



Faculty of Economic Sciences, Communication and IT  
Economics

## Syllabus

### Course Approval

The syllabus was approved by the Faculty Board of Economic Sciences, Communication and IT on 22 August 2012, and is valid from the Spring semester of 2013 at Karlstad University.

**Course Code:** NEGB24

**Industrial organisation and business strategies, 7.5 ECTS Credits**

**(Industriell organisation och konkurrensstrategi, 7.5 Swedish credit points)**

**Degree Level:** Bachelor

**Progressive Specialisation:** G1F (First cycle, has less than 60 credits in first-cycle course/s as entry requirements)

### Language of Instruction

The language of instruction is usually Swedish unless students or teachers are non-Swedish speakers, in which case the course is taught in English.

### Prerequisites

Economics 30 ECTS credits. English course B.

### Major Field of Study

NAA (Economics)

### Learning Outcomes

Upon completion of the course students should be able to:

- understand what factors determine the vertical and horizontal boundaries of a company,
- understand why the organisation affects company results,
- understand how different competitive means combine and how choice of strategy depends on anticipated competitor behaviour,
- perform analyses of the competitive situation in different industries,
- understand the cause of conflict between management and owner and how incentive contract and surveillance (partly) can solve conflicts, and
- critically analyse and evaluate different corporate choices of competitive strategies.

### Content and Form of Instruction

The course deals with corporate action on markets characterised by imperfect competition, the design of business strategies and the internal organisation of markets and industries.

The course is based on the so called transactional cost theory, which explains the horizontal and vertical size of a company. Strategic scenarios and choice of competitive means and strategies for investments in, for instance, excess capacity, marketing, diversification and entry deterring pricing.

The appropriateness of the traditional assumption of profit maximisation as a basis for analysing company action is questioned and alternatives presented.

The course also deals with models of analysis for individual sectors, such as Michael Porter's competitive strategy model. The usefulness of the model is discussed and students apply it to a real case.

#### Reading List

See separate document.

#### Examination

Assessment is based on a written exam and written and orally presented hand-in assignment.

#### Grades

One of the grades Fail, (U), Pass (G), or Distinction (VG) is awarded in the examination of the course.

#### Quality Assurance

Follow-up relating to learning conditions and goal-fulfilment takes place both during and upon completion of the course in order to ensure continuous improvement. Course assessment is based on student views and experiences as reported in written course evaluations and/or group discussions. Students will be informed of the result of the evaluation and of the measures to be taken.

#### Course Certificate

A course certificate will be provided upon request.

#### Additional Information

Students who enrolled before 1 July 2007 will complete their studies in accordance with the requirements of the earlier admission. Upon completion students may request degree and course certificates to be issued under the current ordinance if they meet its requirements.

The local regulations for studies at the Bachelor's and Master's levels at Karlstad University stipulate the obligations and rights of students and staff.

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