

**Peter F. Drucker and Masatoshi Ito  
Graduate School of Management  
Claremont Graduate University**

**MGT 329  
NEW PRODUCT DEVELOPMENT  
March 16 – 18, 2009**

**What I hear, I forget.  
What I see, I remember.  
What I do, I understand.  
- Kung Fu Tzu (Confucius)**

**PROFESSOR:** Jeffrey B. Schmidt, Ph.D.  
**AFFILIATION:** University of Oklahoma, Michael F. Price College of Business  
**PHONE:** 405-325-5915 (Office)  
**EMAIL:** [jbs@ou.edu](mailto:jbs@ou.edu)

**CLASSROOM**

B-14

**CLASS TIME**

9:00AM – 5:00PM

**COURSE OBJECTIVES**

- Understand the new product development process.
- Gain an understanding and be able to use analytic methods for all stages of product planning, development, launch, and control.
- Understand effective internal structures for implementing innovation processes.
- Learn how to assess and improve new product development and management performance.

I will strive to make this course both useful and interesting. I believe you will find this course to be a thought-provoking and enjoyable learning experience - regardless of your career-path.

## **REQUIRED COURSE MATERIALS & NECESSITIES**

- ✓ *New Product Management*, Merle Crawford & Anthony Di Benedetto (9<sup>th</sup> Edition, 2008) McGraw-Hill Irwin.
- ✓ Course Pack (with readings).
- ✓ An activated email address.
- ✓ Optional: <http://www.ulrich-eppinger.net/>

## **OPTIONAL (& USEFUL) RESOURCES**

1. *Design and Marketing of New Products* by Glen L. Urban and John R. Hauser, 2<sup>nd</sup> Edition, 1993, Prentice Hall.
2. *Winning at New Products: Accelerating the Process from Idea to Launch* by Robert G. Cooper, 3<sup>rd</sup> Edition, 2001, Perseus Publishing.
3. *The PDMA Handbook of New Product Development* by Kenneth B. Kahn (Editor), 2005, John Wiley & Sons.
4. <http://www.ulrich-eppinger.net/>

The *Journal of Product Innovation Management (JPIM)* is very useful for new product professionals. A job bank, NPD glossary and body of knowledge, and current and back issues of *Visions Magazine* are available on the Product Development & Management Association (PDMA) Web site at [www.pdma.org](http://www.pdma.org). Some of the material is available at no-charge. For other information, you will have to be a PDMA member (Student memberships are \$30/year). Also, *JPIM* articles can be accessed through the ABI-Inform data base.

## **COURSE FORMAT**

This course involves lectures, discussions, current event examples, readings, software models, and a major case analysis. The lectures and class discussions are designed to go *beyond the text*. In the sessions we will cover particularly important aspects of new product development and management and will cover material not in the text. In addition, I expect that you will read the Crawford and di Benedetto textbook prior to the completion of our three class sessions.

## **GRADING**

<b>Assignment</b>	<b>Points</b>
Mini Presentation*	10
Toolbox Exercises* (4 x 10 points)	40
Attendance & Participation	20
Final Case Analysis	30
<b>Total</b>	<b>100</b>

\*Group assignment.

## **GRADING SCALE**

<b>Grade</b>	<b>Total Points Earned</b>	<b>Interpretation</b>
<b>A</b>	90 and above	Excellent
<b>B</b>	80 – 89	Good
<b>C</b>	70 – 79	Fair
<b>D</b>	60 – 69	Poor
<b>F</b>	Less than 60	Fail

It is considered unethical to:

1. Tell the instructor that you need a certain grade.
2. Ask for extra assignments for the purpose of raising a grade.
3. Ask for the grade to be raised because it is very close to the next higher grade.
4. Ask for the grade to be raised because the student did very well on one of the various segments.
5. Ask for a higher grade because you don't like the grading scheme.
6. Ask to be treated better than other students by asking that an exception be made to these rules.
7. Ask for any other unfair advantage in grading.

## **TEAMS**

Much of the work performed in business today is conducted by teams. Even when it's not, individuals must rely on other individuals internal and external to the company to complete their assignments. Therefore, the class will be divided into teams of three. You are free to choose your team member, and I can help you find a partner if needed.

## **TOOLBOX EXERCISES**

We will complete 4 "Toolbox" exercises that are part of our textbook. These are Excel spreadsheet-based. I will provide the assignment and Excel files.

- Perceptor
- Assessor
- Defender
- Bass

## **MINI PRESENTATIONS**

You are expected to keep current on the happenings in the business world. This will help you in learning and applying the concepts from this class. Furthermore, this will help you in the job search (and interviewing) process. To encourage you to stay current, each of you is expected to read business periodicals such as *The Wall Street Journal*, *Business Week*, *Fortune*, etc.

On the last day of our meetings, each team will be allotted about 20 minutes to present an interesting and thought-provoking business article that deals with product development /

management to the class. The remaining 10 minutes will be used for you to moderate the class discussion provoked by your article. At the end of the discussion, you should provide a “moral of the story” which is a generalized observation or piece of knowledge that we can carry away from the class. While not required, each group member should participate in the presentation. Group members may participate in other ways than presenting the article. For example, non-presenting group members may hold visual aids or participate in answering questions.

**FINAL CASE ANALYSIS: Due date: April 15.** On April 1<sup>st</sup>, I will distribute 1 Harvard Business School case study. Your task is to (1) read the case carefully, (2) analyze the case (including any numbers provided in the case, and (3) complete a written analysis of the case which should include the key issue(s) in the case as you see them, various ways to address these issues (including the pros and cons of each), and your recommendation and/or conclusion as appropriate. The case analysis should be 10 pages (maximum) using 12-point font with 1-inch margins. Note that figures and tables may be placed in an appendix, but the main body of the analysis should not exceed the 10 page limit.

### **SPECIAL ACCOMMODATIONS**

“Any student in this course who has a disability (physical or learning) that may prevent him or her from fully demonstrating his or her abilities should contact me as soon as possible so we can discuss accommodations necessary to ensure full participation and facilitate your educational opportunities.”

## TENTATIVE COURSE OUTLINE

<b>DATE</b>	<b>TOPIC</b>	<b>APPROXIMATE TIME</b>
<b>3-16-09</b>	<b>Introductions and Class Overview (including team formation)</b>	<b>9:00 – 9:30AM</b>
	<b>The Importance of New Products and the NPD Process</b>	<b>9:30 – 11:00</b>
	<b>Break</b>	<b>11:00 – 11:15</b>
	<b>Toolbox Exercise: Perceptor</b>	<b>11:15 – Noon</b>
	<b>Lunch</b>	<b>Noon – 1:00PM</b>
	<b>Identifying / Solving Customer Needs &amp; Understanding Why They Buy Products</b>	<b>1:00 – 2:00</b>
	<b>Generating, Evaluating &amp; Testing Product Concepts</b>	<b>2:00 – 3:00</b>
	<b>Toolbox Exercise: Assessor</b>	<b>3:00 – 4:00</b>
	<b>New Product Screening / Decision-Making</b>	<b>4:00 – 5:00</b>
<b>3-17-09</b>	<b>Forecasting Sales of New Products</b>	<b>9:00 – 10:00AM</b>
	<b>Toolbox Exercise: Bass</b>	<b>10:00 – 11:00</b>
	<b>New Product Performance</b>	<b>11:00 – Noon</b>
	<b>Lunch</b>	<b>Noon – 1:00PM</b>
	<b>Intellectual Property (Copyrights, Trademarks &amp; Patents)</b>	<b>1:00 – 2:00</b>
	<b>New Product Design</b>	<b>2:00 – 3:00</b>
	<b>Break</b>	<b>3:00 – 3:15</b>
	<b>Product Use Testing</b>	<b>3:15 – 4:00</b>
	<b>Planning for Launch and Launch Issues</b>	<b>4:00 – 5:00</b>
<b>3-18-09</b>	<b>Post-Launch Issues</b>	<b>8:00 – 9:00AM</b>

<b>Toolbox Exercise: Defender</b>	<b>10:00 – 11:00AM</b>
<b>A More Rational Approach to New Product Development (Harvard Business Review Article) and Other Current Events</b>	<b>11:00 – Noon</b>
<b>Lunch</b>	<b>Noon – 1:00</b>
<b>Mini – Presentations</b>	<b>1:00 – 2:30</b>
<b>Break</b>	<b>2:30 – 3:00</b>
<b>Mini – Presentations</b>	<b>3:00 – 4:30</b>
<b>Class Wrap-Up &amp; Celebration!</b>	<b>4:30 – 5:00</b>

**4-1-09 HBS Case Distributed to Class**

**4-15-09 Written Case Analysis Due  
Received by Jeff by email  
(jbs@ou.ed) 5:00 CST**

## **BIOGRAPHICAL SKETCH**

Professor Schmidt is an associate professor of marketing at the University of Oklahoma. He earned his Ph.D. in marketing from the Eli Broad School of Management at Michigan State University, his M.B.A. at Oakland University, and his B.S. degree in packaging from Michigan State University. He has held engineering positions at General Motors Corp. and Nabisco Foods where he worked with marketing extensively. He joined the OU faculty in 2005. He has held faculty appointments at the University of Illinois from 1999 through 2005 and Kansas State University from 1996 through 1999.

Over the past 15 years he has taught a variety of undergraduate, graduate, and executive education courses. In the summers of 2004 and 2005 he traveled to Warsaw, Poland to teach in the University of Warsaw's executive MBA program in conjunction with the University of Illinois. He has spoken with several departments and colleges about teaching effectiveness and strategies in large classes. He has received multiple teaching awards including three in 2008.

With respect to research, Dr. Schmidt's interests lie in new product development and marketing strategy, and his work has been published in several major journals and conference proceedings. He has received 5 research awards, the most recent one in August, 2006. He serves on the editorial boards of the *Journal of Product Innovation Management* and *Decision Sciences* and served on the Board of Directors of the Product Development & Management Association (PDMA) and also as Vice President of Academic Affairs for PDMA.

On a personal note, Professor Schmidt enjoys spending time with his wife and two sons (ages 10 and 7 years old) and 4-year old daughter. He also enjoys playing with computers and other electronic gadgets, following the automobile industry, running, working out, reading, and watching movies and sporting events.