



Course and Examination Fact Sheet: Spring Semester 2024

8,220: Strategy II

ECTS credits: 3

Overview examination/s

(binding regulations see below)

central - Analog written examination, Analog, Individual work individual grade (60%, 60 mins.)

Examination time: Lecture-free period

decentral - Audiovisual work, Digital, Group work group grade (40%)

Examination time: Term time

Attached courses

Timetable -- Language -- Lecturer

[8,220,1.00 Strategy II](#) -- English -- [Frankenberger Karolin](#)

Course information

Course prerequisites

There are no formal prerequisites for this course. As a compulsory course, "Strategy II" addresses all students in the Master program in General Management (MGM).

Learning objectives

This course is designed to achieve the following overarching goals:

1. Students connect the principles of classic strategy elements such as corporate strategy and business strategy with those of the newly taught business model innovation strategy underscoring the duality of value creation and value capture in order to conceive how the elements intertwine both theoretically and in business reality.
2. Students differentiate between different concepts that can guide effective strategizing and business model innovation, familiar ones like the Business Model Canvas and Blue Ocean approach as well as new ones like the Business Model Navigator, reflect on their suitability in specific business situations, and acknowledge the partially complementary nature that enables holistic application in practice.
3. Drawing on the course concepts, students evaluate a firm's strategy and delve deeply into a realistic business model challenge of a company, weigh up outside-the-box innovation potentials they have explored themselves against company specifications and feasibility, and present a specific new business model idea, supported by convincing reasoning.
4. Given an increasingly ambiguous and complex (business) world, students formulate key assumptions for their business model idea, translate these into quantifiable hypotheses, test them, and adjust the business model idea accordingly, empowering themselves to take decisions under uncertainty and welcome intelligent failure both in the safe course environment and in situations later in their careers.
5. Students differentiate between weak and strong interpretations of corporate social responsibility (CSR), discuss different incentives for CSR and leverage this knowledge to consider sustainable business models, circular economy, and circular ecosystems as potential sources of competitive advantage, thereby challenging the conventional wisdom that making profits inevitably entails environmental problems.
6. Students critically question the functioning and consequences of the platform economy and become aware of the ongoing need for business model innovation and typical implementation challenges both in established companies (especially the transformer's dilemma).

Course content



The ability to think creatively and critically about the overall strategic direction of an organization is a fundamental skill of anyone destined for a leadership position. The course builds upon “Strategy I” and interconnects with the other compulsory courses in the MGM curriculum, particularly “Entrepreneurship” and “Leadership”. Conveying concepts and practices from the intersection of strategy and innovation, “Strategy II” aims to develop holistic and integrative thinkers who are able to take a cross-functional perspective and deal with the ambiguous and dynamic problems of today’s society. What are the fundamentals of business strategy? How does business model innovation relate to strategy? What is the essence of value creation and value capture? How can organizations radically transform their business models to remain competitive? What opportunities open up by circular business models that can close resource cycles in the spirit of sustainability? This course will provide answers to these questions and more.

Building upon “Strategy I”, this course adds to students’ understanding of corporate strategy business strategy principles like differentiation vs. cost focus. Beyond that, it underscores that it is not only sound strategizing but also sound corresponding business model design that enables multi-business firms to remain relevant. Business models cross company and possibly even industry boundaries. Thereby, they can bring about significant leaps in performance and a sustainable shift of industry standards. While business model design is not traditional strategy, it is an important element of a firm’s strategy. Thinking about business models complements the traditional corporate strategy as well as business strategy considerations and must be continuously and iteratively aligned. Facing an ever-changing business environment, companies need to keep their business models up to date – else they risk sharing the same fate as Blockbuster and Kodak. The course embeds the business model innovation construct in the broader context of business transformation. Students will thus be provided with fundamental knowledge on why transforming an institution is critical for the long-term survival of any organization and how managers ensure that transformation is successfully implemented.

The purpose of this course is to provide a thorough grounding of the tools used in the design of strategy and the business models employed to achieve that strategy, taking into consideration the profound changes in the global economy such as digitalization, massive global power shifts, increasing social inequality, and climate problems. Sustainability receives particular attention in this course. One session and two guest lectures are exclusively dedicated to the topic of business model innovation in the context of sustainability. Concepts covered include the motivation for and definition of sustainability, incentives for corporate sustainability, the triple bottom line, circular economy, and the Circular Business Model Navigator (HSG Impact Awards 2020). Likewise, sustainability represents an essential evaluation criterion for the Case Challenge solutions developed by students, which encourages students to harmonize people, planet, and profit when strategizing.

Course structure and indications of the learning and teaching design

The lecture covers the following five core topics:

1. Business strategy
2. Alignment between strategy and business model innovation (BMI)
3. Fundamentals and philosophy of BMI
4. BMI as driver for sustainability and circular economy
5. Implementing strategic change and BMI in established firms

Course content is delivered through a well-varied blend of lecture, case studies, and guest lectures – after all, the most convincing stories about business model innovation come from those people who have already been through it. Moreover, the so-called Case Challenge is central to the course. This group task is designed to allow students to apply the theories learnt in class to a real-life case. Specifically, students develop a business model for an assigned case company in line with the company’s strategy and present their concept via submitting a PowerPoint presentation with voice-over. This format complements the written exam as the second exam component.

This will be an interactive and demanding class that is also a lot of fun. We expect students to be prepared for the discussions (i.e., having read the assigned cases / articles, having reflected on assigned questions), and to participate actively in the discussions. The core aim of the lecture is the discussion and application of the content that students prepared at home prior to each class. In-class working sessions ensure that students truly understand what business model innovation means.

Course literature

Students should come prepared to each class by reading the assigned articles, book chapter, and cases. A list of mandatory readings will be uploaded onto StudyNet prior to the lectures and the material will be made accessible online.



Additional course information

The course language is English. However, it is possible that isolated course elements such as coaching sessions will be held in German. The examination will be conducted in English.

Examination information

Examination sub part/s

1. Examination sub part (1/2)

Examination modalities

Examination type	Analog written examination
Responsible for organisation	central
Examination form	Written exam
Examination mode	Analog
Time of examination	Lecture-free period
Examination execution	Synchronous
Examination location	On Campus
Grading type	Individual work individual grade
Weighting	60%
Duration	60 mins.

Examination languages

Question language: English
Answer language: English

Remark

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Examination-aid rule

Closed Book

The use of aids is prohibited as a matter of principle, with the exception of pocket calculator models of the Texas Instruments TI-30 series and, in case of non-language exams, bilingual dictionaries without any handwritten notes. Any other aids that are admissible must be explicitly listed by faculty members in the paragraph entitled "Supplementary aids" of the course and examination fact sheet; this list is exhaustive.

Procuring any aids, as well as ensuring their working order, is the exclusive responsibility of students.

Supplementary aids

No further supplementary aids allowed.

2. Examination sub part (2/2)

Examination modalities

Examination type	Audiovisual work
Responsible for organisation	decentral
Examination form	Practical test
Examination mode	Digital
Time of examination	Term time



Examination execution	Asynchronous
Examination location	Off Campus
Grading type	Group work group grade
Weighting	40%
Duration	--

Examination languages

Question language: English

Answer language: English

Remark

Output Case Challenge

Examination-aid rule

Free aids provision

Basically, students are free to choose aids. Any restrictions are defined by the faculty members in charge of the examination under supplementary aids.

Supplementary aids

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Examination content

Examination content includes the academic readings and case studies, the content of the lectures and guest lectures, the content of the class discussions, and the methodology of the Case Challenge. Students must be able to transfer content to other cases that might be incorporated in the written examination.

Examination relevant literature

Mandatory readings and lecture slides will be uploaded onto StudyNet prior to each session. All exam-relevant readings and slides will be made available on StudyNet in time.

Please note

Please note that only this fact sheet and the examination schedule published at the time of bidding are binding and takes precedence over other information, such as information on StudyNet (Canvas), on lecturers' websites and information in lectures etc.

Any references and links to third-party content within the fact sheet are only of a supplementary, informative nature and lie outside the area of responsibility of the University of St.Gallen.

Documents and materials are only relevant for central examinations if they are available by the end of the lecture period (CW21) at the latest. In the case of centrally organised mid-term examinations, the documents and materials up to CW 13 are relevant for testing.

Binding nature of the fact sheets:

- Course information as well as examination date (organised centrally/decentrally) and form of examination: from bidding start in CW 04 (Thursday, 25 January 2024);
- Examination information (supplementary aids, examination contents, examination literature) for decentralised examinations: in CW 12 (Monday, 18 March 2024);
- Examination information (supplementary aids, examination contents, examination literature) for centrally organised mid-term examinations: in CW 13 (Monday, 25 March 2024);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised examinations: Starting with de-registration period in CW 15 (Monday, 08 April 2024).



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