

LINGNAN UNIVERSITY
DEPARTMENT OF MARKETING AND INTERNATIONAL BUSINESS
BUS2108 - Global Business Environment

General Course Outline for 2020-21 Semester 2

Brief Course Description

This course helps students to develop a broader understanding of the business world around them and of the importance of international business to their future business careers in Hong Kong or elsewhere. There are five major component parts in this course.

- **Part one** defines globalization, describes its drivers, and debates its merits and drawbacks.
- **Part two** focuses on national differences in political economy, culture and ethics and the implications of these differences for ethical decision making.
- **Part three** presents a thorough review of international trade theories and describes the trade and investment environment in which international business occurs.
- **Part four** introduces the background to foreign exchange and describes the global monetary systems in which international business transactions are conducted.
- **Part five** explains the promise and pitfalls of exporting, covers the basic steps involved in import/export financing and describes how countertrade can be used to facilitate exports.

Learning Outcomes

This course aims to provide students with a global perspective at this early stage of their degree studies. It also encourages students to recognize the increasing integration of the world economy and to realize that any business, multinational or local, needs to have an understanding of the global business environment.

On completion of this course, students will be able to:

1. understand the impact of globalization on key issues including job security, income levels, labor policies, economic growth, the environment, and national sovereignty.
2. appreciate the differences in countries and cultures that enable them to assess country attractiveness, consider negative impact of corruption, address intellectual property right issues, and face ethical dilemmas.
3. apply the theories and practices of trade and foreign direct investment, and understand how governments influence these activities.
4. Appreciate the different theories explaining how currency exchange rates are determined, the differences between a fixed and a floating exchange rate system, and their relative merits.
5. Recognize the promise and pitfalls of exporting, be aware of the basic steps involved in import/export financing and describe how countertrade can be used to facilitate exports.

An associated objective of this course will be to ease and allow for the introduction of international dimensions to all other courses as per the long-term policy of the degree program. As students will have a basic grounding in international business, other instructors should find it somewhat easier to introduce international topics and cases in their own courses.

Further, from an integrative perspective, this course addresses the competitive challenges of doing business in different geographic environments. It ties in with the other international business modules focusing on firm-level strategies and structures of International Business Management, Special Topics in International Business, and the Minor Program in China Business Studies.

Measurement of Learning Outcomes

1. Academic controversies and debates require teams to address pros and cons of globalization issues like job security, economic prosperity, environmental safety, and national sovereignty.
2. Problem-based case discussions require students to apply conceptual knowledge in assessing country attractiveness, and develop an understanding of related benefits, costs and risks of operating in different countries.
3. Individual research tasks require students to write an essay on a particular aspect of international business covering various aspects such as; international trade theory, country attractiveness, ethical issues in international business, trade policies, FDI regulations, currency risks, and market entry modes.
4. Team projects require each student group to face with a choice of two country environments whereby students search updated information to back up their analyses and support their judgments over country-specific advantages.
5. Team presentations require each student group to present findings orally as well as answer questions from the audience. The team project and presentation is assessed for logicity, argument and feasibility of recommendations.
6. Final assessment requires students to apply past learning in addressing examination questions under the global business environment perspective.

Teaching Method/Class Activities

The basic method of instruction will be through lectures coupled with assignments, cases and projects. Students will be required to apply concepts to analyze current business issues, and significant use will be made of cases of multinational businesses operating in Asia and of Hong Kong firms operating in the international environment.

Required Text

Charles Hill and G. Tomas Hult, *Global Business Today (Eleventh Edition)* McGraw Hill (2020)

The purchase link for the book can be found below

<https://apbookshop.com/LNU/EN/Display/Book?ISBN=9781260565812>

The purchase link for the book can be found below

<https://apbookshop.com/LNU/EN/Display/Book?ISBN=9781260780581>

Use of Associated Materials and Internet Site

The website at <https://www.mheducation.com/highered/product/global-business-today-hill-hult/M9781260088373.html> is dedicated to the support of this text, but provides limited additional resources beyond what is available in the text unless you purchase the additional CONNECT service (which is not a requirement of this course).

Additional Materials on Moodle

All materials that are required for this course are available on the University's Learning Management System (Moodle). Materials provided include copies of the course outlines, powerpoint slides for each week (you will need to print out your own copies of these slides each week) and a number of additional articles and readings associated with each week's classes. You will also be able to find examples of previous mid-term tests, final exams and individual essay questions on Moodle. A lot of effort has gone into preparing these materials for you, so please make use of the system. Should the Lecturer need to contact you urgently regarding any matter of the course, an announcement will be made to you via Moodle.

Library Guides

The library has prepared two very useful websites which aim to support both the course as a whole and the group project in particular. These sites contain links to further information on the global business environment and sources for gathering information for the group project and samples of previous projects completed. Please make use of these sites and the other services which the library provides in order to assist you with your learning.

1. Marketing & International Business Guide: http://libguides.ln.edu.hk/marketing_international_business
2. Group Project Guide: <http://libguides.ln.edu.hk/bus108>

Use of International News and Business Magazines

The Economist	Fortune
Forbes International	Bloomberg BusinessWeek
Time	<i>Caixin</i>
Newsweek	Wall Street Journal
South China Morning Post	Financial Times

Assessment Guidelines

Continuous Assessment as follows:	60%
5% Attendance and Participation	
15% Individual Assignment “International Business Ethics”	
15% Mid-term Test	
25% Group Project and Presentation	
Final Assessment	40%
Total	100%

Class Attendance and Participation (5%)

Students are actively encouraged to ask questions in class through use of the Zoom groupchat function. Students who display an interest in the subject score higher in participation. Taking an active part in group discussions or clear leadership in group projects/presentations also adds to participation marks. Students lose participation marks for low attendance, continuing lateness, disturbing behaviour etc. However, high attendance does not mean a high participation mark.

Mid-term Test (15%)

The mid-term test will cover chapters 1 - 7 from the textbook and is organised from **7:30 – 8:30 p.m.** on **Thursday 11th March** (to be completed at home and submitted via Turnitin).

Individual Project - International Business Ethics (15%)

You are required to write an essay of 1,500-2,000 words on a project topic related to International Business Ethics. Full details of the project will be distributed in class. Please pay attention to the notes on referencing and plagiarism. The assignment must be submitted via Turnitin before **12:00 noon** on **Friday March 5th**.

Group Project and Presentation (25%)

Your Group Assignment is practical in nature and requires you to apply many of the concepts from the course to a ‘real-life’ business situation. You will be marked on the following:

Presentation

A group needs to make a video submission of a professional **20-minute presentation** outlining its analysis and providing the reasons for its choice.

Report

A group should present a written report of its analysis. Reports should be **about 4,000 words** in length although its format varies with use of tables, charts etc. A copy of the group report needs to be submitted by turnitin on **Friday 16th April** before **12:00 noon**.

Your team is working as management consultants for a Hong Kong manufacturing company. The organization sells 40% of its products in Asia, 30% in North America and 30% in Europe. At present the firm has one manufacturing facility in Hong Kong but is looking to build a larger more modern plant in another country, you expect to employ about 1,500 workers there. The firm has already done some preliminary work and has come down to a choice between two countries in which to site this new facility. You are required to advise the firm on which of these countries may be the most appropriate manufacturing location for the firm. Goods produced in the new facility will be exported

worldwide and are not intended for the 'local' market.

In order to advise the firm you will need to consider the business environments in each of the countries that have been suggested. In particular you will need to consider:

- X Standards of living, wage levels and other relevant economic background of each country
- X Tax rates and investment incentives offered in each country.
- X Availability of labour with the necessary skills in each country.
- X Natural factor conditions in each country, infra-structure development and availability of relevant supporting industries.
- X Legal environment in each of the countries regarding labour laws, environment laws etc.
- X Membership of Regional Trade Agreements of each country and other trade-related considerations
- X Cultural considerations and ability of Hong Kong management team to work with local employees
- X Political risk considerations in each country.
- X Any other factors you consider relevant.

At the end of your analysis you **must** make a choice of which country the firm should locate in and provide a summary of the main reasons for your choice.

(Note that Investment Promotion bodies of many countries will be able to help provide you with this information, check the Internet to find links to these bodies. You may also wish to contact the commercial arms of local Consulates in order to speak with a Commercial Officer involved in Investment Promotion activities).

Final Assessment Exercise (40%)

The final assessment exercise will cover everything that has been included in the course. It is normally in essay format, requiring students to answer questions from a variety of issues related to the course.

Important Notes:

- (1) Students are expected to spend a total of 6 hours (i.e. 3 hours of class contact and 3 hours of personal study) per week to achieve the course learning outcomes.
- (2) Students shall be aware of the University regulations about dishonest practice in course work, tests and examinations, and the possible consequences as stipulated in the Regulations Governing University Examinations. In particular, plagiarism, being a kind of dishonest practice, is “the presentation of another person’s work without proper acknowledgement of the source, including exact phrases, or summarised ideas, or even footnotes/citations, whether protected by copyright or not, as the student’s own work”. Students are required to strictly follow university regulations governing academic integrity and honesty.
- (3) Students are required to submit written assignment(s) using Turnitin.
- (4) To enhance students’ understanding of plagiarism, a mini-course “Online Tutorial on Plagiarism Awareness” is available on <https://pla.ln.edu.hk/>.

BUS 2108 Course Outline Semester 2 2020/21 – SECTION 2

Week	Wednesday Class	Friday Class	Ch
11/1		Course Introduction	
18/1	The Meaning of Globalization	The Globalization Debate Group formation	1
25/1	National Differences in Political, Economic and Legal Systems Group country and industry selection	National Differences in Economic Development	2, 3
1/2	Differences in Culture	Differences in Culture Group Exercise	4
8/2	Ethics, Corporate Social Responsibility and Sustainability	NO CLASS – PUBLIC HOLIDAY	5
15/2	NO CLASS – PUBLIC HOLIDAY	<u>Individual Project Introduction and Guidance</u>	
22/2	International Trade Theory	New Trade Theory	6
1/3	Government Policy and International Trade	Video Presentation: “China in the WTO” Submit individual essays	7
11/3	<u>MID-TERM TEST - Chapters 1- 7 7:30-8:30 p.m.</u>		
8/3	Foreign Direct Investment	<u>Investment Proposals:</u> Discussion	8
15/3	Regional Trade Agreements	<u>LIBRARY VISIT:</u> How to search for information on global business environment	9
22/3	The Foreign Exchange Market	Foreign Exchange Exercises	10
29/3	International Monetary System Presentation Skills	NO CLASS – PUBLIC HOLIDAY	11
5/4	<u>Group Presentations – Groups 1 and 2</u>	<u>Group Presentations – Groups 3 and 4</u>	
12/4	<u>Group Presentations – Groups 5 and 6</u>	<u>Submit Group Projects</u>	
19/4	Exporting, Importing and Countertrade	End of Course Review and Assessment Preparation	14
26/4	Return of all in-class assessments	Classes Finished	

Note: ‘Chapters’ refers to ‘Hill and Hult – Global Business Today 11th/E’