Syllabus Module GMT 5061: Strategic Management
2 SWS, 3 ECTS-Credits, Language of instruction: English

Time and location: MACFA, MCM, IMEP, and others:
Thursdays, 09:45 am - 11:15 am and
Thursdays, 11:30 am - 01:00 pm (W1.5.02)
from: 28 November 2019
to: 23 January 2020.

Language: English.

Workload: 3 ECTS, 2 SWS, 60 hours self-study.

Level: Master, 1st/3rd semester.

Requirements: Proficiency in English (at least B2).

Assessment: Written exam (90 minutes)
Case studies

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).

E-Mail: korbinian.eichner@hs-pforzheim.de

Course description:

Note:
This Strategic Management course builds on the course “Fundamentals of Strategic Management”. The course “Fundamentals of Strategic Management” deals primarily with the sources of competitive advantage and the strategic planning process.

Students are expected to be familiar with these basic strategic management concepts, which will not be reviewed comprehensively in this course. The course “Strategic management” course aims rather to further develop the strategic competencies of the students, by presenting and discussing advanced strategic practices and concepts in the business context. In addition, it aims to apply advanced strategic management tools to case studies.
Concept of this course:

The question of how firms achieve sustainable competitive advantages over their competitors while another firms fail to do so lies at the center of strategic management. As strategic management research points out, superior shareholder returns, which can act as a proxy for sustainable competitive advantages, can mainly be explained by superior resource endowment or value adding market positioning.

However, resource endowment and market positioning are not static in nature, meaning that they can change based on managerial decisions and external forces. This course, therefore, focuses on these building blocks of strategic management. In more detail, the course places emphasis on managerial strategic decision making that influence the utilization of existing resources, their expansion, as well as market positioning. The course emphasizes all three levels of strategy:

(i) corporate strategy,
(ii) business strategy, and
(iii) functional strategy for value creation.

Levels of Strategy
(reflected in the course “Strategic Management”)

![Levels of Strategy Diagram]
**Course content:**

Key learning blocks include:

<table>
<thead>
<tr>
<th>Topic no.</th>
<th>Topic</th>
<th>Content</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td><em>Recap: Basic building blocks of strategic management</em></td>
<td>• Strategic planning processes.</td>
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<td>• External and internal strategic analysis.</td>
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<td>• Corporate strategy vs. Business strategy.</td>
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<td>• Evaluating strategies.</td>
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<td>• Strategy execution.</td>
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<td>2</td>
<td><em>Advanced concepts of corporate strategy</em></td>
<td>• <strong>Diversification and focus strategies</strong>: Models to create shareholder value through portfolio optimization.</td>
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<td>• <strong>Management of synergies</strong>: Aligning business units to create value.</td>
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<tr>
<td>3</td>
<td><em>Advanced concepts of business strategy</em></td>
<td>• <strong>External growth strategies</strong>: M&amp;A and joint ventures to make use of growth opportunities.</td>
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<td>• <strong>Organizational strategy</strong>: Operations decisions, vertical integration and outsourcing.</td>
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<td>• <strong>Internalization strategies</strong>: Market expansion through internalization.</td>
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<td>4</td>
<td><em>Advanced concepts of functional strategy</em></td>
<td>• <strong>Strategic management of innovation</strong>: Exploring, executing, exploiting, and renewing innovations.</td>
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<td>• <strong>Corporate venturing</strong>: Investing for the future.</td>
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<td>• <strong>Executive compensation and strategic management</strong>: Principles of aligning managerial interests.</td>
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Learning objectives:

Having completed this course, students should be able to:

- integrate advanced strategy topics in the overall strategic analysis of the environment and firm,
- develop flexible strategies, which take into consideration the evolving nature of the business, in order to create value,
- understand how functional aspects of a firm influence business strategy and vice versa,
- apply advanced strategic management theories and concepts to real world case studies to come up with future oriented solutions.

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

<table>
<thead>
<tr>
<th>Objective</th>
<th>Course contributions to objective</th>
<th>Assessment</th>
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<tbody>
<tr>
<td>Principles of advanced strategic management.</td>
<td>Being aware of and understanding the nature and roles of firm resources to be utilized in strategic management processes. Understanding the relevance of value creation for strategic management decisions.</td>
<td>Discussions within class, case studies, exam.</td>
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<td>Responsible leadership in organizational contexts.</td>
<td>Understanding the dependencies between a changing market environment and the related threats and opportunities for firms, when it comes to strategic management orientation.</td>
<td>Discussions within class, case studies, exam.</td>
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<td>Creative problem solving skills in a complex business environment.</td>
<td>Developing solutions to future perspectives and evaluating the “most appropriate” solution in order to deliver sound strategic concepts.</td>
<td>Discussions within class, case studies, exam.</td>
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<td>Research skills.</td>
<td>Analyzing firms’ resources, market structures and trends in order to achieve business competitiveness.</td>
<td>Case studies.</td>
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<td>Management of the challenges of global sustainability and awareness for social and corporate responsibilities.</td>
<td>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.</td>
<td>Discussions within class, case studies, exam.</td>
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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 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.

Students are expected to work on case studies. Case study solutions will be based on group work (of 3-5 students, depending on class size).

The materials 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) a **written examination** (90 minutes, closed book)  [80% of grade]

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

(b) **case study solutions**  [20% of grade]

Groups of 3-5 students will work on case studies. 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:

Books (latest editions),

(a) covering the fundamentals of strategic management:
Grant, R.: Contemporary Strategy Analysis, Blackwell.

(b) covering advanced concepts or specific concepts in more detail:
Barney, J.: Gaining and Sustaining Competitive Advantage, Prentice-Hall.
Lasserre, L.: Global Strategic Management, Palgrave.

Articles: