

# Business Strategy

## - Course program –

This course focuses on selected theories, concepts and tools of strategic management. Typically, the term *strategic management* refers to seeing the company and its environment and considering long-run decisions that affect the company as a whole. It is concerned with the totality of what a company is trying to achieve and it helps us to understand why some companies thrive while other companies struggle to survive.

The central tasks of strategic management are formulation and implementation of strategies, both at business and corporate level. At business level, the notion of competitive advantage is a central issue; at corporate level, the challenge of contributing value to businesses is crucial. The course “business strategy” addresses the business level of strategy making.

The course uses a combination of online lecture sessions and online case study sessions in order to provide the analytic and conceptual foundations for making strategic decisions.

- The case study sessions are designed to introduce typical strategic challenges that companies face. Selected case studies are discussed in smaller groups in order to understand the company situation and to develop solutions for the respective strategic challenges. **Case study sessions take place as live online sessions via zoom.**
- In the lecture sessions theories, concepts and tools of business strategy are discussed – both, with regard to the case studies as well as in a broader, more general context of business strategy. **Lectures take place as live sessions via zoom and additional asynchronous learning elements, i.e. uploaded videos on StudOn.**

Students will learn from each other in discussions and in the group situations and they will learn from the lecturer's input and comments in the interactive plenary sessions.

For the lecture sessions, all students join one (online) class at the same time (Wednesday 11.30 via zoom or uploaded videos on StudOn). For the case study sessions, the class will be split into separate groups. All groups meet at the same time (Wednesday 9.45) preceding the lecture sessions in different zoom sessions.

Students have to sign in for the case study sessions on [StudOn](#).

The following course schedule illustrates scheduling, content, and type (live/asynchronous) of lecture sessions and case study sessions as well as the assigned readings.

**Session 1: Lecture – live session via zoom**

November 4  
11.30 - 13.00

Content: *Fundamentals of strategic management*

Introduction

Concept of strategy and strategic management

Introduction to working with cases

**Session 2: Lecture – asynchronous**

*Recommended: November 6 – December 2*

11.30 - 13.00

Content: *Strategy formulation*

Nature and sources of competitive advantages,

No-frills strategies – cost and price advantages

Premium strategies – performance advantages and differentiation

Strategies for two-sided / multi-sided markets

Using innovative strategies / business model innovations to create competitive advantages

Handling disruptive innovations

Understanding industry dynamics

Instruments to master dynamic business environments

**Session 3: Case study "Aldi: The Dark Horse Discounter" – live session via zoom**

November 11  
9.45 - 11.15

Content: Nature and sources of competitive advantage

Readings: Aldi: The Dark Horse Discounter (case study)

In preparing the case, focus on the following questions:

Should Wal-Mart be worried about Aldi? Should Aldi be

worried about Wal-Mart? What is Aldi's strategy? What is

Aldi's value proposition in short? How should Wal-Mart

react?

**Session 4: Case study "Tesla Motors" – live session via zoom**

November 25  
9.45 – 11.15

Content: *Dynamics of strategy and of competitive advantages*

Readings: Tesla Motors (case study)

In preparing the case, focus on the following questions:

Should a major player like BMW consider Tesla to grow into a strong direct competitor? Or is it just a niche player? Is

Tesla at a competitive advantage or disadvantage? How will

that evolve? What do you think of Tesla's entry strategy?

Should Nissan learn something from Tesla's approach?

**Session 5: Lecture – live session via zoom**

November 25  
11.30 - 13.00

Content: *Strategy formulation*

Dynamics of strategy and of competitive advantages

**Session 6: Lecture – asynchronous**

*Recommended: December 3 – December 8*

11.30 - 13.00

Content: *Strategy analysis*

Understanding industry and market position

Internal analysis: analyzing resources and capabilities

**Session 7:**

December 9  
9.45 - 11.15

**Case study "Samsung Electronics" – live session via zoom**

Content: Understanding industry and market position

Readings: Samsung Electronics (case study)

In order to prepare the case, please focus on the following questions: What were the sources of Samsung's cost advantage in DRAMs in 2003? What were the sources of its price premium in DRAM's in 2003? Can you quantify them? What recommendation would you make to Chairman Lee regarding Samsung's response to the threat of Chinese entry?

**Session 8:**

December 9  
11.30 - 13.00

**Lecture – live session via zoom**

Content: *Strategy formulation / analysis*

Understanding industry and market position

**Session 9:**

December 16  
11.30 - 13.00

**Lecture – live session via zoom**

Content: *Strategy formulation / Strategy analysis*

Repetition / Q&A

**Session 10:**

January 13  
9.45 - 11.15

**Case study "Glas AG" – live session via zoom**

Content: Evaluation of strategic options

Readings: Glas AG (case study)

In preparing the case, focus on the following questions:  
How can we reach decisions on different strategic options?  
How can we use financial information to substantiate our decisions? Which is the appropriate financial instrument to support management in this context? What are the respective shareholder values for both strategic options? Which strategic option would you choose? Do you have enough information to make your decision?

**Session 11:**  
January 20  
**9.45 - 13.00 (!)**

**Case study "Glas AG" – live session via zoom**

Content: Evaluation of strategic options

Readings: Glas AG (case study)

In preparing the case, focus on the following questions:  
How can we reach decisions on different strategic options?  
How can we use financial information to substantiate our decisions? Which is the appropriate financial instrument to support management in this context? What are the respective shareholder values for both strategic options? Which strategic option would you choose? Do you have enough information to make your decision?

**Session 12:**  
January 27  
11.30 - 13.00

**Q&A – live session via zoom**

Answering questions regarding the lecture content / exam preparation

**Session 13:**  
February 10  
11.30 - 13.00

**Exam for Exchange Students**

Only for students who take the course on a non-degree basis  
(e.g. Erasmus students, exchange students)

### **Textbooks**

Dess, G., Lumpkin, G., Eisner, A.: Strategic Management, 4. Ed., Boston 2008.

Grant, R.: Contemporary Strategy Analysis, 7. Ed., Malden 2010.

Hungenberg, H.: Strategisches Management in Unternehmen, 8. Ed., Wiesbaden 2014.

### **Additional books and articles**

Christensen, C.: The Past and Future of Competitive Advantage, in: Sloan Management Review, Vol. 42, 2001, Winter, pp. 105 - 109.

Copeland, T., Koller, T., Murren, J.: Valuation, 3. Ed., New York 2000.  
D'Aveni, R.: Hypercompetition, New York 1994.

Kim, W., Mauborgne, R.: Blue Ocean Strategy: From Theory to Practice, in: California Management Review, Vol. 47, 2005, No. 3, pp. 105 – 121.

Porter, M.: Competitive Strategy, New York 1980