



**DIVISION OF ECONOMIC AND FINANCIAL STUDIES
Graduate Accounting and Commerce Centre**

**BUS 804
INTERNATIONAL
BUSINESS STRATEGY**

UNIT CONVENER AND LECTURER

Dr MEENA CHAVAN
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**UNIT OUTLINE
2nd SESSION 2007**

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Lecture Time: 9-12 pm Thursdays Lecture room E4B 316

Consulting: Appointments via email

BUS 804 International Business Strategy

UNIT NUMBER:

BUS 804

UNIT TITLE:

**INTERNATIONAL BUSINESS
STRATEGY**

UNIT WEIGHT:

4 CREDIT POINTS

UNIT LEVEL:

800

PRE-REQUISITES:

Enrollment in MCom / MIB

CO-REQUISITES:

NIL

ATTENDANCE

**ONE SEMESTER 3 hour lecture.
40 classroom hours and 120 hrs self
study**

TEACHING STAFF

Dr. Meena Chavan BCOM, MCOM, PhD (International
Business/Entrepreneurship)

CLASSES

3 hours Face –To - Face lectures
40 classroom hours and 120 self study hours.

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

TEXT: **International Business – Competing In the Global Market Place, 2005. Charles W.L.Hill, 6th Edition, Mc Graw Hill. The textbook website is www.mhhe.com/hill**

UNIT WEB PAGE

- WebCT <http://online.mq.edu.au>

ABOUT THIS UNIT

BRIEF DESCRIPTION OF THE UNIT:

The purpose of this unit is to provide - a conceptual framing of the interplay between the MNC, the countries in which it does business, and the competitive environment in which it operates. Even though many of the specific challenges in International Business will continue to evolve we believe that the conceptual framework - the powerful lens through which the changes can be viewed - should be robust enough to endure the changing environment. The aim of this unit to provide such a lens.

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

RATIONALE & OBJECTIVES

The rationale behind studying this unit is that, no firm today can survive without going Global. We live in a Global economy and this unit focuses on global corporate strategies and foreign market entry strategies. Key issues associated with entry strategy decisions, including entry selection modes, control and location selection will be examined. 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, and other learning strategies throughout the semester.

This course is designed to introduce students to critical 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 also explores the challenges, dynamics and processes involved in managing the multi-national company. It aims 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.

LEARNING OUTCOMES

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

- The nature and scope of international management issues
- Drivers, patterns and trends of globalization
- Identifying 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;

TEACHING AND LEARNING STRATEGY

The unit will be taught through lectures, discussions, cases and video cases and experiential exercises. Students are advised to attend all lectures and participate in discussions, missing classes and not participating in discussions will affect grades.

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.

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. Students will also prepare a page of write up every week before they come to class for discussion for their own benefit. 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. Please use the Global edge website for help in preparing the discussion questions each week- <http://globaledge.msu.edu/>

Lecture etiquettes (VERY IMPORTANT):

Please turn off your mobile phones while you are in class. Unless it is absolutely essential, please refrain from leaving the class in the middle of a discussion. 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.

WEEKLY SCHEDULE:

WEEK/ DATE	TOPIC	Case Analysis Group Work	Chapters/class case
1 2 nd Aug 2007	Course Introduction Formation of Groups Globalization		Chapter 1
2 9 th Aug 2007	National Differences in Political Economy	Wipro Ltd - The new face of Global Competition	Chapter 2 Western Drug companies and the aids epidemic in South Africa
3 16 th Aug	International Trade Theory	The poorest continent	Chapter 5

2007	Political Economy of International Trade		Chapter 6 Agricultural subsidies and Development
4 23 rd Aug 2007	Differences in Culture Ethics in International Business	Matsushita and Japan's changing culture	Chapter 3 Chapter 4 KFC in India – Ethical Issues
5 30Aug 2007	Foreign Direct Investment Foreign Exchange Market	1.Mired in Corruption- Kellogg Brown & Root in Nigeria 2.Ireland in 2004	Chapter 7 Chapter10 Mergers and Acquisitions in the Russian Oil sector-The FDI factor
6 6 th Sep 2007	MIDTERM EXAM & FILM REVIEW-film can be viewed on the unit webct	Book Review The world is Flat and The Lexus and The Olive tree	Syllabus 1,2,3,4,5,6,7,10.
7 13 th Sep 2007	The International Monetary system The strategy of International Business BOOK REVIEWS-Details on webct	1.StarBucks 'FDI' 2. The rising Euro hammers Auto parts manufacturers	Chapter 11 Chapter 12 3M in the new Millennium: Innovation and Globalization
	INTRA SESSION BREAK	2 weeks	
8 4 Oct 2007	The Organization of International Business Entry Strategy and	1. Strategic & Organisational change at Black and Decker	Chapter 13 Chapter 14 DHL's Business strategy in China

	Strategic Alliances	2.Diebold	
9 11Oct 2007	Exporting, Importing, and Counter trade Global Production, Outsourcing and Logistics DEBATE ON GLOBALISATION	1.MegahertzCo- mmunication 2.Competitive advantage at Dell	Chapter 15 Chapter 16 Can Madison Avenue Marketing Help Developing countries? The case of Jordan.
10 18 th Oct 2007	Global Marketing & R&D Global Human Resource Management	1.Astro Boy- Marketing Japanese Anime to the World 2.Molex	Chapter 17 Chapter 18 Merrill Lynch in Japan
11 25 th Oct 2007	Financial Management in the International Business	1.Financial Gol 2.FDI India Vs China	Chapter 20 The 1994 Devaluation of the Mexican Peso and After.
12 1st OCT 2007	Project Presentations Course review		
13 8 th Nov 2007	<u>FINAL EXAMINATION</u>		

(In addition to the above cases some current Harvard cases will also be discussed from time to time)

CLASS ASSIGNMENTS

Description	Weighting	Due Date
Case Analysis (Group Work)	15%	Sessions 2-11
Midterm Exam	15%	Session 6

Final Project (Group work)	20%	Session 11 and 12
Final Exam	50%	Session 13

Learning outcomes addressed in the assignments:

- Demonstrate successful team Work
- Appraise through experiential learning of corporate settings, various business situations
- Demonstrate professional presentation skills, debating 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.
- Analyse the assigned cases and summarise with a one page summary.
- Participate in class discussions
- Demonstrate an understanding of the theoretical, conceptual, and practical issues in International business by recalling facts, theory and examples.

Assignment 1

Weekly (Case Analysis-Presentation) Group Work

Due Date: From Week 2

Value : 15%

The class will be divided into 8-10 groups of 4-5 members and each group 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 15 for the presentations.

Students are supposed to read the week's case study and be ready to discuss, defend and question other students before coming to class.

Marks should be allocated for the following criteria:

- Analytical skills
- Innovative solutions
- Team work

- Presentation skills

Please note the case in case analysis group work column will be attempted by student groups and the cases in the last column of the schedule under the heading chapters and class case are the cases which I shall attempt in class with you. Every week you are supposed to read the case for the week in this column and come ready for discussion and defending your self.

Assignment 2

FINAL PROJECT

Due date: Week 12

Value: 20% (10% Essay 10% Presentation)

Global Business Plan (Group work)

Presentation and hard copy hand over

Due Dates: 1st October 2007

Marked assignments will be returned on: 8.11.06

Length: 10-15 pages

The student cd is available to all students on purchase of the text. This cd contains the "Global Business Plan Project" which helps students create a plan to launch a new global business venture. This plan is also available on the webct page for this unit.

Every student is required to select a country of their choice and embark on planning to launch a new business in the country with the assistance of this "Global Business Plan".

More details will be provided in class. No extensions will be granted. Please speak to the lecturer before you embark on this assignment.

This is a major project and marks are given for each subsection of the essay/ plan.

Select a country of your choice and explore the following areas:
Some important issues to focus on in assignment no 2 are:

Regional analysis, country analysis, political, legal, market, exchange, economic, cultural and business risk analysis. Trade barriers, current affairs, ethical concerns, HR, training, infrastructure, salary rates, standard of living, education, recreation, housing, affordability, taxation and government policies, languages and more.

Marks out of 10 will be given for the essay that is the hard copy which will be submitted and another 10 marks are reserved for the group presentation. Each and every student in the group will participate in the presentation and be marked.

Further assignment support can be obtained from the following below:

http://globaledge.msu.edu/ibrd/	Sprague Library at Montclair State University http://www.montclair.edu/pages/library/library.html
A very good organization of useful business related links http://www.brint.com/interest.html	Internet-based marketing readings http://www.chapmanrg.com/IMR/IMR.HTM
American Marketing Association http://www.ama.org/	
Central Intelligence Agency (CIA) world fact book http://www.odci.gov/cia/publications/factbook	Textbook links for international research http://ciber.bus.msu.edu/busres.htm
Michigan State University CIBER http://ciber.bus.msu.edu/busres.htm	Indiana University CIBER http://www.bus.indiana.edu/ipweb/pedagogy.htm
Thunderbird University International Business Information Center http://www.t-bird.edu/research/ibic/	A very good compilation of sources for international research (University of South Alabama) http://cob.usouthal.edu/mmenon/im/inforesources.html
U.S. Department of Commerce trade statistics http://www.ita.doc.gov/td/industry/otea/index.html	Education resources at the U.S. International Trade Commission http://www.usitc.gov/edu.htm
U.S. Census Bureau world demographic and socio-economic data http://www.census.gov/ipc/www/idbnew.html	Source for global population data http://www.popnet.org/
Population Research Bureau http://www.prb.org/	Maps of world http://www.lib.utexas.edu/Libs/PCL/Map_collection/Map_collection.html
World wide company information via Washington Post http://www.washingtonpost.com/wp-srv/business/longterm/hoovers/hoovers.htm	Currency Exchange Rates via Washington Post http://www.washingtonpost.com/wp-srv/business/longterm/stocks/currency.htm
City.net travel guide	Refdesk

<http://www.city.net/>

<http://www.rileyguide.com/intlbus.html>

http://www.lib.unc.edu/reference/busecon/international_business/

<http://www.ibrc.business.ku.edu/>

<http://www.worldbiz.com/>

<http://www2.etown.edu/vl/intlbus.html>

EXAMINATION

MID TERM EXAM

Date:	6th September 2007 (week 6)
Value:	15%
Venue:	E4B 316
Length:	2 hours
Format:	Essay questions exercises and cases

The midterm exam will consist of
Q1. 10 multiple choice questions (marks 5 - half a mark for each question),
Q2. Essay questions marks 5 (4 questions will be given, students have to answer any 2 and the marks for each of them would be 2.5)
Q3. A case study (marks 5).

FINAL EXAM

Date:	8th November 2007
Venue:	E4B 316
Value:	40%
Length:	3 hours (10 am to 1pm)
Format:	The final exam will test your practical application skills, through, critical analysis, case studies and short questions.

Final exam will consist of:

Q1 Multiple choice questions (Total marks 10-10 questions)
Q2 Experiential short cases.2 cases of 5 marks each. (Total Marks 10)
Q3 Essay type questions. 6 questions will be given; you have to answer any 4. Each of these questions has a weighting of 2.5 marks. (Total marks 20).
Changes if any in exam structure will be notified to students.

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.

REFERENCES:

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 4thEdition, Prentice Hall, New Jersey

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

SUGGESTED READINGS

Websites

Business Week_ (sign-up online at www.resourcecenter.businessweek.com)

A Business Researcher's Interests: International Business Technology Information
<http://www.brint.com/International.htm>

Wall Street Journal (sign-up online at www.wsjstudent.com/quarter)

Yahoo - Government: Countries
<http://www.yahoo.com/Government/Countries/>

Virtual Library on International Development
<http://w3.acdi-cida.gc.ca/virtual.nsf>

The Economist (sign-up online at www.economistacademic.com)

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

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

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

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

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

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.

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

BUS	8	0	4
Syndicate Group Number			



GROUP ASSIGNMENT COVER SHEET

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							
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.**

- We have submitted an electronic version of this assignment on 3.5" diskette and understand that a mark for this assignment will not be assigned unless this electronic version is submitted. We understand that the University will hold the electronic version of this assignment, which may be tested now or in the future for evidence of plagiarism.

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

IMPORTANT: 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 in the Unit Outline

MACQUARIE UNIVERSITY

BUS804 INTERNATIONAL BUSINESS STRATEGY

GROUP NO:

GROUP CONTACT SHEET

Student Name	ID number	Phone	Email