

Master of Business Administration

AUTUMN 2014
SPRING 2015



Module Description

**Module 15: Germany's *Mittelstand* Companies:
Managing SMEs in the Heart of Europe**



1. Module Code

15

2. Name of Module

Germany's *Mittelstand* Companies: Managing SMEs in the Heart of Europe

3. Semester

n/a

4. Schedule

The module is scheduled for: 11.-16.07.2016

The week has the following general format. However, since this module includes several field trips and presentations by guest speakers, the actual schedule will vary considerably from this general format.

Time	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
09:00 – 10:30	Session 1	Field Trip	Session 9	Field Trip	Session 15	Field Tip
10:300 – 11:00	Coffee Break		Coffee Break		Coffee Break	
11:00 – 12:30	Session 2		Session 10		Session 16	
12:30 – 13:30	Lunch Break	Lunch Break	Lunch Break	Lunch Break	Lunch Break	Lunch Break
13:30 – 15:00	Session 3	Session 6	Field Trip	Session 12	Field Trip	Session 18
15:00 – 15:30	Coffee Break	Coffee Break		Coffee Break		Coffee Break
15:30 – 16:00	Session 4	Session 7		Session 13		Session 19
16:00 – 17:30	Coffee Break	Coffee Break	Coffee Break	Coffee Break	Coffee Break	
17:30 – 19:00	Session 5	Session 8	Session 11	Session 14	Session 17	
19:00 – 20:00		Dinner Break	Dinner Break	Dinner Break		
20:00 – 21:30	Guided Group Study		Guided Group Study	Guided Group Study	Guided Group Study	

5. Type of Module



Personal Focus Module

6. Courses of the Module

n/a

7. Frequency of Module Offering

This module is offered once a year.

8. Prerequisites

Modules 1 to 7. For non-GGS students this prerequisite may be waived.

9. Applicability of Module to Other Modules and Programmes

None

10. Module Leader

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12. Language of Instruction

English

13. ECTS Credits

6

14. Workload

Pre-classroom Preparation:	40 Hours
Classroom:	48 Hours
Post-classroom Self-study and Assignment:	62 Hours

Total Workload 150 Hours

15. Contact Hours

48 hours

16. Assessment Method

The assessment for this module consists of two parts. Together they gauge how well you can apply your newly acquired knowledge.

Part 1: Written assignment about a Hidden Champion in your area (70% of your overall mark)

As Hermann Simon points out in his book *Hidden Champions of the 21st Century*, hidden champions can be found anywhere in the world. In Germany, these hidden champions are typically *Mittelstand* companies. Using the criteria listed in Fig. 1.1 of Simon's book, find a hidden champion in the area of the world where you live. Gather as much information about this company as you can through the internet, interviews, or published sources. How similar is this company to the characteristics of *Mittelstand* companies that you learned about in this module? Based on your findings, what are your recommendations for the company you selected?

Your written assignment has to be between 2,000 and 2,350 words long (not including references, figures, tables, and appendices). Marks for this assignment will reflect four dimensions: (1) the application of relevant course concepts in your essay, (2) the thoroughness of your analysis, (3) the convincingness of your arguments, and (4) the clarity of your writing (for pointers on writing see "Note on Writing" in this module's content area on the GGS eLearning platform).

You are required to upload an electronic copy of the assignment to the GGS eLearning platform by **13 August 2016 at 11:55 pm**.



Part 2: Participation (30% of your overall mark)

Learning is a collaborative process. Because graduate students are admitted to the GGS in part for the experiences they bring to the community and their potential to add to class discussions, attendance and participation are important aspects of your commitment as a student. Consequently, you are expected to participate actively in class discussions, question-and-answer-sessions, and during company visits.

Both the quality and quantity of your participation are important. However, your participation should be weighted in favour of quality over quantity. High quality comments include those that enhance the learning of all members of the class, demonstrate thorough preparation through the assigned materials, summarize key portions of the discussion, evaluate and constructively critique ideas presented by others, and draw from your own experience to shed new light on the discussion.

Note on Assignments

Please read the policies governing the submission of coursework. Policies about plagiarism and cheating are included in the MBA Student Handbook.

The generic assessment policies for MBA assignments will be applied to the assignments in this module. The policies can be accessed online.

A restriction note may be necessary if the assignment includes confidential company information. Please agree with an authorized person in your company on the content and terms of the restriction note.

Change of Assignments

The method and weighting of the assessments in this module may be changed only in exceptional cases. Any changes in the assessments have to be communicated by the module leader prior to the start of the module.

Marking Scale

The final mark will be expressed on a scale from 0 to 50 points where 50 is the best and 0 the worst possible grade. 14 points and below constitute a failing grade.

very good	= 50 to 45
good	= 44 to 35
satisfactory	= 34 to 25
adequate	= 24 to 15
unsatisfactory	= 14 to 5
insufficient	= 4 to 0

GGGS expresses marks also with the German marking scale and uses ECTS grades.

German Marking Scale

- 1 = very good
- 2 = good
- 3 = satisfactory
- 4 = adequate
- 5 = unsatisfactory
- 6 = insufficient



ECTS Scale

Scale: A, B, C, D, E, F, FX

The ECTS system initially divides students between pass and fail groups, and then assesses the performance of these two groups separately. Those obtaining passing grades are divided into five subgroups: the best 10% are awarded an A-grade, the next 25% a B-grade, the following 30% a C-grade, the following 25% a D-grade and the final 10% an E-grade. Students who have not achieved a performance sufficient to allow a passing grade are divided into two subgroups: FX (Fail – some more work required before credit can be awarded) and F (Fail – considerable further work is required). This distinction allows differentiation between those students who have been assessed as almost passing and those who have clearly lacked the required knowledge and skills (ECTS User Guide, February 2005).

17. Weight of the Module Grade towards the Final Grade

The module counts 1/15 towards the final grade of the MBA.

18. Module Objectives

The goal of GGS's MBA programme is to provide knowledge and skills from different academic disciplines so that students are equipped to manage businesses in a global environment successfully and in a socially responsible way. This module focuses on Germany's *Mittelstand* companies. These small and medium-sized enterprises are the backbone of Germany's export-oriented economy and are often global leaders in their niche markets. Drawing from the fields of management, marketing, and law, students will learn how Germany's *Mittelstand* companies operate and how they are managed. Company visits in the Heilbronn-Franken region, which is home to a large number of *Mittelstand* companies, and presentations by business and community leaders will deepen students' appreciation of the economic environment and the cultural context which surround Germany's *Mittelstand* companies.

Learning Goals Contributing to MBA Qualification

Upon completion of this module, students will have the following competencies and skills:

Knowledge and Understanding

Students will have demonstrated knowledge and understanding of how German *Mittelstand* companies operate and how they are managed. Students will also have an understanding of features of communication specific to German *Mittelstand* companies.

Application Skills

Students will be able to define problems and opportunities, have a rich set of diagnostic models, and use a refined process to generate and select action alternatives when they interact with *Mittelstand* companies.

Systems Skills

Students will be able to integrate disparate knowledge and complex information about *Mittelstand* companies. Students will be able to formulate judgements with incomplete or limited information and to reflect on the social and ethical implications of the applications of their knowledge and judgements. In addition, students will be able to autonomously acquire new knowledge and skills,



and independently perform research-oriented or application-oriented projects relating to the management of *Mittelstand* companies.

Communication and Social Skills

Students will be able to communicate effectively with representatives of *Mittelstand* companies as a customer and supplier. Students will also be able to recognise and appreciate cultural and behavioural practices relevant to doing business with German *Mittelstand* companies.

19. Module Content

Mittelstand Companies and Their Economic and Societal Context

- Introduction to Germany's *Mittelstand* Companies
- The Role of *Mittelstand* Companies in German Society
- Doing Business in Europe
- German Vocational Education: Developing Talent for *Mittelstand* Companies
- Medium-Sized Companies Around the World

The Internal Workings of *Mittelstand* Companies

- Marketing in *Mittelstand* Companies
- Human Resource Management in *Mittelstand* Companies
- Innovation Management in *Mittelstand* Companies
- Being an Expat in Germany

20. Teaching Methods

Before the start of the class, students are expected to read and complete the assigned materials and reflect about how these materials may apply to their own organizations. Classroom time will be devoted to lectures and discussions of the assigned materials. The instructors will employ a variety of pedagogical tools such as interactive exercises, group presentations, guest lectures, video presentations, computer simulations, and company visits. The class will also spend a considerable amount of time on the diagnosis of and action planning for the assigned cases. Students will get the most from each class session by participating actively in class discussions. Contributions from everyone are critical to the success of the course and to the shared learning experience.

Lectures are intended to provide essential information, to help structure the information and to be a source of explanation. They serve as a starting point for the student's own independent reading. The other classroom activities are designed to help students

- recognize key problem areas
- develop the ability to apply models and theories to practice
- build on the knowledge they gained from the lectures and readings
- refine their analytical skills
- improve their oral communication skills
- improve their ability to work as part of a team

The instructors will provide feedback to the students as they work through practical exercises to test their understanding of the module material and as they give presentations and participate in discussions. This



feedback will enable students to reflect on their progress towards the module objectives and learning goals. Students can also obtain feedback from the module leader outside of the classroom setting.

21. Literature

Required Readings (to be completed before the start of the module)

Simon, H. (2009). *Hidden Champions of the Twenty-First Century: The Success Strategies of Unknown World Market Leaders*. New York: Springer.

Schumpeter. (2010). Mittel-management: Germany's midsized companies have a lot to teach the world. *The Economist*, November 10.

Randow, J., & Kirchfeld, A. (2010). Germany's mittelstand still thrives. *Business Week*, September 30.

The Economist. (2011). German business: A machine running smoothly, February 3.

The Economist. (2012). Germany's economic model: What Germany offers the world, April 14.

McDonald, F., Krause, J., Schmengler, H., & Tüselmann, H. (2003). Cautious international entrepreneurs: The case of the Mittelstand. *Journal of International Entrepreneurship*, 1(4), 363-381.

Daley, S., & Kulish, N. (2012). Brain drain feared as German jobs lure southern Europeans. *New York Times*, April 28.

Optional Readings

WHU Koblenz - Otto Beisheim Graduate School of Management (Ed.). 1999. *Structure and Dynamics of the German Mittelstand*. Heidelberg: Physica Verlag.

Günterberg, B. & Kayser, G. (2004): *SMEs in Germany - Facts and Figures 2004*. In: Institut für Mittelstandsforschung Bonn (ed.): IfM-Materialien Nr. 161, Bonn. http://www.ifm-bonn.org/uploads/tx_ifmstudies/IfM-Materialien-161_2004.pdf.

Venohr, B. & Meyer, K. E. (2007): The German miracle keeps running: How Germany's hidden champions stay ahead in the global economy. Working Paper 30, FHW Berlin. http://www.berndvenohr.de/download/veroeffentlichungen/forschung/The_German_Miracle_Keeps_Running.pdf.

For additional optional readings please see this module's content area on the GGS eLearning platform.