

Michael G Jacobides, LONDON BUSINESS SCHOOL



Michael G Jacobides holds the Sir Donald Gordon Chair of Entrepreneurship & Innovation at London Business School where he is an Associate Professor of Strategy & Entrepreneurship. A fellow of the Wharton Financial Institutions Centre, he has looked at the evolution of financial services, and has been involved in structuring related policy discussions through the World Economic Forum (where he is a contributor) and the UK's Industry Parliament Trust. He studies industry evolution, firm boundaries and organizational design, and teaches courses on corporate turnarounds. In addition to his extensive academic work in the field's top journals, he writes for Harvard Business Review, Forbes and the Financial Times, and, of late, Kathimerini. Trained as an economist before turning to strategy, he has taken a behavioural / evolutionary approach to organizations and institutions. He studied in Athens, Cambridge, Stanford and Wharton (PhD), and has been on the faculties of Wharton and Harvard Business School. He has worked with over 30 global corporations on strategy and executive development, including IBM, EADS, EDS, Lufthansa, Zurich, HSBC, Credit Suisse, Goldman Sachs, BBVA, Vodafone, Nokia, McKinsey & Co, PwC, KPMG, industry associations and NGOs such as UNCTAD. Of late, he has also worked on Greece's crisis, focusing on the restructuring the public administration sorely needs.

Value Migration and Strategy in a Shifting Landscape

In this talk, Prof. Jacobides will bring together a good part of his academic work, and his engagement in executive education and strategy, of potential interest to academics and practitioners alike. He will argue that one of the most important changes happening in today's economy is the change in industry architectures- the division of labour in a sector, and the rules and roles around "who does what". These changes affect "who takes what" - and shift the profit from one part of the value chain to the next. In computers, profits migrated from OEMs to makers of chips like Intel and software firms like Microsoft. In cars, automobile manufacturers have still been able to keep the lion's share of the value added. In telecommunications, the battle still rages between firms like Apple (and their ecosystem), Google (and their Android platform) and traditional telephony incumbents. Competition is no longer *within* the sector; it is to *shape the nature* of the sector. So, what does this mean for firms as they try to compete in these changing circumstances? What does this mean for academics, who need to revisit some of their units of analysis and re-direct their analytical efforts? And what does this mean for regulators? By looking at the example of the changes in financial services, which led to wild profit migration but also the systemic collapse of the sector under the nose of economists and central bankers, we'll consider implications for policy and welfare too.