

**August 9, 2011**



**Rotman**

## **Course Outline**

### **RSM2030HF Using History to Make Strategic Choices**

Fall 2011

Course Meets Thursdays, 2.00-4.00 p.m., Room 151

[Sept. 15 – Dec. 15]

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Instructor: Professor Joe Martin, F.C.M.C., LL.D. [Honoris Causa]  
E-Mail: [jmartin@rotman.utoronto.ca](mailto:jmartin@rotman.utoronto.ca)  
Phone: 416.978.4570  
Office Hours: by appointment

### **Course Goals**

1. To help students to make decisions for the **future** by applying lessons learned from the past.
2. To give students insights for their **future career decisions**.
3. To understand the difference between ‘determinism and chance’ in the real world.
4. To learn of the interplay among public policy, the financial system, entrepreneurs and managers of large sophisticated corporations.
5. To grasp the shifts in the Canadian economy, both externally [UK, US, China?] and internally [Montreal, Toronto, Calgary?]

### **Course Scope and Mission**

The course examines Canadian business history across three related levels of analysis; industry, firm, individual business leaders.

The framework for the Course is the Stern School of Business, New York University’s Diamond Model for Sustainable Growth [see Exhibit below].



The overall thrust of the course will be on *the relentlessness of change* and *the creative destructive nature of capitalism* [Joseph Schumpeter].

This year the Course consists of three general Sessions plus 10 Case Studies, written specifically for this course. . From time to time we will have guests who will share their experiences with you. The guests normally include those who contributed \$3 million plus to make the course available including L. R. 'Red' Wilson, Dick Currie, the Honourable Hal Jackman, Tony Fell and Jim Fleck.

The course will be open to both full-time and part-time MBA students

### **Readings, Cases**

There is a required text book: Relentless Change: A Casebook for the Study of Canadian Business History by Joe Martin Rotman/UTP Publishing.

There is an optional text book as well :  
Northern Enterprise, Five Centuries of Canadian Business by Michael Bliss.

The text will be on reserve in the BIC. In addition Professor Michael Bliss has donated his extensive collection of Business Histories and they have been catalogued and are also available.

A few selected readings have been assembled in a course package, which will be available for a price of less than \$25. Most of the readings will be available electronically.

## Evaluation and Grades

Grading for the course will be individual and team-based and will be as follows:

<u>Item</u>	<u>Percentage</u>
Class Participation:	20%
Mid-Term Team Assignment:	40%
Final Exam – open book – take home	40%

## Preparation and Class Participation

Advance preparation is essential in order to communicate effectively and contribute to the class. The quality of your participation accounts for 20% of your final grade. *Quality* means that you are advancing the discussion collectively and cooperatively and that your participation reflects that you are *listening* to your colleagues and responding to what they are saying.

The rationale for rewarding quality participation is as follows: Designed to simulate real practice, the job of an executive is to persuade. That talent frequently requires developing listening, oral communication and leadership skills. An effective participant:

- is a good listener;
- makes points relevant to the ongoing discussion;
- makes comments that add to our understanding of the readings or case;
- is willing to challenge ideas that are being expressed; and
- integrates material from past classes, other courses.

Second, **learning is not a spectator sport**, *i.e.* the more you involve yourself in class discussions, the more you learn and the better you become. In your evaluation of the course and the professor you will be asked to evaluate your contribution to the learning process.

## Mid-Term Team Assignment

In Session 3 teams will be assigned and your mid-term team assignment will be distributed. The assignment will be due on Nov. 1 and the presentation in class on Nov. 3.

## Final Exam

The final exam will occur during the regularly scheduled examination period at the end of term. The exam will be distributed on Dec. 8. It will be open book and will reflect the material covered in the course. The exam must be returned electronically by 12 noon, Dec. 15.

### **Instructor Bio**

Joe Martin is Director of Canadian Business History, Executive-in-Residence and Adjunct Professor. He designed, developed and delivered the pioneering course on Canadian Business History, which is being offered for the seventh time in the Fall of 2011. He joined the Faculty in 1995, originally to teach Strategy. Subsequently he designed and delivered the course on Consulting. He was a partner in Deloitte Consulting (formerly Touche Ross Management Consultants) for many years. While there he was managing partner of the Canadian practice for 12 years and Chair of the global practice for a decade. After leaving the firm and joining the Rotman Faculty he served as the Director of Deloitte Consultancy's 'New Hire' program. A graduate in history from the University of Manitoba and the Advanced Management Program of the Harvard Business School he has an Honorary Doctorate from the University of Winnipeg. He is a past president of the Canadian Association of Management Consultants, a past president and fellow of the Institute of Certified Management Consultants of Ontario and President Emeritus of Canada's National History Society. In the spring term he will be offering, with Professor Chris Kobrak, Professor of Finance, ESCP Europe, a new course on **The Canadian and American Financial Systems - Comparisons and Contrasts**.

**RSM2030HF 2010 – 0103 Using History to Make Strategic Decisions**

Date	Topic	Assignment
<b>Part I – Laying the Foundations, Mid 19<sup>th</sup> to Early 20<sup>th</sup> Centuries</b>		
1. Sept. 15	Introduction to Course	General Discussion
2. Sept. 22	Origins of Financial Stability in Canada: The Bank Act of 1871	Case Discussion
3. Sept. 29	The Hudson’s Bay Company after the Deed of Surrender	Case Discussion
<b>Part II –Wars, Depressions &amp; Dynamic Growth, Early to Mid 20<sup>th</sup> Century</b>		
4. Oct. 6	Overview of first half of the 20 <sup>th</sup> century	General Discussion
5. Oct. 13	The Role of Trade Policy in the Rise of the Canadian Automobile Industry	Case Discussion
6. Oct. 20	Eaton’s: From the Great Depression to the Challenge from Simpsons Sears	Case Discussion
<b>Part III –The Great Years; From Mid 20<sup>th</sup> to 1980</b>		
7. Oct. 27	Overview of Parts III & IV Mid century to present	General Discussion
8. Nov. 3	The End of Monopoly: A New World for Inco	Mid Term
9. Nov. 10	Canada’s Black Gold, From Leduc to the NEP	Case Discussion
<b>Part IV – The Troubling Years from 1980 to the Early 21<sup>st</sup> Century</b>		
10. Nov. 17	The Free Trade Agreement [FTA] & the Canadian Wine Industry	Case Discussion
11. Nov. 24	A Gale of ‘Creative Destruction’ Engulfs Nortel	Case Discussion
12. Dec. 1	RBC Yesterday, Today and Tomorrow, the 2006 AGM	Case Discussion
13. Dec. 8	Canada: The Next Oil Superpower? & Exam Briefing	Case Discussion
14. Dec. 15	Final Exam due	

**Part I – Laying the Foundations, Mid 19<sup>th</sup> to Early 20<sup>th</sup> Centuries**

## **SESSION 1 - The Late 19<sup>th</sup> Century, early 20<sup>th</sup> Century, and Why History is Important to Business Students**

Read: Parts One and Four in Text Book

General Discussion

## **SESSION 2 - Origins of Financial Stability in Canada: The Bank Act of 1871**

Read:

1] the Case

2] The Roots of Canadian Banking – see Course Package

3] [http://www.bank-banque-canada.ca/en/dollar\\_book/index.html](http://www.bank-banque-canada.ca/en/dollar_book/index.html) - Currency Reforms and Under the Gold Standard

## **SESSION 3 - The Hudson's Bay Company after the Deed of Surrender**

Read:

1] the Case

2] 'Donald Alexander Smith, Lord Strathcona', of *Canadian Biography*, [www.biographia.ca](http://www.biographia.ca)

3] Diversification Strategy, Encyclopedia of Management – see Portal

## **Part II –Wars, Depressions & Dynamic Growth, Early to Mid 20<sup>th</sup> Century**

### **SESSION 4 - Overview of first half of the 20<sup>th</sup> century**

Read: **Part Two: Wars, Depressions, and Dynamic Growth, 1905–55 in the Text Book**

General Discussion

### **SESSION 5 - The Role of Trade Policy in the Rise of the Canadian Automobile Industry**

Read:

1] The Case

2] Sir John A. Macdonald, Speech in the House of Commons, 1878 and Sir Wilfrid Laurier, Speech in the House of Commons, 1911 in course package.

3] Anastakis, D. 'From Independence to Integration: The Corporate Evolution of the Ford Motor Company of Canada, 1904–2004.' *Business*

*History Review*, 78 (2004): 213–54.

**SESSION 6 - Eaton's: From the Great Depression to the Challenge from Simpsons Sears, 1930s – 1950s**

Read:

1] The Case

2] Schumpeter's "Creative Destruction"

<http://transcriptions.english.ucsb.edu/archive/courses/liu/english25/materials/schumpeter.html>

**SESSION 7 – Overview of the past half century**

Read: **Part Three The Buoyant Years, 1955–80 & Part Four The Challenging Years, 1980–2005**

General Discussion

**Session 8—"The End of Monopoly: A Very Different World" for Inco**

Read:

1] The Case

2] Michael Porter 'From Competitive Advantage to Corporate Strategy' in course package

3] Background Reading; The Advent of Nickel: From Discovery to Mid-20th Century by Joe Martin [available on the portal

**SESSION 9 – Canada's Black Gold, From Leduc to the NEP**

Read:

1] The Case

2] Dawson, Laura Ritchie. 'Nationalism versus Interdependence in the Evolution of Canada's Post-War Investment Policies.' Paper presented at the Centre for Trade Policy and Law Investment Conference, University of Ottawa, November 2004. on Portal

**SESSION 10 – The Free Trade Agreement of 1988 & the Canadian Wine Industry**

Read:

1] The Case

- 2] John Turner and Brian Mulroney “Debating free trade” in “Great Canadian Speeches” edited by Dennis Gruending see the Course Package
- 3] <http://winesofontario.org/PDFs/MediaKit.pdf>

### **SESSION 11 – A Gale of ‘Creative Destruction’ Engulfs Nortel**

Read:

- 1] The Case – available on the portal
- 2] Schumpeter’s “Creative Destruction”  
<http://transcriptions.english.ucsb.edu/archive/courses/liu/english25/materials/schumpeter.html>

### **SECTION 12 – Royal Bank of Canada; Yesterday, Today and Tomorrow, the 2006 Annual General Meeting**

Read:

- 1] The Case
- 2.] “Going International” by Joe Martin, [Ivey] Business Quarterly, Summer 1993 [which is included in the Course Package]
- 3] “Enhancing our leading position” by Gordon M. Nixon, President and CEO, RBC Financial Group - will be available on the portal

### **SECTION 13 - Canada: The Next Oil Superpower?**

Read:

- 1] The Case
- 2] Duckert, Joseph M. ‘North American Energy, 2000–2007: What a Difference Those Years Make!’ *American Review of Canadian Studies*, 25, no. 6 (2007).- will be posted to the portal
- 3] [www.ic.gc.ca/eic/site/cprp-gepmc.nsf/eng/h\\_00040.html](http://www.ic.gc.ca/eic/site/cprp-gepmc.nsf/eng/h_00040.html) - focusing on Investment Review



## Missed Assignments/Examinations

Students may miss an assignment or exam due to illness, domestic affliction, or in the case of part time students, work commitments, without academic penalty providing the appropriate documentation is received and approved in a timely manner.

In such cases students must notify the MBA Program Services Office on the date of the missed assignment or examination and a medical certificate, employer's letter or other supporting evidence must be submitted to the Director, MBA Program Services within 48 hours of the due date of the assignment or the exam date.

A resolution will be determined by the instructor and may take the form of a make-up exam, rewriting the exam at the next offering of the course or a revised grade calculation. The decision as to how to handle the missed assignment or exam is at the instructor's discretion. If a student misses an assignment or final examination for any other reason, a resolution will be determined at the instructor's discretion and may include an academic penalty. Students who do not notify the School of a missed assignment or exam will be given a grade of FZ (failing grade) for the assignment or exam.

## Course Work & Academic Honesty

**Submission of Assignments** – Students are required to use the MBA Assignment Cover Sheet Template (see the Portal) for all submitted work which will be reviewed by the Professor. In the case of group assignments, all group members must sign the Assignment Cover Sheet. Late submissions of any assignment will be considered; however, a resolution will be determined at the instructor's discretion and may include an academic penalty.

**Academic Honesty** - The University's Code of Behaviour on Academic Matters ("Code") applies to all Rotman students. The Code prohibits all forms of academic dishonesty including, but not limited to, cheating, plagiarism, and the use of unauthorized aids. Students violating the Code may be subject to penalties up to and including suspension or expulsion from the University. A copy of the Code may be found at: <http://www.utoronto.ca/govcncl/pap/policies/behaveac.html>

### **The Rotman Code of Integrity**

Students are expected to conduct themselves with the utmost integrity during their time at Rotman and, without limiting the foregoing, will:

- Submit only original work, giving credit to others where appropriate;
- Neither give nor receive unauthorized aid in examinations or on assignments;
- Contribute substantially and proportionally to each group assignment;
- Ensure enough familiarity with the entire contents of group assignments so as to be able to sign off on them as original work;
- Accept and acknowledge that assignments found to be plagiarized in any way will be subject to sanctions under the University's Code of Behaviour on Academic Matters;

- Represent myself honestly to members of the Rotman community and to outsiders;  
and
- Represent Rotman appropriately to the outside world.

### **Team Behaviours & Protocols**

All students are expected to treat teamwork as though they would in a business setting, ensuring professional behaviour at all times. Professional behaviour in group settings includes (but is not limited to) the following:

- Ensuring all team members voice their opinions, thoughts, and concerns;
- Taking personal responsibility to voice thoughts to benefit the team's learning;
- Contributing to the learning of the team by giving equal time and work quality as others in the group;
- Committing to a standard of work agreed upon by the group;
- Participating in team projects at a level agreed upon by the entire team.