

BUS804: INTERNATIONAL BUSINESS STRATEGY

SEMESTER I, YEAR 2009

Class_01 Thu 9-12 E4B 316 Class_02 Thu 3-6 C5A 226

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MACQUARIE UNIVERSITY FACULTY OF BUSINESS AND ECONOMICS UNIT OUTLINE

BUS 804 INTERNATIONAL BUSINESS STRATEGY SEM 1, 2009 DR MEENA CHAVAN

Students in this unit should read this unit outline carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult the teaching staff in the unit.

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
CO-REQUISITES:	NIL

UNIT CONVENOR

Dr. Meena Chavan PhD (International Business)

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Email <u>mchavan@efs.mq.edu.au</u>
Consulting Hrs 12.30 to 2 pm Thursdays

CLASSES

ONE SEMESTER 3 hour lecture, 40 classroom hours and 120 hrs self study. The timetable for classes can be found on the University web site at: http://www.timetables.mg.edu.au/

Term Dates:

Classes 23rd February – 9th April Mid-semester break 10th – 26th April Classes 27th April – 5th June

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

Web CT: http://online.mq.edu.au

LEARNING OBJECTIVES AND OUTCOMES

BRIEF DESCRIPTION OF THE UNIT:

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.

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 to provide such a lens. This course focuses on how multinational firms operate in a global economy. It will assist 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. 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. 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 business 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

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.

VERY IMPORTANT

Lecture etiquettes 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.

WEEKLY SCHEDULE:

WEEK/ DATE	TOPIC	Case Analysis/ Student Group Work (4 students in a group)	Chapters/class case
Week 1 26th FEB	Globalization Course Introduction Formation of Groups		Chapter 1 Three Billion New Capitalists - video Case: Crisis at Renault
Week 2 5 TH MAR	National Differences in Political Economy	IKEA –The global retailer pg 36	Chapter 2 Each student tells us one concern about the political situation in their country for 2 minutes.
Week 3 12 TH MAR	Differences in Culture Ethics in International Business	Mired in Corruption – Kellogg Brown and Root in Nigeria pg163	Chapter 3 & Chapter 4 Short discussion questions. Please read the discussion questions on the BB and come prepared to discuss.
Week 4 19 TH MAR	International Trade Theory	Matsushita and Japan's changing culture Pg161	Chapter 5 Simulation: "Frankenfoods" or Rice Bowl for the World: The U.SEU Dispute over Trade in Genetically Modified Organisms
Week 5 26 TH MAR	Foreign Direct Investment	Etch-a-Sketch Ethics pg 157	Chapter 7 Debate – Foreign Direct investment India or China ??
Week 6 2 ND APRIL	Foreign Exchange Market & The International Monetary system	Agricultural subsidies and development	Chapter 10 & Chapter 11 Start FX game today and continue for 5 weeks

Week 7 9 TH APRIL	MIDTERM EXAM		Syllabus 1,2,3,4,5,7,10 &11
10 TH APRIL- 26 th APRIL	INTRA SESSION BREAK	2 weeks -	Read the book: Hot, Flat and Crowded By Thomas Friedman and come prepared to write a review in week 8
Week 8 30 TH APRIL	The strategy of International Business	The curse of the strong dollar at ST Micro pg 348	Chapter 12 Dell a winning strategy
Week 9 7 TH MAY	The Organization of International Business Entry Strategy and Strategic Alliances	The Russian Ruble crisis and its aftermath pg 413	Chapter 13 Experiential exercise: a)Global and Local how to have it all b)The apple orange company structure Chapter 14 Euro Air
Week10 14 TH MAY	Exporting, Importing, and Counter trade	Toyota - The rise of a Global corporation pg 521	Chapter 15 Coca-Cola's Marketing Challenges in Brazil: The Tubaínas War
Week 11 21 MAY	Global Production, Outsourcing and Logistics	Strategic and Organizational change at Black and Decker pg534	Chapter 16 Harley-Davidson in 2004
Week 12 28 TH MAY	Project Presentations Course review		
Week 13 4RTH JUNE	FINAL EXAMINATION		BUS804 International Business Strategy (class_01) Thursday 4rth June 9am-12noon E4B 316 BUS804 International Business Strategy (class_02)Thursday 4rth June 3-6pm C5A226

CLASS ASSIGNMENTS

Description	Weighting	Due Date
Case Analysis (Group Work)	15%	Weeks 2-11
Midterm Exam	15%	Week 7
Final Project & presentations (Group work & Presentation 10% included)	20%	Session 12
Final Exam	50%	Session 13

Assignment 1

Weekly (Case Analysis-Presentation- Group Work)

Due Date: From Week 2

Value : 15%

The class will be divided into 10-12 groups of 4 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

Case Assessment Criteria	Marks Awarded (total 15%)
Content	5
Delivery of information	
Choice of additional resources/web-pages	
> Relevance	
Order of delivery	
Overview and summary	

>	Current focus	
Prese	ntation	2
>	Use of other resources/aids (i.e. PowerPoint, whiteboard, prompts)	
>	Voice (level, pitch, volume, speed/pace)	
	Body Language (eye contact, demeanour)	
	nal Communication Techniques/Group Skills (if priate)	2
>	Introduction of self/group	
>	Structure	
>	Handover between individuals	
>	Engaging/entertaining	
>	Choice of terminology and language	
An	alytical skills	5
	Critical analysis	
	Hypothesis	
	Objective	
>	Challenge	
Overa	II Performance	1
>	Awareness of external factors (lighting, air conditioning, traffic noise, peer behaviour)	
>	Dress	
>	Other	
Total		

Assignment 2

FINAL PROJECT- International Business Research paper (Group work)

Due date: Week 12- 28th May

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

Marked assignments will

be returned on 4rth June.

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 .

SAMPLE RESEARCH PROJECT TOPICS FOR GUIDANCE:

You may wish to research in one of the related topics below or a topic of your choice. Please make sure you have discussed your topic with the lecturer before you embark.

- Entry strategy into the EU market- Australia's Business strategy with China Vs EU
- Strategic opportunities in China or India –Their role in Global Business
- The changing face of International Business- How can "Trade Policies" and strategies of Multinational business enterprises impact on the economic development of developing countries – Nigeria, Uganda and Zambia.
- International Entrepreneurship
- Mergers and Acquisitions
- Creativity and Innovation
- International Business Operations Strategy
- Management of Change in the International Scenario.
- Role of expatriate management- Australia
- Direct Investments in South East Asia
- Ethnography and International Business
- Sourcing and locating human capital anywhere in the world (global outsourcing/off shoring of labour-intensive and/or knowledge intensive work, competition from low cost countries.)
- The globalization of national companies (entry modes, stages of internationalization process)
- The international expansion of start ups (global start-ups)-Australian firms in International trade. Why should Australian firms export? Why should firms outsource?
- IB and sustainability (corporate social responsibility, natural environment);

- New organizational forms and dimensions of "Truly Global".
- The New Globalisation Model
- FDI Inward and Outward in Australia
- Knowledge and Technology transfers
- Global hyper competition and international cooperation (cross-national mergers, acquisitions, joint-ventures and alliances)
- The re-shaping of IB in relation to the entry of global competitors from China, India, South Korea and other newly developed economies
- Property rights issues in other countries Ex China, India, Middle East
- Intellectual property laws in Australia Vs China
- NFTA –the response of MNE's to NAFTA
- International Joint Ventures _Entry strategies of Australian Banks in China
- Cross cultural management in International Business
- International Mergers and Acquisitions-Telecommunication mergers and acquisitions in Australia
- The globalization of small firms
- Theoretical analysis of Globalisation & the Multinational Enterprise.

ASSESSMENT CRITERIA FOR RESEARCH PAPER

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

The flow of the paper:

The paper should demonstrate a constant and stable flow and move towards the goal of the paper progressively

Extensive readings

Essays that demonstrate a wide range of reading and varied resources will obtain high grades

Focus

Your essay should be focused on your topic and not beat about the bush. Beware of straying from the main topic

Precision, accuracy and meticulousness

These are the general requirement of any postgraduate research work which should be adhered too.

Critical Analysis

The essay must be reasonable, rational and realistic. It is important that you do not copy from source materials but analyse critically and challenge the material.

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.

The major essay *must* be fully and properly referenced and *must* also incorporate a bibliography at the end. 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 in appendix 1.

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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.

EXAMINATION

MID TERM EXAM

Date: 9th April (week 7)

Value: 15%

Venue: Class_01 Thu 9-12 E4B 316

Class_02 Thu 3-6 C5A 226

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: 4rth June Week 13

Venue: Class_01 Thu 9-12 E4B 316

Class_02 Thu 3-6 C5A 226

Value: 50%

Length: 2 hours

{ BUS804 International Business Strategy (class_01) exam Thursday 4rth June 9am-12noon E4B 316

BUS804 International Business Strategy (class_02)exam Thursday 4rth June 3-6pm C5A 226 Please noteMorning class will have exam in the morning class times and afternoon in the afternoon class times }

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 Essay type questions.7 questions will be given; you will have to answer any 5. Each of these questions have a weighting of 5 marks. (Total marks 25).
- Q3 One large case study (Total marks 15)

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.mg.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.

SUGGESTED REFERENCES & 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

<u>Wall Street Journal</u> (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/

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

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

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

Appendix I

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.mg.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.

Definition: Plagiarism involves using the work of another person and presenting it as one's own. Any of the following acts constitutes plagiarism unless the source of each quotation or piece of borrowed material is clearly acknowledged.

- a) Copying out part(s) of any document or audio-visual material (including computer-based material);
- b) Using or extracting another person's concepts, experimental results, or conclusions;

- c) Summarising another person's work;
- d) In an assignment where there was collaborative preparatory work, submitting substantially the same final version of any material as another student. Encouraging or assisting another person to commit plagiarism is a form of improper collusion and may attract the same penalties which apply to plagiarism.
- 2) The Dangers of Plagiarism and How to Avoid it

The integrity of learning and scholarship depends on a code of conduct governing good practice and acceptable academic behaviour. One of the most important elements of good practice involves acknowledging carefully the people whose ideas we have used, borrowed, or developed. There is nothing wrong in a student using the work of others as a basis for their own work, nor is it evidence of inadequacy on the student's part, provided they do not attempt to pass off someone else's work as their own.

To maintain good academic practice, so that you are given credit for your own efforts, and so that your contribution can be properly appreciated and evaluated, you should acknowledge your sources and ALWAYS:

- i) state clearly in the appropriate form where you found the material on which you have based your work, using the MIR system of reference;
- ii) acknowledge those whose concepts, experiments, or results you have extracted, developed, or summarised, even if they put these ideas into their own words;
- iii) avoid excessive copying of passages by another author, even where the source is acknowledged. Find another form of words to show that you have thought about the material and understood it, but stating clearly where you found the ideas.

If you use the work of another person without clearly stating or acknowledging their source, the result is falsely claiming that material as your own work and committing an act of PLAGIARISM.

PLAGIARISM is where any of the following in an assignment, or in any piece of work which is to be assessed, is written without clearly acknowledging the source(s) for each quotation or piece of borrowed material:

- a) copy out part(s) of any document or audio-visual material, including computer based material:
- b) use or extract someone else's concepts or experimental results or conclusions, even if they put them in your words;
- c) copy out or take ideas from the work of another student, even if they put the borrowed material in their own words;
- d) submit substantially the same final version of any material as a fellow student. On occasions, a student may be encouraged to prepare their work with someone else, but the final form of the assignment must be their own independent

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 accessed at www.student.mg.edu.au

Appendix II

LECTURER



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.

	ASSIGNMENT DUE DATE						_				
GI	ROUP	MEN	ИВЕ	RS							
SID NUMBER								FAMILY NAME	AMILY NAME EMAIL ADDRE		
1											
2											
3											
4											
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	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	1.						4.	
2.										5.	

3.		6.	
SIGNATURE OF GROUP	DATE		