**SIEMENS CASE STUDY: ORGANISATIONAL STRATEGY**



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# Executive Summary

This strategic report on Siemens involves a thorough examination of its internal and external structure using instruments such as Porter's Diamond Model and the VRIO framework. Siemens' market advantage originates from its unique resources, which include an outstanding reputation and a dedication to research and development. Siemens' imitable assets are made more complex by its strategic expenditures in innovation and intellectual property, which serve as a foundation against counterfeiting. Because of its organizational structure, geographical scope and competence pools Siemens is well placed to benefit from opportunities in the market. Additionally, the internationalization of Siemens is evaluated using Porter's Diamond Model, which highlights the interrelated sectors, company strategy, demand factors, and factor situation in Germany. The current strategy analysis utilizes Porter's Five Forces to explore Siemens' industries. SAFe framework is used to evaluate the organization strategic goals. Recommendations include identifying objectives to fit in with consumer demand, playing on historical and cultural advantages, raising adaptive abilities and promoting co-operative development. The future goals also consider new trends and are based on a plan for giving out money earmarked for proposed improvements. Adaptation and monitoring mechanisms ensure the effectiveness of strategy. The Conclusion has a summary of the main points, prospects for Siemens and special recommendations concerning market condition adaptability.

# SIEMENS CASE STUDY

## Introduction and Corporate Purpose of Siemens

Siemens has become an international brand with enormous market influence in energy, health care, industry, infrastructure and transportation as well as the digital transformation (König 2023). This strategic analysis offers a critical assessment of Siemens 'position in various markets, its mission and future direction. We will focus on Siemens 'numerous accomplishments and key features of the company's strategic structure in studying how its past development has played a part, within today's changing business environment. This report thus gives an idea of both Siemens 'overall direction and its impact in various industries.

The essence of Siemens 'corporate purpose is the company's dedication to innovation, sustainability and progress for society. Its preparations include efforts to increase efficiency, reduce environmental damage and upgrade the quality of life (Case Study Report on Siemens). Through the provision of state-of-the art solutions, Siemens hopes to help communities throughout the world solve problems and ensure people well-being. With a foundation of engineering excellence, Siemens intends to traverse the maze that is today's changing business environment with unwavering principles and ethics in mind as well as insisting on meeting customer needs. This report serves as a guide through Siemens 'flexible corporate purpose, exploring the concept of missions and its relationships with overarching strategic direction.

## Organizational structure and corporate strategy of Siemens

Siemens works under a strict organizational system, and has adopted an appropriate corporate strategy based on its many varied businesses. The company has also gone to great lengths dividing its businesses into various strategic Business Units (SBU) targeting specific sectors such as Energy, healthcare, industry and infrastructure (Case Study Report on Siemens). This strategic division also enables Siemens to deal better with the special circumstances faced by each industry.

With regard to corporate strategy, all Siemens business groups share the focus of innovation and sustainability. It is a leader in digitalization, using technology to improve efficiency and productivity. Siemens' EcoPortfolio, a collection of eco-friendly goods and services supporting worldwide environmental preservation initiatives, is demonstration of the company's dedication to sustainability (Case Study Report on Siemens). The Energy SBU concentrates on problems with energy generation, transmission and distribution. Siemens also internally plans to be the leading force in promoting sustainable energy sources around the world, contributing its part to global environmental protection efforts. The Healthcare SBU focuses on the development of medical technology to enhance patient care and promote innovation in health care (Case Study Report on Siemens).

The Siemens Industrial Business Unit focuses on industrial automation, production and digitalization products. The unit is working to help boost smart manufacturing through the optimizing of plants under its guidance (Case Study Report-Siemen). The Infrastructure SBU works on the future of infrastructure, smart buildings and transportation systems in particular, which support sustainable urban development.

Siemens' corporate strategy incorporates cooperation and partnerships in addition to its independent SBUs. To improve its standing in the marketplace and promote creativity, the organization regularly participates in partnership agreements, associations, and mergers. Through these strategic collaborations, Siemens can pool resources and experience with the leading competitors in the marketplace, thereby generating opportunities for collaborative development (Siemens, 2023).

## External Analysis of the Industry

Siemens operates in multiple industries due to its diversified portfolio. The primary industries Siemens is involved in include: energy, healthcare, industry, infrastructure, mobility and digitalization. This section will use porters five forces to analyze the industries. Porter's Five factors is an effective framework for analysing the competitive factors that shape a sector, impacting its appeal and competitive strength (Porter, 1990).

### Porter's Five Forces

#### 1. Threat of New Entrants

One of the key components of Porter's Five Forces theory that affects industry appeal is the danger of fresh competitors.

Within the energy industry, Significant financial resources are needed for emerging businesses, particularly expenditures in modern facilities and capabilities. Strong legal requirements as well as environmental concerns raise obstacles to entry even more. According to studies by Thomas et al. (2017) and (Badru, 2022), the energy business is costly in terms of capital which makes it difficult for new entrants to gain a competitive presence.

Considerable money is spent on research and development (R&D) in the healthcare sector. New entrants looking to bring modern medicine to market are discouraged by high research and development spending (van der Schans et al., 2021). More difficulties arise from regulatory clearances, which are essential to guaranteeing the safety and effectiveness of commodities.  Milella et al. (2021) confirm that strict restrictions have an effect on new entrants and emphasize that adherence is necessary to guarantee patient safety.

The development of transportation infrastructure and systems is a costly process that places a significant barrier for starting in the mobility sector. Studies conducted in 2016 by Rodrigue (2016) and (Zhang et al. (2021) highlight the capital needs of newcomers to the infrastructure market and the financial difficulties when battling with well-established firms such as Siemens. Siemens has made digitalization one of its main areas of focus. It requires big investments and technological expertise. It discourages startups because they are going to require large resources and advanced technology. Joshi et al. (2010) and de Mattos et al. (2023) outlines how established enterprises profit from their technological know-how and highlights the significance of technology challenges in forming competitive environments.

#### 2. Bargaining Power of Buyers

Pricing, conditions, and partnerships are all impacted by the bargaining power of buyers, which is a key factor in industry relations.

Utilities are important buyers in the energy business. Nevertheless, immediate power to negotiate of energy initiatives is reduced by their long-term nature, which frequently extends to decades. According to Ghadimi et al. (2019), consumers' influence is limited by the prolonged project deadlines in the energy sector, which gives providers like Siemens the power to bargain for more favorable conditions. Despite having a variety of suppliers, medical facilities in the healthcare industry have considerable negotiating power. The presence of substitute providers permits medical facilities to bargain over conditions, price tags, and quality of treatment. According to Lee et al. (2019), the health care sector's many procurement alternatives allow buyers to have a power over suppliers, hence impacting the competitive advantage of the sector as a whole.

Governments and big businesses have become important stakeholders in the mobility sector, which is having a big impact on contract conditions. The size of construction projects, which are frequently started by big businesses and government agencies, gives them a lot of power (Turienzo et al., 2022). Nederhand and Klijn (2016) highlight how the mobility initiatives that involve both public and private sector actors impact the overall picture of bargaining power. Buyer power varies for digitalization initiatives based on the project size and sector. In sectors where there are numerous digitization suppliers, buyers might have greater influence. On the other hand, because of their specialized knowledge, suppliers such as Siemens might have more negotiating power in big, technical programs. According to Davies and Brady (2016), buyer-supplier relationship dynamics are significantly shaped by the size of the project.

#### 3.Bargaining Power of Suppliers

Siemens's operating fundamentals throughout its different sectors are strongly shaped by the bargaining capacity of its suppliers.

Suppliers of equipment and raw products have relatively little of power in the energy industry. According to research by Li and Leung (2021), the energy sector frequently uses standardized components, which lessens the impact of specific suppliers. Siemens and other established companies have the ability to maintain an advantageous position in regard to pricing and terms of negotiation due to the limited power of suppliers generally, despite the existence of specific specialized equipment.

Suppliers of scarce medicinal products have more power in the healthcare industry. This is especially important when Siemens' healthcare solutions depend on specialized medical devices or technologies. Effective supplier relations planning may be necessary since suppliers may have more negotiating power due to the scarcity of some components. Cheng et al. (2016) provide insights that highlight the significance of maintaining relationships with essential suppliers in businesses where specialized and particular products are standard procedure.

In the mobility industry, suppliers are vital in supplying necessary parts for transportation infrastructure projects. According to a study by Bals et al. (2019), suppliers can have a lot of influence in sectors with complicated supply chain connections. In order to minimize such disruptions, Siemens' strategic supplier partnerships and risk management techniques become essential. Software and technology suppliers are influential in digitalization endeavors. Digital technologies' specialization and complexity frequently result in highly consolidated supplier markets. According to Kwon et al. (2019), suppliers may have significant bargaining leverage in technology-driven businesses, which might affect creativity and teamwork approaches.

#### 4. Threat of Substitute Products or Services

Throughout all of its many industries, Siemens faces a challenging issue from the possibility of replacement goods and services.

The emergence of sources of clean energy is a significant alternative to traditional power production methods used in the energy sector. According to research by Sovacool (2020), clean energy sources are becoming more and more competitive and are a serious threat to traditional energy sources. For Siemens to stay relevant in the market and minimize the effect of replacements, it must constantly innovate and pursue sustainable energy alternatives.

Alternative medical treatments as well as remedies are a substitute for Siemens' healthcare services in the healthcare industry. According to James et al. (2019), the demand for conventional medical services is being impacted by the increasing acceptance of complementary and alternative medicine. Siemens's healthcare efforts should be in line with the changing demands of patients and new competitors, with a focus on focused on patients' solutions and innovation.

The mobility sector is experiencing a shift in transportation choices due to the emergence of self-driving automobiles and other means of transportation that are replacing current mobility solutions (Marr, 2022). Siemens' mobility portfolio may need to be diversified to embrace developing technologies in order to keep up with evolving market conditions. The threat of replacement technological solutions and suppliers is persistent in digitalization. As the digital world advances, rivals could launch new platforms or services. Christensen (2013) argues that disruptive innovations have the ability to quickly replace current technology. To keep ahead of the curve in digital breakthroughs, Siemens needs to maintain its agility by promoting an innovative culture and creating strategic alliances.

#### 5. Competitive Rivalry

The energy industry has a strong rivalry, especially in the renewable energy markets. Heineke et al. (2022) have pointed out that the renewable energy industry has experienced increased competition due to technological breakthroughs and legal incentives. In order to stand out from the competition and keep a competitive advantage in this competitive marketplace, Siemens needs to constantly invent.

Medical equipment suppliers are very competitive in the healthcare industry as well. The competitive nature of the healthcare sector is highlighted in the study by Lábaj et al. (2018), with businesses striving for dominance in the market through product diversity and technical developments. To maintain a competitive edge, Siemens should make use of its development and research resources to launch innovative health care solutions.

Competitive factors are common in the transit market within the mobility sector. According to Toister's (2023) the transportation industry is characterized by strong rivalry, with businesses continuously competing for market leadership and innovation. To stay ahead of competitors, Siemens must match its mobility plans with new developments in technology and developing patterns. The tech sector is undergoing fast development and severe competition as a result of digitalization. According to Kapoor and Teece (2021), the quick development of technology has increased competitiveness. To effectively navigate competitive environments, Siemens needs to prioritize strategic cooperation, flexibility, and continuous growth.

## Internal analysis of the Siemens Organization

Siemens is an international giant in the sectors of energy, medical care industry, infrastructure, transportation, and digitalization. Its extensive internal organization requires an examination using the VRIO framework. The VRIO framework is a strategic management tool for analyzing and evaluating a company's assets and competencies (Cardeal and António, 2012).

### VRIO Framework

#### Valuable Resources and Capabilities:

The considerable resources and competencies of Siemens are the primary sources of its competitive advantage. Its remarkable history shows how dedicated it is to technological innovation, dependability, and sustainability (Siemens, 2023). Siemens' ability to build customer loyalty and trust contributes to its value-generating capabilities. Siemens's big brand makes it more likely that consumers will select its products, strengthening its place in the industry (Case Study Report on Siemens).

Moreover, research and development (R&D) is strategically important to Siemens (Siemens, 2023). For Siemens, investing in research and development is not just a regular practice but a key component of their competitive advantage plan. Siemens regularly develops innovative products and solutions via R&D investments, remaining ahead of evolving industry developments and satisfying changing consumer expectations (Achatz et al., 2009). Siemens has a sustained competitive advantage because of its proactive approach, which guarantees Siemens stays at the forefront with regard to technological innovations (Case Study Report on Siemens).

The importance of R&D and an effective brand in establishing and maintaining a competitive edge is supported by research. A strong brand influences consumer choices and loyalty, claims Zulfikar (2023). For Siemens, this means gaining a larger portion of the market and keeping customers. Furthermore, Teece (2007) highlights how dynamic capabilities—like research and development—help businesses stay competitive by allowing them to adjust to shifting market conditions. These strategic foundations are supported by Siemens' emphasis on R&D and brand strength, which strengthens the company's position as a leader across a variety of sectors.

#### Rare Resources and Capabilities:

Siemens possesses a portfolio of rare and specialized technologies, particularly evident in its healthcare and energy sectors. The advanced medical imaging technology and energy-efficient solutions developed by Siemens are not easily replicated, conferring a distinctive competitive advantage (Case Study Report on Siemens). Siemens' technological dominance presents huge challenges in the way of opponents seeking to match its achievements. Resources or capabilities that are unique are valued because rivals are unable to obtain them (Baia et al. 2019). Siemens is positioned uniquely in the market due to the scarcity of its technology resources in healthcare imaging and energy efficiency.

Hitt et al. (2011) found evidence supporting their claim that unique resources help maintain a competitive edge over time. Due to its unique innovations, which are uncommon in the market, Siemens is better able to offer innovative approaches that are hard for its rivals to compete with. The business's existing competitiveness and possibilities for future growth have been improved by this uniqueness. Siemens' emphasis on preserving and developing unique technical resources is consistent with the company's resource-based viewpoint (RBV). Siemens has established its company as a leader in sectors where advancement in technology is a critical factor in success through strategic investments in and development of unique competencies.

#### Imitable Resources and Capabilities:

Siemens purposefully invests much in technology and safeguards its intellectual property to reduce imitation of its assets. Because of the business's forward-thinking approach to innovation and ongoing developments, opponents find it difficult to match its technological achievements (Case Study Report on Siemens). Barney and Lu (2018) stress that resources or competencies that are hard to replicate have a major role in an organization's persistent competitive advantage, in line with the RBV ideas. This idea is supported by Siemens' emphasis on technology and intellectual property, which puts obstacles in the way of rivals attempting to duplicate the business's innovations.

Siemens has a strong strategy to maintain its technological dominance in place: the use of intellectual property liberties, such as copyrights and patents, to preserve its developments. Cappelli et al.'s (2023) emphasizes how crucial it is to use legal protection for innovations in order to keep rivals from copying them. Rivals find it challenging to match Siemens' breakthrough technology because of the business's large spending in protecting its intellectual property. Additionally, competitors trying to replicate Siemens' resources have an additional challenge due to the dynamic structure of the company's constant technological developments. A business's edge over others can be enhanced by dynamic capabilities, which are defined as the capacity to integrate, develop, and rearrange both internal and external skills (Li and Liu, 2014). Siemens is better able to keep ahead of imitation competition because to its constant advancements, which are a dynamic capability.

#### Organized to Exploit:

Siemens demonstrates a strategic linkage of its international reach and organized organizational structure by carefully allocating its resources to capitalize on market possibilities (Case Study Report on Siemens). Siemens can efficiently utilize its abilities due to the efficient collaboration across several business units facilitated by this administrative efficiency. Carucci (2022) emphasizes the importance of organizational structure in resource exploitation for advantage in competition, arguing that a strong structure allows an organization to match its assets with strategic aims. Siemens' worldwide presence demands an advanced organizational structure that enables effective communication and collaboration, enabling the business to make full use of its variety of assets.

To guarantee the most efficient use of resources, Siemens' business units in the areas of energy, healthcare, industry, infrastructure, mobility, and digitalization need an efficient structure for operations. Castañer and Oliveira (2020) have emphasized that achieving strategic objectives through capabilities exploitation requires efficient collaboration among business units. This collaboration is made possible by Siemens' organizational effectiveness, which enables the business to take advantage of fresh possibilities and react effectively to adjustments in the industry.

Siemens' organizational structure is adaptable enough to adjust to the changing needs of the sectors it serves, giving it the ability to successfully utilize a wide range of resources. Siemens' capacity to effectively arrange and coordinate its resources enables it to take advantage of market opportunities and maintain a competitive edge in the constantly changing business climate.

## Siemens' Internationalization

This section uses Michael Porter's Diamond Model to analyze Siemens' worldwide presence with emphasis on associated industries, demand dynamics, factor conditions, and company strategy. Porter's Diamond Model is a framework established to explain a nation's edge over others. According to Porter (1990), a country's competitiveness in certain industries is shaped by four interconnected elements: factor circumstances, demand conditions, related and supporting industries, and firm strategy, structure, and competition.

### Porter's Diamond Model

#### Factor Conditions:

Siemens benefits from the strong economic conditions in Germany, which are characterized by a highly qualified labor force, advanced facilities, and a dedication to technological leadership. Siemens' basic values are in line with the German commitment to innovation, which promotes the advancement of modern technologies. According to research, having the availability of highly trained employees improves one's capacity for innovation (Mertzanis and Said, 2019), which supports Siemens' strategic fit with Germany's large skill base.

#### Demand Conditions:

Siemens' quality guidelines and development are influenced by the challenging local market in Germany. Robust local demand, in the view of Jiang and Cheng (2023), encourages businesses to improve their competitiveness. In addition to strengthening its place in the home market, Siemens' emphasis on satisfying the demanding requirements established by German consumers, places the company as a global leader in technical innovation.

#### Related and Supporting Industries:

Siemens' success is largely dependent on the beneficial relationship it has with suppliers and related sectors in Germany. Siemens' technological capabilities improve through partnerships with notable German research institutions like the Fraunhofer Society (Boytchev, 2020). Siemens flourishes in an enabling environment, as seen by this strategic partnership.

#### Firm Strategy, Structure, and Rivalry:

Germany's competitive environment and its dedication to sustainability serve as the foundation for Siemens' global approach. According to a study by Tóth (2018), national competitiveness influences how businesses formulate their strategies. Siemens's environmentally friendly procedures and diverse business units fit Germany's competitive culture and raise the company's reputation worldwide.

#### **Expansion Beyond Germany:**

The internationalization plan of Siemens demands on effectively handling a variety of international marketplaces. Its medical services illustrate how products are customized to fit specific geographical requests, demonstrating a keen awareness of unique market situations (Porter, 1990). The worldwide expansion supports the claim made by Rosa et al. (2020) that businesses must change to a variety of market environments.

#### Global Supply Chain:

Siemens maximizes the availability of resources, skilled workers, and consumers by strategically positioning its production locations and research sites across the globe. A study conducted in 2005 by Gereffi et al. highlights how crucial a global supply chain is for businesses that operate in several countries. The worldwide supply chain of Siemens is a prime example of how deliberate geographical separation improves productivity.

## Strategic Plan

Siemens, a famous global technology company formed in 1847 it is now important to many industries (Siemens, 2023). Siemens' existing plans are examined in this strategic plan, which also uses the SAFe framework to assess the company's strategic formulation, past influences, change flexibility, and innovation methods. The goal is to identify sectors that need improvement so that Siemens can better meet the expectations of the modern market. The plan suggests smart changes, putting emphasis on creativity and giving directions for long-lasting growth.

### Siemens' Current Strategy Analysis

An active plan for sustainable development and innovation is reflected in Siemens' present approach (Case Study Report on Siemens). In order to advance technological developments and retain its edge over others, the corporation strategically uses its fundamental German cultural dedication to innovation in engineering throughout its long history. The focus on talent development and dedication to excellent standards demonstrate the historical relationship within Siemens and Germany's technological leadership. Additionally, Siemens' cooperation relationships match with the current cultural values of promoting innovation by collaboration with academic establishments (Hachmeister et al., 2022). Siemens' approach must take these historical and cultural elements into account in order to understand its present position as a competitor and the future operations.

### SAFe framework

According to Putta et al. (2018), the Scaled Agile Framework, or SAFe, is an extensive framework for large-scale agile development that aims to improve organizational partnership, effectiveness, and flexibility. Siemens' main goals match with the SAFe system, especially when it comes to dealing with the complications of its different business groups. Siemens' different operations across energy, medical care, industry, infrastructure, mobility, and digitalization are accommodated by SAFe, which places a high focus on collaboration among departments, continuous improvement, and ongoing feedback. The guiding principles of the structure encourage flexibility and innovation by promoting agile values throughout the company's structure. The SAFe framework enables the easy inclusion of agile approaches into Siemens's many programs and efforts by offering an organized approach to navigating challenges in the business's rapidly changing sectors (Case Study Report on Siemens). This flexibility fits perfectly with Siemens' mission to lead the industry in both technological innovation and responsiveness to the marketplace.

#### Siemens SAFe Evaluation

##### a. Strategic Formation:

Siemens is positioned as an innovative industry leader owing to its strategic structure, which is demonstrated by its focus on technological advancement and environmental responsibility (Case Study Report on Siemens). Porter (1991) described the changing world where plans need to be looked at over and over again, so that industries can adapt fast to market needs or demands change. Siemens deserves praise for its coordinated strategy, especially given the growing focus on environmentally friendly procedures and advances in technology.

Nevertheless, Siemens could use customer feedback to improve their plan. According to Davis and Ozanne (2019), consumer opinions have a transformative effect on developing strategies that appeal to the marketplace. A more comprehensive awareness of consumer demands, tastes, and emerging patterns would be beneficial to Siemens and promote a client-focused approach to developing strategies. Siemens' incorporation of consumer feedback gives them an edge in predicting and satisfying future requirements, in addition to meeting present market expectations. By using a customer-focused method that matches flexible strategy planning, Siemens is able to deal with tough situations.

##### b. History and Culture:

Siemens's business choices are partly influenced by its long-term connection to German technical ability (as shown in the Porter diamond model, 1990). The organization's strategic approach is influenced by its traditional focus to quality and accuracy, which is consistent with German cultural standards. Bendak et al. (2020) have observed that enhanced overall efficiency results from organizational initiatives that align with cultural norms. By making taking risks part of the culture and promoting more creative environment, Siemens may further benefit on its cultural history.

Hofstede's theory of cultural factors places emphasis on the impact of culture on the conduct and decision-making of organizations. Transformative efforts for Siemens can be driven by adding cultural principles associated to taking risks, as suggested by Johnson and Swedlow (2019). These methods might involve using new inventions, entering into emerging markets and changing with shifting market situations.

Siemens might also learn from studying how a company's culture impacts creativity. Jones et al. (2020) argue that an organization's capacity for innovation is significantly shaped by the cultural fit of that organization. Siemens can create an atmosphere that is favorable to creativity and ensure that its policies remain flexible and Innovative by balancing its focus on accuracy with a culture of measured risk-taking.

##### c. Strategic Change:

Siemens has shown a great skill to handle changing business situations. But it's important that it makes better changes especially when time is not certain in the future. Teece (2007) emphasizes the importance of dynamic capabilities in managing quick adjustments. In order to improve its ability to adjust strategically, Siemens should concentrate on cultivating ambidexterity, an idea discussed by Kassotaki (2022).

Developing adaptability requires companies to accept innovation and learn from mistakes (Teece, 2007). Siemens ought to encourage a culture where workers are encouraged to try new things, take cautious chances, and see setbacks as opportunities for growth. This is consistent with the idea that an environment that values learning develops greater flexibility and creativity (Zafar and Mehmood, 2019).

Additionally, Siemens can benefit from findings on organizational responsiveness and agility. Companies with high levels of flexibility respond to shifting dynamics in the market more quickly, states Gleeson (2023). Siemens can improve its strategic change activities through integrating these observations, making sure that they anticipate future possibilities and problems in addition to being adaptive to the existing circumstances.

##### d. Innovation:

Siemens keeps up strong innovation processes, but in order to be on the cutting edge of technology, it is still necessary to continuously improve. According to Chesbrough (2003), improving teamwork and knowledge exchange are crucial factors that promote innovation. To ensure a comprehensive strategy to innovation, Siemens ought to additionally cultivate a culture that promotes cross-functional cooperation and idea sharing across every division.

Siemens' innovation strategy is applicable to Chesbrough's idea of open innovation. Utilizing outside concepts and collaborations in addition to one's own skills is the essence of open innovation (Chesbrough, 2003). Siemens is in a good position to adopt open innovation ideas because of its wide range of products and dedication to teamwork. Through proactive engagement to other organizations, including joint ventures with startups or cooperation with research centers, Siemens may expand its innovation framework and gain access to a larger body of knowledge and suggestions.

### Recommendation: Future Strategic Directions

Siemens can handle future big plans by using flexibility and quick action, building on the SAFe review. Helfat and Raubitschek (2018) state that to cope with fast changes in business world, companies need dynamic skills. Siemens has to think about using fast ways of working, which will allow for quicker changes and the ability to adapt better. This would help with coming up with new ideas more quickly and fitting in well when there are shifts in market needs.

Additionally, open innovation approaches can play a critical role in determining future approaches, as noted by West et al. (2014). Siemens should look into working partnerships, joining with new businesses, schools and partners to make inventive solutions together. By encouraging external collaborations to stimulate internal creativity, this method is consistent with the ideas of open innovation.

Siemens can gain a strategic benefit by utilizing its dedication to environmental obligation, given the increasing significance of sustainability. According to Peters and Simaens (2020), a company's survival in the long run gets better when it puts sustainability into its business plan. Siemens should include more environmentally friendly design into their product development procedures.

Siemens should also spend money on digital evolution plans given the increasing pattern of digitalization. Spencer (2016) emphasizes how digital technology are transforming entire sectors. By using technologies like the Internet of Things (IoT) and Artificial Intelligence, Siemens can make its digital skills better. This will allow them to offer more smart connected services that reach many different places. Siemens can establish itself as a creative and sustainable competitor in the constantly changing business environment by identifying with these strategic goals and embracing fresh possibilities and developments.

### Implementation Plan

Siemens needs to employ an organized approach to implementing suggested strategic changes, with a strong emphasis on resource distribution, defined roles, and reasonable timeframes. According to Arndt (2011), an organizational set up that is both structured and flexible is necessary to achieve dynamic capabilities, which are essential for the effective execution of strategies.

Firstly, Siemens needs to set aside money to encourage the use of agile approaches. Verwijs (2021) states that businesses which make agile changes get better project delivery and more flexibility. The financial expenditure needs to cover the creation of interconnected agile groups, training efforts, and facility enhancements related to technology.

In keeping with the open innovation values, Siemens need to assign a specific group to oversee outside partnerships. Chesbrough (2003) argues that companies need to have specific teams focused on outside partnerships. The group should actively pursue partnerships with competitors in the industry, research institutes, and new businesses in order to promote an environment of knowledge sharing and collaboration.

A Sustainability Task Force should be established in accordance with De Smet et al.'s (2021) proposals in order to include sustainability into Siemens' strategy at its foundation. The task force would have the responsibility of integrating sustainable concepts into company administration, supply chain management, and product creation. Siemens should create a Digital Excellence Hub to manage collaboration in embracing and executing digital technologies as part of the digital transformation project. Centralized centers for digital excellence, according to Jöhnk (2020), improve the entire business's digital competence and simplify digital activities.

### Monitoring and Adaptation:

Siemens can use Key Performance Indicators (KPIs) that are in line with the objectives of each strategic effort in order to track the effectiveness of strategies that have been put into practice. Teece (2007) highlights the significance of measurable markers in evaluating dynamic capacities. KPIs for the agile transition can involve team acceleration, customer happiness, and project delivery duration. These measurements would help business to know how agile methods change work rate and customer happiness.

A robust communication system is necessary for routine reviews and improvements. Tawse and Tabesh (2023) claim that the Balanced Scorecard method provides a thorough framework that includes both non-monetary and financial information. Siemens can evaluate KPI performance, discover obstacles, and propose improvements by holding regular strategy evaluation conferences with important players. For open innovation suggests cooperative platforms and frequent progress reports should be used to enable ongoing communication with outside collaborators. Chesbrough (2003) states that staying connected with outside partners makes sure we match what the market demands. It also helps to make small changes over time.

The Sustainability Task Force should conduct regular reviews of ecological impact tests, measures for stakeholder participation, and sustainability evaluations. According to Silva et al. (2019), for sustainability efforts to work well we need keep checking and changing them as the needs of others change. We need to keep an eye on how well things work, safety of online data and the use of digital tools as part of transforming into a modern company. Domingo-Salvany (2008) emphasizes the significance of real-time information in evaluating the performance of digital strategies.

### Conclusion:

Siemens' SAFe examination revealed critical information into its strategies' compatibility with consumer preferences, the impact of historical and cultural variables, the potential for changes in strategy, and current innovative methods. The evaluation has a solid theoretical basis because of the input of strategic management researchers like Porter, Teece, and Chesbrough.

Siemens is well-positioned in dynamic marketplaces due to its knowledgeable strategy formation, which combines active advancements in technology and sustainability (Case Study Report on Siemens). The gap in customer feedback integration that has been found is consistent with Christensen's (2013) focus on consumer-centric approaches to long-term importance.

Siemens's business choices are partly influenced by its long-term connection to German technological ability, as per Porter's Diamond Model (1990). Siemens may encourage innovation by accepting willingness to take risks and utilizing this cultural past, in line with Johnson and Swedlow (2019). With suggestions to improve flexibility by ambidexterity (Kassotaki, 2022) and cultivating a new culture, Siemens demonstrates an excellent capability for change in strategy in line with Teece's dynamic capabilities model.

According to the review, Siemens has strong innovation methods, although there is room for growth by using Chesbrough’s (2003) open innovation principles. Positive effects that are expected include improved adaptability of organizational culture, greater inventiveness, and openness to marketplace requirements. These enhancements are consistent with Teece's (2007) argument that flexibility and competitiveness depend on dynamic skills.

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