



General Managers Taking Action

Spring, 2004

Professors Robert Hardie and John Colley



TO: Students Enrolled in General Managers Taking Action, 8400

FROM: Professors Hardie, Colley

DATE: January 14, 2004

SUBJECT: Course Details for General Managers Taking Action, 2004

Course Description

This course will focus on general managers and their requirement to “take action” regarding a variety of situations that may be presented to them. General managers will be defined as those that possess profit and loss responsibility at any level of the organization, from first-level product line managers to Chief Executive Officers. Situations requiring action will vary in complexity and scope. The decision settings will include a rich variety of dilemmas that general managers confront. The goal will be for students to develop a plan for action and to think through the actions needed to implement their plans. Students should be prepared to use current management tools, tried and true management philosophies, and all of the multi-disciplinary tools they have internalized in their two years of MBA education, when deciding how to “take action.”

Description of Anticipated Instructional Methodologies and Teaching Materials

Course materials will consist of cases, a short list of selected seminal and current readings in all disciplines, and guest “visitors”. The visitors will bring real-life situations to the class and ask for your assistance in taking action.

Anticipated Grading Approach and Student-Performance Standards

The assignment for each class is for students to come with a plan for “Taking Action.” Students should be prepared to participate actively. Fifty percent of the grade will be based on class participation and 50 percent on a final exam.

The class is scheduled for the 4th Quarter, Late Week, at 10 a.m. and 11:35 a.m.

Course Syllabus
Taking Action; GBUS 8400
John Colley and Robert Hardie
Spring 2004 – Late Week – 10:00 and 11:35 a.m.
Room 280

Meeting Number	Date	Topic	Assignment	
1	March 18	Stay open, close, or Distribute	Read:	General Management: A Conceptual Introduction, HBS 9-393-161 A User's Guide to the General Management Course, HBS 9-899-006
			Prepare:	Vickers, Incorporated: Omaha Plant, HBS 9-696-052
2	March 19	Turnaround situation in a declining industry	Read:	Six Basics for General Managers, HBR 89411 What Effective General Managers Really Do, HBR 99208
			Prepare:	Cleveland Twist Drill (A), HBS 9-384-083
3	March 24	Modifying or changing a successful business model	Read:	The Theory of the Business, HBR 94506
			Prepare:	Dell Computer Corporation, HBS 9-596-058
4	March 25	Taking Action – Live - #1	Guest:	Peter Harris, D '98, CEO, Specialty Blades
			Prepare:	
5	March 31	Compensation plans	Read:	
			Prepare:	Visionary Design Systems, Are Incentives Enough?, HBS 9-495-011
6	April 1	Compensation plans	Read:	A Market-Driven Approach to Retaining Talent, HBR R00101
			Prepare:	M-Tronics, HBS 9-396-178
7	April 7	Taking Action – Live - #2	Guest:	Guest Speaker to be announced

			Prepare:	
8	April 8	Staying afloat with little cash and no credit	Read:	Knowing When to Pull the Plug, HBR 87212
			Prepare:	Frank Elliott, HBS 9-295-075
9	April 14	Growth through acquisitions	Read:	Stock or Cash? The Trade-Offs for Buyers and Sellers in Mergers and Acquisitions, HBR 99611
			Prepare:	Primerica: Sandy Weill and His Corporate Entrepreneurs, HBS 9-393-040
10	April 15	Taking Action – Live - #3	Guest:	Terry Daniels, D' 70, Managing Partner, Quad-C Management, Inc.
			Read:	Are You Paying Too Much for That Acquisition?, HBR 99402
11	April 21	Making changes when few believe it is necessary	Read:	When a New Manager Takes Charge, HBR 85308
			Prepare:	Peter Browning and Continental White Cap (A), HBS 9-486-090
12	April 22	Getting fired by your biggest customer	Read:	Evaluating an Action Plan, HBS 9-494-090
			Prepare:	The Chattanooga Ice Cream Division, HBS 9-498-001
13	April 23	Taking Action – Live - #4	Guest:	Guest Speaker to be announced
14	April 29	Turnaround operations, create new organization, and integrate acquisitions	Read:	Creating Corporate Advantage, HBR 98303
			Prepare:	ABB Deutschland (A), HBS 9-393-130
15	April 30	Taking Action – Live - #5	Read:	Wally Stettinius, D '59, Investor/Owner
			Prepare:	

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Meeting # 1 (March 18)

Topic: Stay open, close, or distribute

Read: General Management: A Conceptual Introduction, HBS 9-393-161
A User's Guide to the General Management Course, HBS 9-899-006

Prepare: Vickers, Incorporated: Omaha Plant, HBS 9-696-052

Prepare to take action

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Meeting # 2 (March 19)

Topic: Turnaround situation in a declining industry

**Read: Six Basics for General Managers, HBR 89411
What Effective General Managers Really Do, HBR 99208**

Prepare: Cleveland Twist Drill (A), HBS 9-384-083

Prepare to take action

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Meeting # 3 (March 24)

Topic: Modifying or changing a successful business model

Read: The Theory of the Business, HBR 94506

Prepare: Dell Computer Corporation, HBS 9-596-058

Prepare to take action

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Meeting # 4 (March 25)

Topic: Taking Action – Live - #1

Guest: Peter Harris, D' 98, CEO, Specialty Blades

Prepare to assist our speaker with his action

C. PETER HARRIS, JR.
824 Locust Ave
Charlottesville, VA 22902

(434) 979 9323

Email: peter@specialtyblades.com

Experience

1996 – Present Specialty Blades, Inc.

Staunton, VA

CEO

Oversee production of 55 employee, \$8.5M manufacturing company. Report directly to President as member of three person Senior Management Team.

- Reduced direct labor cost as a percent of sales from 10.4% to 8.8%
- Increased manufacturing productivity by 15% YOY as measured by output per machine hour
- Led cost reduction and profitability enhancement efforts resulting in 28% EPS increase on flat sales in 2001
- Developed business plans for two most significant new business efforts in corporate history

1994 – 1996

Pacific Rim Resources

San Francisco, CA

Senior Analyst

Provided specialized consulting expertise to assist Fortune 500 companies in formulating and implementing their China market entry strategies. Created complex models for market demand estimations, business case modeling, economic risk analysis, and evaluations of potential joint venture candidates. Formally presented results and methodology of analysis to senior management at client companies.

1992– 1994

Montgomery Securities

San Francisco, CA

Junior Trader

Worked with top financial officers at major US corporations to determine their short-term cash flow needs and investment parameters. Managed over \$600M of fixed income assets and derivatives.

Education

Darden Graduate School of Business Administration

University of Virginia, Charlottesville, VA

Masters of Business Administration, May 1998

Raven Society, William Michael Shermet Award for Academic Excellence, ODK Leadership Society, President Entrepreneurs Club, Faculty Award for Academic Excellence.

Middlebury College, Charlottesville, VA

BA Mathematics, May 1992

Senior thesis cited in Topics in Contemporary Probability and its Applications, (1995) edited by Laurie Snell.

Personal

- Member of Darden Alumni Board
- Leadership council of Charlottesville Darden Chapter
- Formed Valley Industrial Alliance of manufacturers
- Proficient in Mandarin Chinese and French

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Meeting # 5 (March 31)

Topic: Compensation Plans

Prepare: Visionary Design Systems, Are Incentives Enough?, HBS 9-495-011

Prepare to take action

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Meeting # 6 (April 1)

Topic: Compensation Plans

Read: A Market-Driven Approach to Retaining Talent, HBR R00101

Prepare: M-Tronics, HBS 9-396-178

Prepare to take action

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Meeting # 7 (April 7)

Topic: Taking Action – Live - #2

Guest: Speaker to be announced

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Spring, 2004 – Late Week – 10:00 and 11:35 a.m.

Room 280

Meeting # 8 (April 8)

Topic: Staying afloat with little cash and no credit

Read: Knowing When to Pull the Plug, HBR 87212

Prepare: Frank Elliott, HBS 9-295-075

Prepare to take action

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Spring, 2004 – Late Week – 10:00 and 11:35 a.m.

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Meeting # 9 (April 14)

Topic: Growth through acquisitions

Read: Stock or Cash? The Trade-Offs for Buyers and Sellers in Mergers and Acquisitions, HBR 99611

Prepare: Primerica: Sandy Weill and His Corporate Entrepreneurs, HBS 9-393-040

Prepare to take action

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Meeting # 10 (April 15)

Topic: Taking Action – Live - #3

Guest: Terry Daniels D '70
Managing Partner, Quad-C Management, Inc.

Read: Are You Paying Too Much for That Acquisition?, HBR 99402

Prepare to assist Terry Daniels in taking action

TERRENCE D. DANIELS

AGE: 58

MARRIED: Courtney Sylvan Daniels

CHILDREN: Courtney Phelan 32
Catherine McDuffie 31
Charles Page 26
Christopher Channing 19

RESIDENCE: 259 Yellow Mountain Road
Greenwood. VA 22943

EDUCATION: BA University of Virginia 1966
MBA Darden School of Business. University of Virginia 1970

MILITARY: 2 Years - 1st Lieutenant, U.S. Army

EXPERIENCE:

1990 - Present **Quad-C Management, Inc., Charlottesville, Virginia**

President - Quad-C Management, Inc. is a Delaware corporation which commenced operation in February 1990 for the purpose of acting as a General Partner in certain domestic and foreign Partnerships. Quad-C, Inc. is engaged in merchant and/or investment banking activities-

W. R. Grace & Co., New York, New York

1982-1989 Vice Chairman with operational responsibility for Grace's Specialty Chemical, Health Care. Natural Resource, Retail. Restaurant and Corporate Technical (Central Engineering and Research) Groups.

DIRECTORSHIPS:

IGI, Inc.
Various private companies

UVA SERVICE:

Chairman of the Board, UVA Alumni Association
Trustee, The Darden School Foundation

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Meeting # 11 (April 21)

Topic: Making changes when few believe it is necessary

Read: When a New Manager Takes Charge, HBR 85308

Prepare: Peter Browning and Continental White Cap (A), HBS 9-486-090

Prepare to take action

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Room 280

Meeting # 12 (April 22)

Topic: Getting fired by your biggest customer

Read: Evaluating an Action Plan, HBS 9-494-090

Prepare: The Chattanooga Ice Cream Division, HBS 9-498-001

Prepare to take action

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Meeting # 13 (April 23)

Topic: Taking Action – Live - #4

Guest: Guest speaker to be announced

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Meeting # 14 (April 29)

Topic: Turnaround operations, create new organization, and integrate acquisitions

Read: Creating Corporate Advantage, HBR 98303

Prepare: ABB Deutschland (A), HBS 9-393-130

Prepare to take action

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Meeting # 15 (April 30)

Topic: Taking Action – Live - #5

Guest: Wally Stettinius, D '59, Investor/Owner

Prepare to assist Wally in taking action

RESUME

WALLACE STETTINIUS

THE UNIVERSITY OF VIRGINIA

1996- Darden Graduate School of Business Administration
Visiting Lecturer of Business Administration

EDUCATION

University of Virginia, BA 1955
Darden School, University of Virginia, 1959
Elected Alumni Member of the Raven Society

PROFESSIONAL EXPERIENCE

1967-1995 *Chairman of the Board and CEO Cadmus Communications Corporation*
Company grew from \$3M in Revenue to \$300M
Retired 1994

CURRENT ACTIVITIES (1996) *Senior Executive Fellow*
School of Business, Virginia Commonwealth University

Seminars for PL4 and NAPL
Industry Associations Consulting

Director

American Filtrona, Inc.
Cadmus Communications Corporation
Chesapeake Corporation
Grayco (Family Real Estate and Timber Business)

Consulting Partner

Commonwealth Investors II, L.P.

Charitable & Civic Boards:

The Collegiate Schools
Virginia Union University

1955-57 **U.S. Marine Corps - Captain**

AUTHOR OF: **Books:**
Management Planning and Control: The Printer's Path To Profitability,

The Asset Game: It's Your Move, 1982
Running In The Black, 1984 (Co-authored)
Winning In A Changing Environment, 1995
Numerous Articles

**PRIOR
ACTIVITIES**

Director - First & Merchants-Sovran-C&S/Sovran,
NationsBank of Virginia
Northwestern Mutual Life Insurance Company - Policy
Holders Examining Committee 1988-1989
Numerous Civic, Social and Educational Boards

AWARDS

Craftsmen Clubs Golden Key Award for Best Business Article in a Trade
Journal in 1971
PIA - Elmer G. Voight Award
Friedman Memorial Medal for 1982
Printing Industry Hall of Fame
Printing Industry Executive of the Year
Graphic Arts Leader of Americas Award - 1995
Alexis DeTouqueville Award (Richmond United Way)
National Conference of Christians and Jews Humanitarian
Award - Richmond
Urban League (Richmond) Lifetime Achievement Award
Darden School Distinguished Alumnus Award
Beta Gamma Sigma Business Honor Society (VCU)
SME - Richmond Top Management Award 1988

BUSINESS ADDRESS:

6620 West Broad Street, Suite 500
P.O. Box 27367
Richmond, VA 23261-7367
Tel: (804) 287-5681
Fax: (804) 287-5683

HOME ADDRESS:

206 Dryden Lane
Richmond, VA 23229
(804) 740-8283

ROBERT D. HARDIE, Ph.D.
630 Ivy Lane
Charlottesville, Virginia 22901
(434) 979-5051

TEACHING

1999-Present **Colgate Darden Graduate School of Business Administration Charlottesville, VA
University of Virginia**

Adjunct Assistant Professor of Business Administration

Courses:

General Managers Taking Action – 2nd Year Course

Reading Seminars on Leadership and Management – 7 Sections

PUBLICATIONS

**Colgate Darden Graduate School of Business Administration Charlottesville, VA
University of Virginia**

- Corporate Strategy. John Colley, Jacqueline Doyle, and Robert Hardie, McGraw Hill, 2001.

- Dissertation: *The Relationship between Proxies for Functional Excellence and Stock Price in High Technology, Communications Firms.*

Cases Published:

- *Valuation of Internet Firms*

Case study written with the assistance of Paul Farris, Professor, Darden Graduate School of Business Administration.

- *Internet Valuations: Revolution or Hype?*

Case study written with the assistance of Paul Farris, Professor, Darden Graduate School of Business Administration.

- *Yalof Manufacturing.*

Case study written with the assistance of John Colley, Professor, Darden Graduate School of Business Administration.

EXPERIENCE

1999-2001	University of Virginia <i>Project Director</i>	Charlottesville, VA
	<ul style="list-style-type: none">• Report directly to Executive Vice President and Chief Operating Officer.• Perform financial analysis and strategic projects for all University administrative areas.• Work closely with all aspects of business operations and information technology issues.	
1995-1996	Trigon BlueCross BlueShield <i>Manager, Business Strategy, Virginia Business Unit</i>	Richmond, VA
	<ul style="list-style-type: none">• Responsible for performing pre and post-merger integration planning.• Performed forecasting requirements and strategic marketing plans.• Worked extensively on integration of newly acquired, \$85 million firm.	
1994	Norfolk Southern Corporation <i>Manager, Business Development, Paper Marketing Division</i>	Roanoke, VA
	<ul style="list-style-type: none">• Served as sole business development manager for \$500 million marketing division.• Managed paper distribution center line of business, including source selection, price negotiation, subcontractor relations and budget forecasts.	
1990-1993	Sprint Communications Company <i>Senior Federal Account Manager</i>	Herndon, VA
	<ul style="list-style-type: none">• Managed \$86 million of revenue in Federal Government accounts, including Executive Office of the President, General Services	

Administration, Department of the Navy, and the International Monetary Fund.

- Responsible for generating new revenue, protecting established revenues, and analyzing complex customer requirements.
- Recipient of 1991 Gold Club Award, highest honor in Sprint.

1987-1990

Bell Atlantic, Silver Spring, MD

Account Executive

- Directed sales efforts to the World Bank resulting in \$45 million in revenue.
- Won company-wide sales contest for most joint marketing revenue (\$1 million) with a Bell Atlantic subsidiary company.
- Awarded Bell Atlantic's Winner's Circle each of three years.

EDUCATION

Darden Graduate School of Business Administration

Charlottesville, VA

University of Virginia

Doctor of Philosophy degree, May, 1999.

Major Field: Management

Dissertation: *The Relationship between Proxies for Functional Excellence and Stock Price in High Technology, Communications Firms.*

- President, The Raven Society. Head of honorary society which recognizes high scholastic achievement and service to the University.
- Recipient, The Raven Award. Received highest honor awarded by the Raven Society for excellence in service and contribution to the University.

1993-1995

Darden Graduate School of Business Administration

Charlottesville, VA

University of Virginia

Master of Business Administration.

- Elected Darden Student Association (DSA) President by students.
- Recipient, C. Stewart Sheppard Distinguished Service Award. Selected for exceptional contributions to the School and the University.
- Recipient, Class of 1970 Everard Meade Scholarship for Creative Management and Leadership. Awarded to a second-year student who has exemplified the qualities of creative management and leadership.
- Member, The Raven Society. One of 2 percent of class elected in recognition of high scholastic achievement, of service to the University, and of promise of future advancement in the intellectual field.

1983-1987

University of Virginia

Charlottesville, VA

Bachelor of Arts, Rhetoric and Communications Studies.

- Managing Editor, *The Cavalier Daily*. Managed 175-member literary department on student-run, daily newspaper with circulation of 14,000.
- Lawn Resident. One of 54 fourth-year students out of 2,600-member class chosen to live on Lawn for outstanding achievement and service to the University.
- Robert Daniel Hardie Award, *The Cavalier Daily*. Managing Board established this award presented annually to a staff member who exemplifies outstanding inspiration and instills pride toward the Newspaper's ideals.
- Fire Chief, Rotunda Burning Society. Selected head in 1986 of honorary society which taps students and faculty for outstanding service to the University.

ADDITIONAL SERVICE AND ACCOMPLISHMENTS

1995-2003

University of Virginia and The Darden School

Member, IMP Society; Co-Chair, Gray-Carrington Nominating Committee; Co-sponsor with Mr. John L. Colley, Jr. of several Darden Independent projects, including The Cavalier Daily and the Honor Committee; Member, Executive Committee of the Alumni Council, The Darden School; Board Member, The Cold Call Chronicle, The Darden School; College of Arts and Sciences, Class of 1987 Representative; Member, Class of 1987 Reunion Committee, Reunion Giving Chair, Class of 1987.

Other Business and Service Activities

Involved as investor in numerous private equity deals, serve as advisor and consultant to various organizations and boards.