a manager’s career advances, whether in a mature company or an entrepreneurial setting, he or she typically faces growing challenges in connection with two overlapping responsibilities: negotiating and managing complex deals, and arranging financing. And for those managers who work in the financial services sector, these concerns are also central. Effectively managing complex deals and finance are closely inter-related because for many complex deals financing is a major consideration.

Both complex deals and finance are especially law-sensitive. There is heavy reliance on lawyers and on negotiating a detailed legal framework, and pervasive concerns about legal liability, accountability and “busted deals” and remedies. A savvy manager needs a firm grasp of the law-sensitive dimensions of these transactions to properly assess risks and opportunities; to negotiate effectively; and to manage the resulting relationships and contracts. This course is designed to provide you with those skills.

The deals we will look at will include: M&A and early-stage investments in young companies; commercial finance, financial instruments, and structured products; and how these relationships and structures play out in the context of financial distress. Throughout the course, we will emphasize the opportunities and risks confronting the different parties involved. The course will focus primarily on the U.S., but we will also consider how key legal issues are analyzed in a transnational context.

The instructor was for many years a practicing lawyer and a partner in a leading U.S. law firm, and the approach to law in this course is very hands-on. This course will provide participants with practical frameworks and tools, and will focus on real-life problems and cases throughout.

**Course Assignments:** Participants will analyze real-life law-sensitive strategic decisions through a combination of case readings, discussions, and simulations.

**Prerequisites:** None. “Deals, Finance, and the Law” is designed to be a complement to “Law and Strategy for the Senior Executive” (offered in January 2014).

**Registered Listeners:** Not encouraged, but may be available with the permission of the instructor ([jakula@mit.edu](mailto:jakula@mit.edu))

**Sloan Fellows:** Permitted

**Course Title:** Entrepreneurial Finance <sup>+</sup>

**Term:** January (*New for 2016*)

**Faculty:** Prof. Antoinette Schoar ([Bio Link](#))

**Course Description:** The course will address key questions that are central to the funding and growth of (high-tech) start-up firms: We will learn how to value entrepreneurial firms using different valuation methods; how to negotiate investor term sheets and convertible notes and finally discuss the tradeoff between different exit options for start-up firms. The aim is to prepare students for these decisions from the perspective of entrepreneurs and venture capitalists.

**Course Assignments:** Class participants will be asked to do a homework case based on a term sheet negotiation in groups of up to 3 students.

**Prerequisites:** 15.724 (Financial Management) or equivalent, or by permission of instructor.

**Registered Listeners:** Not Permitted

**Sloan Fellows:** Not Permitted

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**Course Title:** Entrepreneurial Strategy <sup>+</sup>

**Term:** January (*New for 2016*)

**Faculty:** Prof. Scott Stern ([Bio Link](#))

**Course Description:** This elective provides an integrated strategy framework for innovation-based entrepreneurs. The course is structured to provide a deep understanding of the core strategic choices facing start-up innovators, and a synthetic framework for the development, implementation and scaling of entrepreneurial strategy in dynamic environments over time. A central theme of the course is that, to achieve competitive advantage, technology entrepreneurs must balance the process of experimentation and learning inherent to entrepreneurship with an active process of establishing commitments that establish competitive advantage. The course identifies the types of choices that entrepreneurs must make to take advantage of a novel opportunity and the logic of particular strategic commitments and positions that allow entrepreneurs to establish competitive advantage.

**Course Assignments:** There will be pre-reading for the class, in-class group exercises, and a group final project.

**Prerequisites:** 15.701 IDEA Executive Module

**Registered Listeners:** Permitted if space allows

**Sloan Fellows:** Permitted

**Course Title:** Executing Strategy for Results

**Term:** January

**Faculty:** Senior Lecturer Donald Sull ([Bio Link](#))

**Course Description:** Much has been written about how to craft the perfect strategy, but we know much less about how to execute a strategy particularly in complex organizations that compete in volatile markets. This course introduces a comprehensive framework to understand how leaders can execute strategy more effectively, case studies of companies that excel at execution, and a series of practical tools that can be applied immediately to boost performance. This course will be most useful for owner operators and managers in complex organizations (more than 200 employees, multiple functions or units) particularly those competing in volatile markets.

**Course Assignments:** Case discussions, in-class exercises, and final paper. Group work for cases is encouraged.

**Prerequisites:** None

**Registered Listeners:** Permitted if space allows

**Sloan Fellows:** Permitted, providing they are not taking 15.S10 in Fall 2015.

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**Course Title:** Key Decisions for Corporate Boards

**Term:** January

**Faculty:** Senior Lecturer Robert Pozen ([Bio Link](#))

**Course Description:** Many an otherwise successful executive has failed by misunderstanding or mismanaging boards. This course is designed to help you understand the fundamental rules and practices of corporate boards in three key areas: the audit committee, the compensation committee and corporate takeovers. The course will be centered on four case studies of actual companies in each area -- one for the audit committee, one for the compensation committee and two on takeovers (in the US and Europe). For each case, after an in-depth analysis, students will be divided into multiple "boards" and asked to decide the issues presented by the case. The course will be conducted mainly through discussions, with short lectures at the start and end of each session. Professor Pozen is himself a director on multiple corporate boards as well as a past Chairman of MFS Investment Management and Vice Chairman of Fidelity Investments.

**Course Assignments:** Pre-reading, one written exercise to be completed during the afternoon of the first class day, plus one written assignment due a week after the course ends; class participation counts 20%.

**Prerequisites:** None

**Registered Listeners:** Not Permitted.

**Sloan Fellows:** Permitted

**Course Title:** Strategic Communication for Executives

**Term:** January

**Faculty:** Prof. Neal Hartman ([Bio Link](#))

**Course Description:** Communication is crucial to the effectiveness of all leaders and nearly every other management skill depends on your ability to communicate effectively - formally or informally. As people rise to levels of senior executive responsibility, they must motivate, persuade, and inspire even the most resistant audience. This course will focus on the following themes: (1) identifying a range of communication styles and recognizing how to use them; (2) dealing successfully with challenging or hostile audiences; (3) understanding cross-cultural and global communication issues and differences; and (4) leading and communicating in a crisis situation.

**Course Assignments:** Participants will engage in class discussions and interactive exercises and activities to examine frameworks for effective and strategic communications. There will be selected readings and some preparation out-of-class for specific topics.

**Prerequisites:** None

**Registered Listeners:** Depends on space and permission of the instructor

**Sloan Fellows:** Permitted