



Subject **Module: Strategic Management**
Course: **Strategic Management I: Corporate Strategy**

Professor in charge: Prof. Dr. Klaus Deimel

Target group: MBA-students in the first stage of the MBA-program

Lectures: 3 SWS

Aims: The course "Corporate Strategy" deals with the main topics of managing companies at top Management levels. This module illustrates the importance of corporate strategies and enables students to develop and assess the basic corporate strategy options. Students are expected to discuss from a general management viewpoint. The main goals of this course are:

1. Understanding and evaluating the general economic importance of corporate strategies
2. Getting familiar with the principal concepts of shareholder value and the consequences for defining corporate strategies
3. Gaining knowledge about the basic strategic options of corporate strategy development and evaluating those strategic options in theory and real business world
4. Developing and Strengthening their ability to think in terms of a general management perspective
5. Improving their abilities in formulating, presenting and defending own assessments and positions

Contents:

1. Introduction to corporate strategy

- 1.1 The concept of corporate strategy
- 1.2 A general framework of corporate strategy
- 1.3 Configuration of activities of the company as a goal of Corporate Strategists
- 1.4 Coordination of activities of the company as a goal for Corporate Strategists
- 1.5 Interaction as a goals for Corporate Strategists

2. Defining companies goals, values and corporate culture

- 2.1 The role of corporate culture in corporate strategy
- 2.2 Finding Corporate Culture and Values
- 2.3 Defining Companies Mission
- 2.4 Defining Companies Goals
- 2.5 Implementing Culture and Values in Companies
- 2.6 Corporate Governance
- 2.7 Key Implications for Corporate Strategy Formulation



3. The Key Concept of Corporate Strategy - Value Based Management

- 3.1 Strategy as a Quest for Profit
- 3.2 The Concept of Shareholder Value
- 3.3 Developing Shareholder Value Ratios
- 3.4 Evaluating the Shareholder Value Performance of European Companies
- 3.5 Value Driver Analysis
- 3.6 Key Implications for Corporate Strategy - Linking Value Based Management to Strategy

4. Managing the Multi Business Company

- 4.1 What is a Multi Business Company
- 4.2 Strategic Business Units as Targets of Strategic Analysis
- 4.3 Managing the Corporate Portfolio - Portfolio Analysis
- 4.4 The Role of Top Management in Multi Business Companies
- 4.5 Resource Allocation in Multi Business Companies
- 4.6 Multi Business Companies and Value Based Management

5. Defining the scope of the firm - Integration Strategy

- 5.1 Introduction and Objectives
- 5.2 Vertical vs. Horizontal Integration
- 5.3 The Costs and Benefits of Integration Strategies
- 5.4. Strategic Alliances in Integration Strategies
- 5.5 Integration Strategies and Value Based Management

6. Defining the Corporate Organisation

- 6.1 Introduction and Objectives
- 6.2 Organisation Designs in Large Companies
- 6.3 The Role of Top Management in Corporate Strategies
- 6.4 Responsibility and Delegation
- 6.5 Identifying Sources of Corporate Success
- 6.6 Organisation and Value Based Management

7. Summary and Outlook

- 7.1 Summary of Corporate Strategy Findings
- 7.2 Corporate Strategy Outlook: Challenges Ahead

Methods:

- 1.) lectures and class discussions,
- 2.) Case studies presentations and discussions,
- 3.) students' own preparation and business experience
- 4.) lecturer's advice and assistance

Examination:

The module will be assessed by 1.) a final examination (75%) and 2.) a mid-term examination (30% each).

- 1. Final examination (100%)



The written closed-book examination at the end of the course will be divided between selected theory-based questions and specific (unseen) questions on a pre-released case study. The pre-released case study will be available at least 7 days before the exam date. The final examination accounts for 75% of the final grade.

Literature

Main Textbooks and Additional Articels

Grant, R.M. (2002):Contemporary Strategy Analysis: Concepts, Techniques, Applications, 4th edition.

Mintzberg, H.; Lampel, J.; Quinn, J.B., Ghoshal, S.(2002):
The Strategic Process, 4th edition.

Prahalad, C.K./Hamel, G. (1990): The Core Competence of the Corporation, in: Harvard Business Review, May-June.

Günter; T (1997)+B117: Unternehmenswertorientiertes Controlling, Case Book:

Neupert, K.E./Grant, R.M. (1999): Cases in Contemporary Strategy Analysis, 2nd edition.

Language:

English

Case Studies:

Neupert, K.E./Grant, R.M. (1999): Cases in Contemporary Strategy Analysis, 2nd edition:

Richard Branson and the Virgin Group of Companies in 1998
(Vision - Mission - Strategy - Organisation)

Lasten AG (Portfolio Management)

Steelyard Broadbent (Shareholder Value)

Further Case Studies and Mini Cases

Additional case studies and mini cases will be selected based on student's industry and functional background.