



UNIVERSITETET I AGDER

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Aids: Students may use a dictionary (English or Norwegian) or to/from English or Norwegian and the student's native language.

Note: You may answer in English and/or Norwegian.
Students need to answer three (3) questions.
All questions are weighted equally.

Be sure that your answer shows both that you know the theory and can use the theory to analyze the case article.

New rules of how to do business must be understood by future bosses

Translated with adaptations from Dagens Næringsliv, October 2, 2013

The rules of how to do business are changing. In an article in the Norwegian business newspaper, Thomas Malnight, Professor of Strategy and Business Leadership at IMD, Trace Keys, leader for Strategic Dynamics Global SA and Kees van der Graaf, a previous member of Unilevers top management, write: "Leaders who continue using the old rules will soon be sitting on the sideline". They emphasize that old ways of thinking need to be set aside and replaced with a fresh approach based on what work is now and how it is done now, not what it was or how it was done earlier. This means throwing away all the frameworks and thinking outside the box:

The borders between industries and companies and differences between colleagues and competitors is being wiped out. Clear business relationships are being replaced with complicated and interwoven ecosystems.

To prepare the firm for the future, one must understand changes in the rules of the game. Leaders must pay attention to five main areas:

- 1) Competitors: Competitors are no longer limited to firms which look like each other and act and think like each other. Now there is competition across industries.
- 2) Growth markets: The fight for fast growing new geographic markets is not the only competition happening between firms. There will also be a conflict among firms regarding different ways of thinking, with background in different business model and economic systems.
- 3) Customers: Companies talk about "owning" their customers, but in the meantime it is the customers who are acquiring power, influence and freedom of choice.
- 4) Society: Society's expectations for firms is changing. Companies must contribute positively to society if they want "permission" to do business.
- 5) Competence: Competent employees want more than salary in order to obey orders for 40 years. What is important is their commitment, and for this, they want meaningful work in organizations which are concerned about more than profits.

Generation Z is on its way

Generation Y has demonstrated that they have different expectations than earlier generations. And now Generation Z (those born after 1995) are following in their footsteps. Generation Z are the most digitally integrated generation ever. Those who belong to this generation have