

MACQUARIE
UNIVERSITY



FACULTY OF
BUSINESS AND ECONOMICS

BUS804 INTERNATIONAL BUSINESS STRATEGY

SEMESTER I, 2010

BUSINESS DEPARTMENT

TABLE OF CONTENTS

	<u>Page</u>
1. About this unit.....	3
2. Introduction.....	4
3. Learning Objectives	4
4. Learning Outcomes.....	5
5. Teaching and Learning Strategy.....	6
6. Required and Recommended Texts.....	7
7. Supplementary Readings.....	7-9
8. Weekly Course Schedule.....	9-11
9. Class Assessments.....	12-16
9.1 Class case analysis (group work)	
9.2 Genetically modified food simulation	
9.3 FX game	
9.4 Research paper	
10. Examination.....	17
10.1 Midterm exam	
10.2 Final exam	
11. University Policy on Plagiarism.....	19
12. University Policy on Grading.....	20
13. Student Support Services.....	21
14. Code of Conduct.....	21
15. Referencing.....	21
 Appendix Group assignment cover sheet	

**MACQUARIE UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
UNIT OUTLINE SEM 1, 2010**

1. ABOUT THIS UNIT

UNIT NUMBER:	BUS 804
UNIT TITLE:	INTERNATIONAL BUSINESS STRATEGY
UNIT WEIGHT:	4 CREDIT POINTS
UNIT LEVEL:	800
PRE-REQUISITES:	Enrolment in Mcom/ MIB/MIR
CO-REQUISITES:	NIL

2. TEACHING STAFF

UNIT CONVENOR & LECTURER	Dr MEENA CHAVAN PhD (International Business)
OFFICE	E4A level 6 Room 625 Phone 98509026 Fax 98506065
EMAIL	mchavan@efs.mq.edu.au
CONSULTING HRS	12.30 to 2 pm Thursdays

3. CLASSES

CLASSES

3 hour lecture, 40 classroom hours
and 120 hrs self study

MORNING CLASS Thu 9-12 E4B 316
AFTERNOON CLASS Thu 3-6 C5A 226

TERM DATES

Classes: 22d Feb- 4th April
Recess: 5th April -18th April
Classes: 19th April – 7th June.

4. INTRODUCTION

BUS804 International Business Strategy is a unit offered by the Graduate Studies office within the Faculty of Business and Economics at the Macquarie University.

The purpose of this unit is to provide - a conceptual framing of the interplay between the “Multinational Corporations”, the countries in which it does business, and the competitive environment in which it operates. The understanding of this framework enables the professional conduct of Global Business Operations.

Even though many of the specific challenges in International Business will continue to evolve we believe that the conceptual framework is the powerful lens through which the changes can be viewed and should be robust enough to endure the changing environment. The aim of this unit is to provide such a lens.

This course focuses on how multinational firms operate in a global economy. It will assist students to understand the management challenges associated with developing strategies and handling the operations of companies whose activities stretch across national boundaries.

5. LEARNING OBJECTIVES

No firm today can survive without going global. We live in a global economy and this unit focuses on the what? Why? When? And How? of global corporate strategies and foreign market entry strategies. The unit will introduce students to vital issues in strategic decisions facing businesses in the global markets and to provide insights on the practices and policies used by businesses competing globally. It explores the challenges, dynamics and processes involved in

managing the multi-national company. This course is designed to give students hands-on experience and will examine critical issues from the perspective of senior executives and managers in charge of these operations. Concepts developed in the course will be applied to the solution of “real world” problems through the use of case studies, role playing, experiential games, simulations and other learning strategies throughout the semester. Its objective is to provide participants with working knowledge of basic theoretical concepts, skills and sensitivities that will help them deal effectively with key management issues and challenges in today’s global business environment.

6. LEARNING OUTCOMES

The learning outcomes of this unit are to explore and understand:

- The nature and scope of international business issues
- Drivers, patterns and trends of globalization
- Key factors which serve to differentiate business systems in various cultural and economic settings
- International trade theories and patterns of international trade and Investment
- Foreign market entry strategies and international strategic alliances
- Implications of regional economic integration
- Global monetary system (Foreign exchange market and global capital Market)
- Ethical and environmental issues of international business and trade
- Evaluate and enhance the ability to think strategically and synthesize knowledge from other business disciplines.

This unit also seeks to develop the following generic skills:

- Critical analysis skills to evaluate, synthesise and judge
- Problem-solving skills to apply and adapt knowledge to the real world
- Communication skills for effective presentation and cultural understanding.

7. TEACHING AND LEARNING STRATEGY

This unit will be taught via the participant-centered, the experiential learning method of teaching. “Experiential learning takes place when a person is involved in an activity, then looks back and evaluates it, determines what was useful or important to remember and uses this information to perform another activity” (John Dewey, 1938). Students will partake in lectures, discussions, cases, video cases and experiential exercises in class. Students are advised to attend all lectures and participate in discussions, missing classes and not participating in discussions will affect grades.

Case studies will be the extensively used. The case study method is widely used in business schools around the globe. Case analyses are intended to be analytical critiques on some central issues of the case being discussed. As this is a discussion-oriented class, students will read all of the case studies indicated on the course schedule and come prepared to discuss them in class. Every student is expected to participate.

In your case analyses, please refrain from writing a summary of the case or repackaging the information already provided in the case. Based on the information provided in the case, be analytically judgmental, propose alternative managerial views and action plans, and discuss the relevance and appropriateness of the frameworks proposed in the readings and lectures to the case. In short, write what you think of the situation in the case and not merely repeat what the author says. If you are not prepared for a particular class, please let me know in advance so that I don't embarrass you inadvertently. Students will participate in all the experiential exercises each week to pass this unit.

8. REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

TEXT: International Business – Competing In the Global Market Place, 2009. Charles W.L.Hill, 7th Edition, Mc Graw Hill.
The textbook website is www.mhhe.com/hill
Unit Web page BLACKBOARD: <http://online.mq.edu.au>

UNIT WEB PAGE

This unit is supported by a web Page on BLACKBOARD. You can log into this using the following address: <https://learn.mq.edu.au/>

9. SUPPLEMENTARY READINGS

Students are requested to read the additional readings on Blackboard. Most readings will be put on Blackboard and if necessary hard copies will be distributed.

WEBSITES

Global edge Global business resources
<http://globaledge.msu.edu/>

Virtual Library on International Development
<http://www2.etoyn.edu/vl/intldev.html>

The World Index of Chambers of Commerce & Industry
<http://www.worldchambers.com/>

The United Nations
<http://www.un.org/>

A Business Researcher's Interests: International Business
Technology Information Research Portals on World's Countries & World
Newspapers
<http://www.brint.com/International.htm>

JOURNALS

Harvard Business Review;
Journal of Business Strategy;
Mckinsey Quarterly.
Emerald Library Database (<http://www.emerald-library.com>)
Asia Week
Asian Wall Street Journal
Business Review Weekly
Journal of International Business Studies
Management Review
Straits Times
The Australian Bulletin
The Australian Financial Review
Economist & Fortune

READINGS:

Beamish, D W., Killings, J.P., Lecraw, D.J., and Crookell, H. 1994. International Management: Texts and Cases, Irwin, Burr Ridge, Illinois.

Cullen, J.B., 2002. *Multinational Management: A Strategic Approach* 2nd edition. Thomson Learning, Ohio.

Deresky, H. 2002. *International Management – Managing Across Borders and Cultures* 4th Edition, Prentice Hall, New Jersey

Dewey J. (1938). *Experience and education*. New York: The Macmillan Company

Davidson, W.H. and de la Torre, J. 1989. *Managing the Global Corporation: Case Studies in Strategy and Management*, McGraw-Hill, Singapore

Ellis, J and Williams, D. 1995. *International Business Strategy*, Pitman Publishing, London

Fatehi, K. 1996, *International management, A Cross-cultural and Functional Perspective*, Prentice hall, New Jersey.

Hodgetts, R.M. and Luthans, F. 1994. *International Management*, McGraw-Hill, New York, N.Y.

Hofstede, G. 1991, *Cultures and Organizations*, Harper Collins Publishers, Glasgow.

Marcic, D. and Puffer, S.M. 1994. *Management International: Cases, Exercises and Readings*, West Publishing, St Paul, MN

Mead, R. 1994, *International Management: Cross-Cultural Dimensions*, Blackwell Publishers, Cambridge, Mass.

Michael R. Czinkota, Ilkka A. Ronkainen, Michael H. Moffett, (2004): *International Business, 7e* (International edition), Thomson, South-Western.

Ohmae, K. 1991, *The Borderless World*, Harper Collins Publishers, Glasgow.

Rodrigues, C. 1996, *International Management: A Cultural Approach*, West Publishing, St Paul, MN

Summers, J. & Smith, B. 2003, *Communication Skills Handbook: How to succeed in written and oral communication*, 5th ed., John

10. WEEKLY COURSE SCHEDULE

WEEK/ DATE	TOPIC	Case Analysis/ Student Group Work (4-5 students in a group)	Chapters/class case
Week 1 25.2.10	Globalization Course Introduction Formation of Groups	Form groups	Chapter 1 Case: Crisis at Renault Video Case : Aspen
Week 2 4.3.10	National Differences in Political Economy	Case study: Dixon- Ticonderoga- Victim of Globalization? Pg 317	Chapter 2 Video case: Slim secrets : Healthy snack products .
Week 3 11.3.10	Differences in Culture Ethics in International Business	Case study: Drug Development in the EU Pg 318	Chapter 3 & Chapter 4 Video case: Kathryn Brimblecombe- Fox- the artist as exporter
Week 4 18.3.10	International Trade Theory	Case study: Etch-a-Sketch Pg 157	Chapter 5 Simulation: <i>"Frankenfoods" or Rice Bowl for the World: The U.S.–EU Dispute over Trade in Genetically Modified Organisms</i> <i>Video case: Australian auto components- being a world player</i>

Week 5 25.3.10	Foreign Direct Investment & Entry Strategy and Strategic Alliances	Case study: Boeing Versus Airbus: Two decades of trade disputes Pg 309	Chapter 7 Debate – Foreign Direct investment India or China? Chapter 14 Video case:imagination Entertainment
Week 6 1.4.10	MID-TERM EXAM		Syllabus 1,2,3,4,5,7 &14
5.4.10 to 17.4.10	<u>INTRA SESSION BREAK</u>	2 weeks	Read the book : Hot, Flat and Crowded By Thomas Friedman
Week 7 22.4.10	Foreign Exchange Market	Case study: Toyota: The rise of a global corporation pg 521	Chapter 9 Start FX game today and continue for 5 weeks
Week 8 29.4.10	The International Monetary system	Case study: The Russian Rouble Crisis and Its Aftermath Pg 413	Chapter 10
Week 9 6.5.10	The strategy of International Business The Organization of International Business	Case study: China's Managed Float Pg 383	Chapter 12 &Chapter 13 Experiential exercise: a)Global and Local how to have it all b)The apple orange company structure

			Video case: Wotif .com An E-Commerce success story
Week10 13.5.10	Exporting, Importing, and Counter trade	Case study: Nestle Pg 531	Chapter 15 Video Case: Gourmet Gardens & Promotions in motion
Week 11 20.5.10	Global Production, Outsourcing and Logistics Financial management in the International Business	Case study: Strategic and Organizational change at Black and Decker Pg 534	Chapter 16 Harley-Davidson in 2004 Project presentations start..... Chapter 20 Video case: Aroma baby: Proactive exports growth
Week 12 27.5.10	Project Présentations Course Review		
Week 13 3.6.10	<u>FINAL EXAMINATION</u>		

11. CLASS ASSESSMENTS

Description	Weighting	Due Date
Case Analysis (Group Work)	10%	Weeks 2-11
Genetically modified food simulation (Experiential exercise)	5%	Week 4
FX game (Experiential exercise) (Participation in the 2 experiential exercises will fetch you 10%)	5%	Week 7
Midterm Exam	10%	Week 6
International Business Plan Project & presentations	20%	Week 12
Final Exam	50%	Week 13

Assignment 1

Weekly (Case Analysis-Presentation- Group Work)

Due Date: From Week 2

Value : 10%

The class will be divided into 10-12 groups of 5-6 members each and each of these groups will discuss and present the analysis for the week's case study/ reading material in a time period of 20 minutes in class. Each group will be given a mark out of 10 for the presentations.

All students are supposed to read the week's case study before coming to class and come ready to discuss, defend and question other students. Every group will hand in an A4 paper with the week's case analysis at the end of the class. This has to be done in class and be hand written.

Marks should be allocated for the following criteria:

- Analytical skills
- Innovative solutions
- Team work
- Presentation skills

Case Assessment Criteria	Marks Awarded (Total 15%)
Content <ul style="list-style-type: none"> ➤ Delivery of information ➤ Choice of additional resources/web-pages ➤ Relevance ➤ Order of delivery ➤ Overview and summary ➤ Current focus 	5
Presentation <ul style="list-style-type: none"> ➤ Use of other resources/aids (i.e. PowerPoint, whiteboard, prompts) ➤ Voice (level, pitch, volume, speed/pace) ➤ Body Language (eye contact, demeanour) 	2
Personal Communication Techniques/Group Skills (if appropriate) <ul style="list-style-type: none"> ➤ Introduction of self/group ➤ Structure ➤ Handover between individuals ➤ Engaging/entertaining ➤ Choice of terminology and language 	2
Analytical skills <ul style="list-style-type: none"> ➤ Critical analysis ➤ Hypothesis ➤ Objective ➤ Challenge 	5
Overall Performance <ul style="list-style-type: none"> ➤ Awareness of external factors (lighting, air conditioning, traffic noise, peer behaviour) ➤ Dress ➤ Other 	1
Total	10

Assignment 2

International Business Plan (Group work)

Due date: Week 12

Value: 20% (10% Research paper 10% Presentation)

Marked assignments will be returned on Week 11

Length: 20 pages

Your assignment is to be handed to the lecturer in class on the due date. The lecturer will return marked assignments on the date specified.

International Business Plan Project

In this project students develop a plan to introduce a new product or service into a market somewhere around the globe. The assignment includes the following:

1. Identify the distinctive features of doing business in a specific country (e.g., demographics, economic conditions, competition, political/legal forces, cultural forces, etc.).
2. Conduct a Risk Assessment that describes the various risk factors associated with doing business in that country (e.g., political risk, currency risk, economic risk, property rights risk, etc.).
3. Identify a product or service that you would like to market in this country. Identify the specific rationale that makes your idea a viable business opportunity.
4. Develop a Market Entry Strategy and specific Market Entry Plan to enter the country of choice (e.g., exporting, piggybacking, counter trade, foreign production, etc.).

There are some good resources available to assist students in examining the economic, political, cultural, infrastructural, and demographic factors around the globe:

- [Global Entrepreneurship Monitor reports](#) (see drop down on upper right hand corner of this site for specific country report)

- [World Bank website](#) (click on Documents & Reports, and use the country search feature - this site has a wealth of information on many key topics)
- [CIA World Fact book](#) (extensive information available at this site)

An International Business Plan will be uploaded on the Blackboard for guidance.

Your group will present your project to the class in week 12.

The best projects will be submitted to the Austrade Business Plan competition:
Austrade International Business Plan Competition 2010

The 2010 International Business Plan Competition for individual students and teams enrolled at a tertiary institution in Australia is open from February to 15 October.

The competition enables tertiary students to plan the elements required for an Australian business to sell its products or services overseas. Entrants may select one of three streams, reflecting differing stages of growth for an Australian-based business:

1. **International business concept** – a new business idea that is not yet operating.
2. **New to international business** – an existing business that is not yet selling overseas
3. **Expanding markets** – business is currently doing business overseas and plans to expand into another market that has sales opportunities for the product or service.

International business plans should consider elements such as business capability, market research, market entry strategy, marketing strategy and international business administration.

Lecturers are encouraged to include the competition in their assessment programs. The [rules and entry form](#) (55KB) provides an outline of the competition.

Also available is a [market research file](#) (116KB) to help students select overseas markets based on real demographic, cultural and commercial information. This market research file contains advice and useful links to data, articles and agencies related to our trading partners.

The winning individual or team will receive \$2,000. The opportunity to attend the National Export Awards Presentation and Gala Dinner in November will be presented to the national individual winner (or the designated representative in a

team entry).

ASSESSMENT CRITERIA FOR THE PROJECT

The quality of your research project in this unit will be assessed on the following criteria:

- Extensive Quality Research
- Organisation of the project
- Team Work
- Decisions made
- Outcomes

Citation

You must acknowledge the work of other authors accurately, consistently and completely, both in the body of the essay and in the bibliography. References should be formatted properly, using standard Harvard referencing system. Please refer to the recommended references in this document.

All students should be acquainted with the standard referencing and bibliography system. Note that plagiarising – copying material from a publication, from a web site or from another person without proper attribution - is a serious academic offence. Please read more details on the universities policies on plagiarism.

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

- Demonstrate successful team work
- Appraise through experiential learning of corporate settings, various business situations
- Demonstrate professional presentation skills and analytical skills
- Acquire strong conceptual knowledge along with examinable skills in the real time real world corporate cases
- Acquire knowledge on all aspects of launching a global business by conducting in depth research in the country of choice selected for doing business with.
- Critically analyse the assigned cases
- Participate in class discussions
- Demonstrate an understanding of the theoretical conceptual and practical issues in International business by recalling facts theory and examples.

12. EXAMINATIONS

MID TERM EXAM

Date:	Week 6
Value:	10%
Venue:	Class_01 MORNING CLASS Thu 9-12 E4B 316 Class_02 AFTERNOON CLASS Thu 3-6 C5A 226
Length:	2 hours
Format:	Essay questions exercises and cases

FINAL EXAM

Date:	Week 13
Venue:	Class_01 MORNING CLASS Thu 9-12 E4B 316 Class_02 AFTERNOON CLASS Thu 3-6 C5A 226
Value:	50%
Length:	2 hours

IMPORTANT

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. Information about unavoidable disruption and the special consideration process is available at <http://www.reg.mq.edu.au/Forms/APSCon.pdf>

You are advised that it is Macquarie University policy not to set early or delayed examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching semester that is the final day of the official University examination period, and can attend the exam at the designated time and place.

13. UNIVERSITY POLICY ON PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the *Handbook of Postgraduate Studies* or on the web at:

www.student.mq.edu.au/plagiarism

14. UNIVERSITY POLICY ON GRADING

Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a standardised numerical grade (SNG).

On occasion your raw mark for a unit (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the Senate guidelines, results may be scaled to ensure that there is a degree of comparability across the university, so that units with the same past performances of their students should achieve similar results.

It is important that you realise that the policy does not require that a minimum number of students are to be failed in any unit.

The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another will also receive a higher final scaled mark.

15. STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at www.student.mq.edu.au

16. CODE OF CONDUCT

Please turn off your mobile phones while you are in class...

Arrive on time, and unless it is absolutely essential, please refrain from leaving the class in the middle of a discussion.

Students are expected to refrain from unnecessary chatter in class and respect your fellow students.

17. REFERENCING GUIDELINES

The Harvard Style of referencing is recommended in this unit.

Please refer to the University Library website on referencing for further details:

<http://www.lib.mq.edu.au/readyref/cites.html>

GROUP ASSIGNMENT COVER SHEET

BUS	8	0	4
Group Number			

Please complete ALL sections in CAPITAL LETTERS and attach to the front of your assignment.

LECTURER													
ASSIGNMENT NAME										DUE DATE			
GROUP MEMBERS													
SID NUMBER										FAMILY NAME			EMAIL ADDRESS
1													
2													
3													
4													
5													
6													

CERTIFICATION

Please confirm that your assignment meets with ALL of the following requirements by ticking each box and by ALL group members signing below. Assignments that do not comply with the following requirements MAY NOT BE MARKED.

- We certify that this assignment is the work of the group, based on their personal study and research, and that all material and sources in the preparation of this assignment have been appropriately acknowledged. We have read and understood the policy on plagiarism set out at <http://www.student.mq.edu.au/plagiarism/> and understand that students found to be plagiarizing will be penalized.

1. -----	4. -----
2. -----	5. -----
3. -----	6. -----
SIGNATURE OF GROUP	DATE