



Syllabus Module GMT 5423: Fundamentals of Strategic Management 2 SWS, 3 ECTS-Credits, Language of instruction: English

<u>Time and location:</u>	MLICS, MCM, MCCM, IMEP, and others: Thursdays, 09:45 am - 11:15 am and Thursdays, 11:30 am - 01:00 pm from: 03 October 2019 to: 21 November 2019.
<u>Language:</u>	English.
<u>Workload:</u>	3 ECTS, 2 SWS, 60 hours self-study.
<u>Level:</u>	Master, 1 st semester.
<u>Requirements:</u>	Proficiency in English (at least B2).
<u>Assessment:</u>	Written exam (60 minutes) Case study

Lecturer:

Prof. Dr. Korbinian Eichner,
Professor of Business Administration and Corporate Finance.

Office hours: Tuesdays, 12:00 pm - 01:30 pm (W2.3.06)
(please make an appointment by email).

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Course description:

The question of how a firm achieves a sustainable competitive advantage over its competitors while another firm fails to do so lies at the center of strategic management. Why is strategic management of importance to firms? Because the existence of a competitive advantage correlates strongly with a firm's financial success and that of its shareholders.

The course discusses different building blocks which can help a firm to generate a competitive advantage. The course also familiarizes the participants with various tools, concepts, and analytical frameworks that enhance their ability to define and analyze strategic problems, and to identify sources of competitive advantages from both an industry and firm-level perspective.



Course content:

Key learning blocks include:

Topic no.	Topic	Content
1	<i>Introduction to strategic management</i>	<ul style="list-style-type: none"> • What is strategy and strategic management? • Relationship between strategic management and financial performance.
2	<i>Initiating strategies</i>	<ul style="list-style-type: none"> • Setting aspirations: missions, vision, values. • Strategic planning processes.
3	<i>Positioning</i>	<ul style="list-style-type: none"> • Execution of strategic analysis: External focus. • Execution of strategic analysis: Internal focus.
4	<i>Strategy Formulation</i>	<ul style="list-style-type: none"> • Development of a corporate strategy. • Development of business level strategies.
5	<i>Evaluating Strategies</i>	<ul style="list-style-type: none"> • Relevance of value creation and its critical assessment. • Measurement of value creation.
6	<i>Implementing Strategy</i>	<ul style="list-style-type: none"> • Strategy execution process. • Balanced Scorecard.

Learning objectives:

Having completed this course, students should be able to:

- To gain an overview of what strategic management is about.
- To develop the ability to think strategically about a business organization, its strategic position, and how to strive for a sustainable competitive advantage.
- To build skills in conducting strategic analysis in a variety of competitive situations and provide an understanding of the competitive challenges of firms.
- To give insights into the organizational processes by which strategies are formulated and executed.



The following illustrates how the course in strategic management supports the learning objectives of general management:

Objective	Course contributions to objective	Assessment
Fundamentals of management.	Being aware of and understanding the nature and roles of firm resources to be utilized in strategic management processes. The relevance of value creation for strategic management decisions.	Discussions within class, case study, exam.
Responsible leadership in organizational contexts.	Understanding the dependencies between a changing market environment and the related threats and opportunities for firms when it comes to strategic management orientation.	Discussions within class, case study, exam.
Creative problem solving skills in a complex business environment.	Developing solutions to future perspectives and evaluating the “most appropriate” solution in order to deliver sound strategic concepts.	Discussions within class, case study, exam.
Research skills.	Developing solutions to future perspectives and evaluating the “most appropriate” solution in order to deliver business competitiveness.	Case study.
Management of the challenges of global sustainability and awareness for social and corporate responsibilities.	Addressing selected questions/problems relating to business ethics, e.g. company goals, social responsibility et cetera, linked to the field of strategic management across cultures and borders.	Discussions within class, case study, exam.

Teaching and learning approach:

The course is organized as a lecture, but throughout the course emphasis is put on discussion and interaction with the students as well as small exercises and case studies. This application-oriented approach should foster the transfer of concepts and methods learned to ‘real-world’ situations the students will be confronted with in the future.

The participants of the course (groups of 3-4 students) will work on a case study, which needs to be handed in. Case studies, corresponding questions, as well as any material for the course will be distributed to the students on the e-learning platform.



Method of assessment:

The overall grade of this course will be based on

a written examination (60 minutes, closed book) [90% of grade] and

a case study (group work) [10% of grade]

Exam:

The exam will cover the lecture material and include a mixture of open questions and small case studies.

Case study:

Groups of 3-4 students will work on a case study. Grades will be awarded on the basis of the quality of answers to the case study questions.

Grades will range between 1.0 (very good) and 5.0 (fail), in 0.3 and 0.7 steps.

- 1.0 Very good, a performance significantly above the average.
- 2.0 Good, an above average performance.
- 3.0 Satisfactory, an average performance.
- 4.0 Adequate, a below average performance with noticeable shortcomings.
- 5.0 Fail, an unacceptable performance.

Literature:

Johnson, G./ Whittington, R./Regner, P./Scholes, K./ Angwin, D.: Exploring Corporate Strategy, 11th edition, Pearson.

Müller-Stewens, G./Lechner, C.: Strategisches Management: Wie strategische Initiativen zum Wandel führen, 5th edition, Schäfer Poeschel.

Wunder, T.: Essentials of Strategic Management, 1st edition, Schäfer Poeschel.

Additional readings:

(a) Books (latest editions):

Grant, R.: Contemporary Strategy Analysis, Blackwell.

Porter, M.: Competitive Strategy: Techniques for Analyzing Industries and Competitors, Free Press.



Porter, M.: Competitive Advantage: Creating and Sustaining Superior Performance, Free Press.

Rappaport, A.: Creating shareholder value: The new standard for business performance, Free Press.

(b) Articles:

Collins, J./Porras, J. (1996): Building Your Company's Vision, in: Harvard Business Review, Sep/Oct 1996, pp. 65-77.

Gluck, F./ Kaufman, S./Walleck, A. (1980): Strategic Management for Competitive Advantage, in: Harvard Business Review, Jul/Aug 1980, pp. 154-161.

Johnson, M./Christensen, C./Kagermann, H. (2008): Reinventing Your Business Model, in: Harvard Business Review, Dec 2008, pp. 52-60.

Kaplan, R./Norton, D. (1996): Using the Balanced Scorecard as a Strategic Management System, in: Harvard Business Review, Jul / Aug 1996, pp. 75–85.

Mankins, M./Steele, R. (2005): Turning Great Strategy into Great Performance, in: Harvard Business Review, Jul/Aug 2005, pp. 64-72.

Neilson, G./Martin, K./Powers, E. (2008): The Secrets to Successful Strategy Execution, in: Harvard Business Review, Jun 2008, pp. 60-70.

Porter, M. (1979): How Competitive Forces Shape Strategy, in: Harvard Business Review, Mar/Apr 1979, pp. 21-38.

Porter, M. (1987): From Competitive Advantage to Corporate Strategy, in: Harvard Business Review, May 1987, p. 43-59.

Porter, M. (1996): What is Strategy, in: Harvard Business Review, Nov / Dec 1996, p. 61-78.

Porter, M. (2008): The Five Competitive Forces That Shape Strategy, in: Harvard Business Review, Jan 2008, pp. 79–93.

Rappaport, A. (2006): Ten Ways to Create Shareholder Value, in: Harvard Business Review, Sep 2006, pp. 66-77.