

SETON HALL UNIVERSITY
STILLMAN SCHOOL OF BUSINESS

(Our mission is to enrich each student's life through an ethics-centered education focusing on transforming concepts into business practice.)

Management Department
UG Business Program

OPERATIONS FOR COMPETITIVE ADVANTAGE
(A CORE COURSE FOR MANAGEMENT MAJOR)

Amar: BMGT 3515 AA (31946)
FALL 2019 Semester

Homework 1 -- Due January 28, 2020

OPERATIONS COMPETITIVE ADVANTAGE MEASUREMENT EXERCISE (10 Points)¹

Student Name: _____

Data Collected on _____ (Date); Report Period _____ (Date; Source: _____)

The Wall Street firms take operational efficiencies in terms of Five ratios that are listed below as Measures. Collect these measures on any three companies of your choice belonging to the same industry and, for the comparison purposes, the average values of these measures for the industry, to analyze their operations' competitive advantages. Organize them in order of their competitive advantage as determined by you. Write a short paragraph defending your ranking.

Data can be collected from any business website such as the MarketWatch, Yahoo Finance, MSN Money, Google Finance, etc. The following are some examples of collecting data:

You may go to specific site such as <http://marketwatch.com/investing/stock/msft/profile>. OR

Enter ticker symbol of the company you are researching with key words in Google search. OR

Look for "Ratios" or balance sheet and income statement for the most recent year. OR

Enter company Ticker symbol and "Management Efficiency".

Organize data as follows, or in any other way of your choosing:

Measure	Co. 1	Co.2	Co.3	INDUSTRY
a) Revenue/Employee				
b) Income/Employee				
c) Receivable Turnover				
d) Inventory Turnover				
e) Asset Turnover				

The Process

¹ Practice Problem 9 on Page 21 of your text (Answer given in Appendix D of the textbook) to get some more idea about how to do the homework. Its solution is posted on the course Bb site.

Step 1: Analyze

Transfer the COMPANY and INDUSTRY data to MS Excel spreadsheet. Compute where essential.

Step 2. Design Model for Competitive Advantage

1.1. Set your criteria indicating the importance of each measure (a, b, c, etc.) by assigning points for each measure based on its importance.

1.2. Design the model for computing Competitive Advantage

Step 3. Compute Competitive Advantage for each company and the Industry using the model designed above.

Step 4. Rank Competitive Advantages of the companies including the Industry in your sample.

Step 5. Position each company in the industry.