

Syllabus EMBA course
Global Strategies of Industrial Champions
for the GNAM network, by Prof. Dr. Olaf Plötner

Course overview

The course will provide students with an overview about the most current challenges for industrial corporations, which are active on global markets. Strategic options for overcoming those challenges will be introduced and discussed based on results from academic research as well as business practice, including their impact on organization structures and leadership of a corporation. A specific emphasis will be put on the perspective of companies from the emerging countries entering markets in the developed countries as well as of companies from developed countries entering emerging markets. This is reflected in the selection of the case studies, which are mostly authored by the teaching professor. Three cases have to be prepared by the students in advance the others will be introduced and discussed during the sessions.

The 17.5 sessions of the course will be structured in three parts:

1. Intro and the transactional perspective – how to win a deal abroad (session 1 - 4)
2. The business perspective – how to win new markets (session 4 - 10)
3. The corporate perspective – how to realign the corporation (session 10 - 17.5)

Competencies developed

- Proficiency in strategy as well as marketing & sales for industrial companies in global markets
- Developing a better understanding corporate globalization
- Skills to analyze business challenges and critical thinking
- Be innovative in developing business solutions
- Team work and presentation skills

Teaching methods

Interactive lectures, group work, case study discussions.

Readings and materials

Students will be able to download those case studies which have to read in advance from the web page of the ESMT research center “Bringing Technology to Market”.

Literature recommendations after each session will complete the scope of content. A key element of the literature is the publication “Solid Growth – Global Strategies of Industrial Champions”, authored by Olaf Plötner, Johannes Habel and Bianca Schmitz (2020); students can download for free all parts of this publication on the web page of the ESMT research center “Bringing Technology to Market”.

Slides of the lectures will be provided after the sessions.

Participant evaluation

The evaluation of this course consists of three elements:

- 33% weight: Class participation in the discussions.
- 66% weight: Post-modular assignment. Individual written document (maximum two pages) of the following task concerning case study NEGBI:

Analyze and evaluate the situation of NEGBI’s Billing group. In doing so pay also attention to the market development, the competition, and the partner.

To be submitted by mail to Olaf Plötner (olaf.ploetner@esmt.org) by **Sunday, November 14, 2021, 11:55 pm.**

Session Breakdown

I. Intro & the transactional perspective

Session 1, Oct. 5: Introduction – basic principles

- Gaining a common understanding about “strategy”
- The characteristics of industrial markets
- Competitive advantage as underlying paradigm for market success

Session 2, Oct. 5: Global developments impacting industrial companies

- Long-term trends of global demand
- The raise of new customer segments
- Shifts in the competitive landscape

Session 3, Oct. 6: Winning a deal abroad (1), incl. group work

- Understanding customer needs in complex transactions
- Analyzing the buying center of a prospect
- Anticipating competitor's behavior in the acquisition phase

Session 4, Oct. 6: Winning a deal abroad (2)

- Discussion of case study ESCRA (by Olaf Plötner (2006): A European supplier for telecom equipment is aiming to acquire an order for a network solution at a newly founded telecom provider in Brasil. The students should develop their skills for systematically analyzing customer needs and buying center structures in the context of foreign cultures.)

II. The business perspective

Session 5, Oct. 12: Advanced Premium Products – Understanding the Success Formula of Hidden Champions (1)

- Discussion of case study Shanghai Zhenhua Heavy Industries (by Olaf Plötner/Xuji Wang (2013). In the 90ies SZHI entered the market for container cranes in harbors. Within 14 years the company achieved a global market share of more than 70% and was highly profitable. But, in 2012 ZPMC had to face significant losses. Students should analyze the drivers for success as well as the reasons for the downturn.)
- The key role of R&D and IP/patents
- Controlling the value-add processes

Session 6, Oct. 12: Advanced Premium Products – Understanding the Success Formula of Hidden Champions (2)

- Case examples from Lürssen, Rosen, Zeiss
- Creating brand value in industrial markets
- The dark side of a strong market focus

Session 7, Oct. 13: No-Frills Products - Achieving Profitability in Low-price Segments (1)

- Developing frugal innovations
- Identifying the appropriate sales channels
- Defining the organizational setting

Session 8, Oct. 13: No-Frills Products - Achieving Profitability in Low-price Segments (2)

- Discussion of case study CERBERUS (by Olaf Plötner/Martin Kupp (2012): Siemens Building Technology, a leading player for fire safety products in the Western markets, has developed a plan to address the customer segments with the highest growth rates worldwide although these customers have no willingness to pay the premium prices of Western suppliers. Students will conduct a SWOT analysis regarding this plan from the perspective of the CEO of Siemens Building Technology. After the discussion they will be informed about the most current developments in this market.

Session 9, Oct. 19: Industrial Software Systems - Bringing Digital Products to Industrial Markets (1)

- IoT, China 2025, Industry 4.0 – the current role of digital technologies for industrial companies
- Case examples Claas, Trumpf, MAN
- External and internal challenges when digitalizing the offering , incl. group work

Session 10, Oct. 19: Industrial Software Systems - Bringing Digital Products to Industrial Markets (2)

- Measures for overcoming the challenges when digitalizing the offering, incl. group work
- Results from most current research

Session 11, Oct. 20: Complex Service Solutions - Bringing Digital Solutions to Industrial Markets (1)

- Case example Soarian
- Defining appropriate targets
- Understanding customer's risks
- Introducing innovative business models based on performance-based pricing

Session 12, Oct. 20: Complex Service Solutions - Bringing Digital Solutions to Industrial Markets (2)

Overcoming the challenges, incl. group work

- Options for reducing customer's uncertainty
- Managing co-creation with the customer
- Competence profiles of managers required

The corporate perspective

Session 13, Oct 26: From the business to the corporate perspective of strategy

- Corporate growth and diversification
- The corporate process of planning strategies for business units
- Composting and managing industrial business portfolios

Session 14, Oct 26: Cross-border M&As in industrial markets

- Discussion of case study WEICHAI-KION, by Olaf Plötner/Shirish Pandit (to get published in 2014). Weichai, a leading Chinese supplier for construction machines and trucks, acquired significant shares of Germany-rooted KION, the worldwide No. 2 supplier of forklifts and a leading producer of hydraulic systems. (Biggest Chinese investment in Europe this year). Students should analyze why the owners as well as the management of both partners have supported this transaction from their different strategic, financial and cultural perspectives.

Session 15, Oct 27: Identifying and realizing synergy potential

- Synergies between Advanced Premium Products, No-Frills Products and Complex Service Solutions, incl. group discussion
- Understanding key challenges of strategy implementation
- Balancing regional cultures and central alignment

Session 16, Oct 27: Corporate Structures in Times of De-Globalization (1)

- The impact of political nationalism on business
- The role of climate change for corporate developments
- Innovative technologies and new ecosystems strengthening regionalization

Session 17, Oct 27 (90 min.): Corporate Structures in Times of De-Globalization (2)

- The concept of 2nd and 3rd HQ
- Case examples Irdeto, Linde, Wilo
- Key note of a top-manager from a globally active, industrial corporation (incl. Q&As)
- Summary of the course, introduction to final assessment, farewell