

Table of Contents

Introduction: Essential Strategy Know-How and Nothing More.....	1
1 Strategy and Strategic Management: A First Basic Understanding.....	5
1.1 What is Strategy and How is it Developed?.....	5
1.1.1 Modern Opinions	5
1.1.2 Basic Historical Concepts	6
1.1.3 A First Example: The Second Punic War	8
1.2 The Theoretical Response: Strategy as an Integrated Concept	12
1.2.1 Strategy	12
1.2.2 Strategic Management.....	14
1.3 The Process-Based Response: Strategic Planning – An Organized Understanding of Strategy Processes.....	15
1.3.1 General Planning.....	15
1.3.2 Strategic Planning	17
1.3.3 Operational Planning.....	17
1.3.4 Steering and Controlling the Operational Planning.....	17
1.3.5 Implications of Strategic Planning as a Concept.....	17
1.4 The Innovative Response: Creative Rule-Breaking as an Alternative Way of Executing Strategy Processes	19
1.4.1 Why Rules Need to be Broken.....	19
1.4.2 The Rule-Breaking Strategy Creator – Four Steps to Breaking the Rules.....	21

2	Strategic Frames of Reference: The Key Tools of Strategy Determination, their Principles, and How they Interact.....	27
2.1	Why it is Important to Structure the Market, the Competition, and Your Own Company Properly	28
2.1.1	Interdependencies Between the Key Approaches	28
2.1.2	The Harvard Business School SWOT Analysis – The Data Basis for all Interpretive Tools of Strategy Determination	30
2.2	Analyzing Corporate Strategies	34
2.2.1	Horizontal Growth Options: Ansoff’s Product/Market Matrix.....	35
2.2.2	Portfolio Management: Portfolio Analysis (Matrix)	38
2.3	Analyzing Business Strategies	44
2.3.1	The Market-Based View: The Structure-Conduct- Performance Paradigm and Porter’s Five Forces	45
2.3.2	The Resource-Based View: The Core Competency Approach.....	50
2.3.3	Dynamic Markets: The Simple Rules Approach.....	51
2.4	Network Approaches: The Business Model – An Inte- grative Frame of Reference for Describing a Strategy	54
2.4.1	From Old to New Business Models	55
2.4.2	The Three Components of a Business Model	56

3	Current Focal Areas in Strategy Practice: Four Significant Management Concepts of the Past 20 Years	65
3.1	Growth Strategies.....	67
3.1.1	Value-Based Management, Protecting Your Market Share, Limits and Approaches	67
3.1.2	Seven Growth Strategies in Strategy Practice	74
3.2	Business Process Reengineering	79
3.2.1	Belief and Reality.....	79
3.2.2	An Implementation Example	90
3.3	Strategic Brand Management.....	96
3.3.1	The Brand: Complex and Meanwhile Indispensable....	97
3.3.2	Examples of Brand Evaluation Using Positioning Analysis.....	108
3.4	Strategic Gaming	113
3.4.1	Game Theory: A Way of Dynamically Modeling the Competition.....	114
3.4.2	Dynamic Competitive Simulation in Reality	120
	Summary: It's Your Turn!	125