



Graduate
Business
School



Professional Programs

Strategic Management Seminar

Developing a Strategic View Through a Blue Ocean Perspective: A Business Simulation

In the 1980s, three researchers, Morgan McCall, Michael M. Lombardo, and Robert A. Eichinger, from the Center for Creative Leadership, a nonprofit educational institution in Greensboro, North Carolina, were involved with the developmental experiences of successful managers. Out of their work, the well-known 70:20:10 Model for Learning and Development was created.

The model holds that hands-on-experience holds the strongest (70%) learning lesson for managers, 20% of the learning experience comes from social interactions, and 10% is related to traditional learning such as readings and class lectures. Following this model, the optimal learning tool are simulations that “can replicate on-the-job, real-life experiences”.

Business simulations allow participants to learn as if they are positioned as managers in an organization. It replicates market environments. Simulations creates a culture of collaboration by forcing participants to make team decisions, see its results and consequences, and to resolve conflicts among team members who agreed with common goals.

The business simulation adopted for this seminar on strategic development is the Blue Ocean Strategy Simulation (BOSS). The theory behind the Blue Ocean perspective was developed by two scholars, W. Chan Kim and Renée Mauborgne, from the prestigious INSEAD School of Business, a top business school located in Fontainebleau, France, known as the Business School for the World. The simulation itself was developed by STRATX Simulations, an organization founded by Professor Jean-Claude Larreche, the Alfred H. Heineken Professor of Marketing at INSEAD. Five hundred business schools and over 1 million participants in 60 countries, has used STRATX Simulations.



The Blue Ocean Simulation (BOSS)

BOSS will immerse participants in a blue ocean strategic mindset, so they can successfully move from a highly competitive Red Ocean to a Blue Ocean of new market space. The Key Lessons covered throughout the BOSS exercise are the following:

- New positioning perspective: Strategy should go beyond positioning within the existing industry's structural conditions.
- Think of strategy as reconstruction – growing the industry and growing demand.
- The Six Paths reveal ways to reconstruct market boundaries and open avenues to noncustomers which, if nurtured, will allow an organization to create and capture new demand, consequently generating high growth.
- You can achieve high growth in an existing Red Ocean industry by creating a Blue Ocean.
- De-segment markets rather than segment them.
- Reach out to noncustomers rather than just to the industry's existing customers.
- Searching for commonalities across noncustomer groups will allow organizations to see how to capture the largest share of noncustomers.
- Pursue both differentiation and low cost.
- Organizations can achieve both differentiation and low cost, which are no longer tradeoffs, by reconstructing market boundaries and focusing on the four actions framework of Eliminating, Reducing, Raising and Creating.
- Strategic price to unlock early demand and keep competitors at bay.
- The importance of strategic pricing and price corridor of the mass is highlighted. There are many cases in which the failure to price strategically has led to locked demand and lack of pressure on new entrants and competitors to lower their cost structures.
- Blue Oceans can become Red. Strive for a Blue Ocean as competitors imitate.
- Companies have the option to create Blue Oceans in services and distribution and not only with their products, as most organizations still believe to this day. They can rotate the creation of Blue Oceans between Products, Services and Delivery Platforms. Most organizations limit their strategic options by focusing on only one dimension of strategy.
- Dramatic profit growth depends primarily on the strategic move. There are no permanently excellent organizations. They are only as good as their strategic moves.

Areas covered by the BOSS Simulation

- BOSS provides a visual exploration of the market, using the Six Paths Framework for the course participants to reconstruct market boundaries.
- Teams develop their Blue Ocean Strategy offerings using BOS tools, such as: the strategy canvas; the value curve; the Four Actions Framework; and the ERRC grid.
- Teams make numerous decisions within different business functions throughout our BOS simulation including R&D; Production; Marketing; Sales; Geographic Expansion; and Corporate initiatives.



Audience

The seminar is oriented toward marketers in charge/participating in the design of future road maps for their startups and/or for private and public and not for profit organizations. These include:

- Marketing managers
- Brand and product managers
- Intra and entrepreneurs
- Channel managers
- Communication managers

Contact hours: 16 (three days) / Cost: \$600

Instructor

Dr. Victor Quiñones has been a marketing research consultant, entrepreneur, and college professor for more than 35 years. He has taught marketing courses integrating business simulations in Puerto Rico, Spain, Costa Rica, El Salvador, and the Dominican Republic for the past 25 years. Participants in simulations have won recognition in global competitions. Doctor Quiñones is author of business cases published by Ivey Publishing, The University of Western Ontario, The Journal of Case Research Management, and Centro Internacional de Casos del Instituto Tecnológico de Monterrey. These cases have seen worldwide presence as they have been included in the Harvard Business Publishing and Case Centre (London) clearinghouses. He has been active member of the American Marketing Association for over a quarter of a century and is former member of Sales and Marketing Executive Association of Puerto Rico.

