

COURSE SYLLABUS (2019-2020)
INTERNATIONAL BUSINESS MANAGEMENT
MKT 2241 - BBA (Hons)

Course Title: International Business Management
Course Code: MKT 2241
No. Of Credits/Semester: 3
Mode of Tuition: Sectional Approach
Teaching Hours: 3 Hours per week
Category in Major Prog.: Marketing Stream Elective
Prerequisite: Global Business Environment (BUS2108) (Advisable, not required)

BRIEF COURSE DESCRIPTION

International Business Management is a ‘second-level’ international business course which focuses on the management of multi-national enterprises. Most of the students taking the course will have previously studied the ‘foundation core’ course ‘Global Business Environment’. The International Business Management course builds on the students’ existing knowledge base and assumes that students are familiar with the international environment of business. The course moves beyond the broad environment to the specific organisational context, examining how multinational enterprises organise and compete in the international arena. The course deals with structure and management of multinational corporations and the management of functional activities on an international basis. Further, from a strategic perspective, the course addresses the competitive challenges of doing business in differing geographic environments. The course builds on ‘Global Business Environment’ by examining how multinational firms respond to the international environments of business. It also ties in with the capstone course ‘Strategic Management’ focusing as it does on methods of international organisation and competition in different geographic locations.

LEARNING OUTCOMES

On completion of this course students will be able to;

1. Demonstrate an understanding of the organisational options open to multinational organisations. (LO1)
2. Determine in what circumstances firms will choose to globally integrate international activities. Additionally, students will understand how firms can develop globally integrated strategies. (LO2)
3. Appreciate the issues involved in the organisation and conduct of functional strategies within multinational organisations. (LO3)
4. Understand the particular challenges of operating and competing in each of the 'triad' geographical regions, in China, and in the emerging economies. (LO4)
5. Be aware of major ethical issues facing multinational corporations, alongside major future developments in international business. (LO5)

In terms of developing students' career opportunities, the course should:

6. Enhance students' 'employability' by multinational corporations due to their increased understanding of how such organisations operate. (LO6)
7. Prepare students for a career in international business with an understanding of competitive challenges in a variety of international markets. (LO7)

MEASUREMENT OF LEARNING OUTCOMES

1. Continuous understanding of concepts is developed and tested through integrated learning exercises, held each week in the second scheduled class meeting. A high proportion of the final grade is dependent upon participation in these activities. At the conclusion of each weekly exercise, students are encouraged to discuss what they have learned from the activity and to ask follow-up questions. (L01-L07)
2. Understanding of the core concepts of multi-local and global strategies is tested through a relatively early mid-term test. Students need to demonstrate an understanding of that core

concept and how it applies to the various functional strategies. (L01-L03)

3. The ethics case study is mandatory for students and they are instructed that failure to attend this class will result in a deduction of marks. The final examination invariably covers ethical issues in one form or another. (L05)
4. An individual essay is required in order to test students' ability to analyse a current international business issue in greater depth than the weekly activities allow for. Students need to demonstrate both research capability on their essay topic and the ability to present in written form a clear and concise explanation of their issue. (L01-L04 and L06-07)
5. Students work together in a group to 'teach' one of the classes in the second half of the course. To do this, students need to demonstrate an understanding of a particular business environment and the opportunities and challenges inherent in operating there. Students present the class first of all to the subject teacher, explaining the format of what will be presented in class and the teaching methods and tools that will be used. This method of assessment ensures students develop and in-depth knowledge of the topic they are presenting and also enhances their communication skills in a new way as they are 'teaching' rather than just 'presenting'. (L04-L07)

INDICATIVE COURSE CONTENT:

This course tackles two distinct aspects of International Business Management. Firstly, from a strategic viewpoint, the course covers management of the multinational organisation. Starting broadly, the course initially considers the strategic choices facing international firms regarding the extent to which they need to globally integrate their international operations. At a more specific level, the management of the various functional operations within multinational organisations is examined. The international management of human resources, marketing, finance, information systems, and production activities are all considered. How these activities can be integrated, the benefits of doing so, and the drawbacks associated with international integration are presented.

The second major theme of the course regards doing business in different geographic locations. Each of the 'triad' areas are examined in detail, with the focus on the challenges of conducting business in each area. Separate classes on doing business in emerging economies and in China are included. The course is both 'micro' and 'macro' in nature; some attention is placed on the economic and business environments in these regions and students are also required to develop an understanding of how firms choose to operate and compete within these environments. This will be done through shared student-led classes and presentations supplemented with a number of in-class exercises and case studies.

The course concludes by considering ethical issues facing multinational enterprises and the future development of international business.

TEACHING METHOD / CLASS ACTIVITIES

The teaching method for this course will utilise a mix of the conventional ‘lecturing’ approach together with a wide range of in-class exercises and activities. The precise content of each class has been summarised in the attached ‘class outlines’. Students are encouraged to make appropriate preparations for each class.

This year five classes in the second half of the course will be ‘student-led’ in that small groups of students will prepare and present the class in that week. With guidance from the course lecturer the students will develop and implement a lesson plan in order to teach their fellow students about that week’s topic.

The attached class outlines indicate that in-class exercises and cases are generally scheduled for the second class within each week. Discussion questions for each case study are included in the class outlines. Students are required to have read each case *before* entering the class.

ASSESSMENT SCHEDULE

Mid-term test (20%)

The mid-term test will be held in class on **Friday October 11th 2019**. Coverage will include all chapters and materials presented on the course up to that date. The format of the test will be a mix of both multiple choice and short essay questions.

Individual Essay Write-up and Discussion (20 %)

A list of essay topics for individual preparation will be provided to students early in the course. Students will be free to pick any essay topic they wish. A written essay of approximately 2,000 words must be completed and submitted in the final week of the semester. This assignment must be completed on an individual basis; any signs of collusion in preparing reports will be severely dealt with. The anti-plagiarism software service ‘turnitin’ will be used to scan reports for any signs of plagiarism and assignments must be submitted through Moodle. The submission deadline for the essay is **Wednesday November 6th** at 9:00 a.m, please submit a hard copy in class later that day.

Participation (5%)

Participation is important. In order to encourage more active participation 5% will be awarded on an individual basis. Please note that attendance does not equal participation. Simply attending classes will not gain you any participation marks. On the other hand, you cannot participate if you do attend. Therefore failure to attend classes can result in a deduction of participation marks. Note also that deductions may be made for 'disruptive' behaviour. This would include such things as repeated lateness, failure to switch off mobile phones etc.

Group Class Presentation (15 %)

The major group exercise for this course has been changed and refined this year. It will require students, working in groups, to prepare and present one of the classes in the second half of this course. You will be expected to prepare a complete one hour and fifteen minute session on the subject of doing business in a particular geographic area. You will have complete flexibility in how you run the class and you can make use of a traditional lecture approach, powerpoints, videos, case studies, in-class exercises, experiential activities, guest speakers etc. The goal of the exercise should be to prepare a class which is both informative and interesting for all of the other students in the class.

There are two broad areas that should be covered in the class you develop;

- The economic and business environment of the geographic area. This should include information on the relative size and growth rates of the economy/ies; the structure of economic activity; size, growth and direction of trade etc; strengths and weaknesses of the area that impact its competitiveness. (this should take approximately fifteen minutes of your presentation)
- The major challenges (present three) and opportunities (present one) for multinational businesses operating in the region. Think of this from the perspective of those 'foreign' MNC's operating within the geographic area. In particular what are the managerial challenges of operating within these areas? How can companies respond to challenges and opportunities within the area? Provide examples. (this should take one hour of your presentation)

You **MUST** include some form of student participation in your class.

In order to assist you with your class preparation you can use the following resources:

- The relevant textbook chapter (Collinson *et al.*)
- Additional class materials provided on Moodle
- Group meetings and consultation with the lecturer of the course
- Absolutely any other resource you consider useful

Final Examination (40 %)

The final examination will cover all topics included in the course. It will consist of both essay questions and a compulsory case study. A ‘mock’ examination will be provided to you before the final examination. Note that there are three numerous exercise and cases discussed throughout the year, variations of these may well be found on the final exam paper.

The suggested **texts** for this course are:

A ‘Global Business Today’ by Charles Hill and Tomas Hult (11/e) published by McGraw Hill (2019)

And

B ‘International Business’ (seventh edition) by Simon Collinson, Rajneesh Narula and Alan M. Rugman published by Pearson (2016).

‘Global Strategic Management’ by Philippe Lasserre (3/e) published by Macmillan (2012)

‘International Business: A managerial perspective’ by Ricky Griffin and Michael Pustay (8th/E) published by Pearson (2014)

‘International Business: The Challenges of Globalizations’ by John Wild and Kenneth Wild 8th/E) published by Pearson (2015)

‘International Business: the new realities’ by Cavusgil, Knight and Reisenberger (4/e) published by Pearson (2016)

The following text is provided as **‘additional suggested reading’**. Many of the individual *suggested paper readings* can be located in this text.

‘Transnational management: text, cases and readings in cross-border management’ (seventh edition) by Christopher A. Bartlett and Paul Beamish published by McGraw Hill (2013).

For some subjects you may also wish to consider the following text, which provides a different view of some of the subjects. This book may be more appropriate for those HRM students taking the course.

'Multinational Management: a strategic approach' by John B. Cullen and K. Praveen Parboteeah (6/e) published by Cengage Learning (2013).

All four of these books have been placed on short term reserve in the University library. You can purchase the main suggested text for this course at the following location:

http://www.elephants.com.hk/search/detail.aspx?product_id=26708662&category_id=1

Each week a number of readings are assigned. Please see the attached class outlines for details. The **'required reading'** *must* be completed *prior to* attending the first class of that particular week. It will be assumed that you are already familiar with the required reading material. Additional **'suggested readings'** are provided each week for those students who wish to examine a particular topic in more detail. Some of these papers are more 'important' than others, these will be highlighted for your particular attention as the course progresses.

Widespread reading of business magazines, journals and newspapers is encouraged. Suggested titles include;

International News and Business Magazines

The Economist
Fortune
Forbes International
International Business Week
International News and World Report
Time
Newsweek

Newspapers (International and Local)

South China Morning Post
Wall Street Journal (Asian Edition)
New York Times International
Financial Times

YOUR FEEDBACK

Two formal feedback activities take place within the course. At mid-term, you will be asked to complete a short online CTLE feedback form that gives me an indication of your thoughts on how the course is progressing. At the end of term you will complete the more formal Course Evaluation exercise.

However, I am interested in any and all feedback, in any form, at any time. My objective is to make the course as interesting and informative as possible. Any advice, suggestions that you can provide will be gratefully received. It does not matter whether the feedback is positive or negative, as long as it is CONSTRUCTIVE. What would you like done? What do you want more of?, What do you want less of etc? Note that providing this kind of feedback can improve your individual and your group's participation marks.

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/>.

INTERNATIONAL BUSINESS MANAGEMENT SEMESTER 1

Summary Course Outline

Introduction and Organisation of International Enterprises (1 week)

Course Introduction

Strategy of International Business and Use of Global Strategies (Chapter 12A and C1)

Managing within the Multinational (5 weeks)

Managing International Supply Chain Activities (Chapter 15A)

Managing International Human Resources (Chapter 17A)

International Financial Management (Chapter 16B)

Managing International Marketing Activities (Chapter 16A)

Managing Information Systems for International Control (Handout)

Doing Business in Different Regions (5 weeks)

Doing Business in the European Union (Chapter 17B)

Doing Business in Japan (Chapter 18B)

Doing Business in North America (Chapter 19B)

Doing Business in Emerging Economies (Chapter 20B)

Doing Business in China (Chapter 21B)

Course Conclusion (2 weeks)

Ethical Issues in International Business (Handout)

The Future of International Business (Handout)

Examination Preparation (Handout)

**INTERNATIONAL BUSINESS MANAGEMENT
COURSE TIMETABLE (2019-20 Semester 1)**

Date	Activity	Chapter
4/9 6/9	Course introduction Globalisation and Global Strategy Drivers	12A C1
11/9 13/9	Global Production and Supply Chain Management Exercise: The impact of 3D printing on manufacturing	15A
18/9 20/9	Global Human Resources Management Exercise: 'You are the manager'	17A
25/9 27/9	Global Marketing and Research and Development Case Study – Minolta Camera	16A
2/10 4/10	International Financial Management Exercises in International Financial Management	16B
9/10 11/10	Managing International Information Systems Mid-term test	Handout
16/10 18/10	Doing Business in the European Union The impact of Brexit	17B
23/10 25/10	Doing Business in Japan Case Study: Kirin Beer	18B
30/10 1/11	Doing Business in North America Exercise: Mustang Jeans	19B
6/11 8/11	Doing Business in Emerging Economies Exercise: Advertising in Developing Markets	20B
13/11 15/11	Doing Business in China Video Case Exercise	21B
20/11 22/11	Ethics in International Business Case Study - Nestle and Infant Milk Formula	Handout
27/11 29/11	The Future of IB Class Review and Exam Preparation	Handout

'Chapters' refers to the relevant chapter from the set texts, (A) indicates Global Business Today' by Charles Hill and Tomas Hult (11/e) published by McGraw Hill (2019) (B) indicates 'International Business (7/e)' by Collinson, Narula and Rugman published by Pearson (2016) (C) indicates Total Global Strategy (3/e) by George S. Yip and Thomas Hult published by Pearson (2012) . Where no set texts are shown, alternative materials will be provided.

<p style="text-align: center;">LESSON GUIDE WEEK 1 Week beginning September 4th 2019</p>
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CLASS 1: COURSE INTRODUCTION

In the first meeting the following activities will take place;

1. Confirmation of the time, day and location of all future classes.
2. 'Global Business Environment' – an advised prerequisite
3. Brief introduction to the course and its contents
4. Review of course assessment schedule
5. Discussion of group project assignment
6. Introduction to Internet Resources

CLASS 2: LECTURE TOPIC: THE STRATEGY OF INTERNATIONAL BUSINESS

- * Global Expansion and Profitability
- * Cost Pressures and Pressures for Local Responsiveness
- * Strategic Alliances
- * Introduction of Yip's framework of Global strategy. Analysis of 'Industry Globalisation Drivers'.

EXERCISE: INDUSTRY GLOBALISATION POTENTIAL AND USE OF GLOBAL STRATEGY

In-class analysis of a selected industry to understand and to estimate the degree of globalisation that is possible within that particular industry. It is essential that students gain an understanding of what is meant by 'Yip's globalisation drivers' and how these may be applied to an industry

Required Reading:

Hill and Hult: Chapter 12 ‘The Strategy of International Business’

George S. Yip and Thomas M. Hult ‘Total Global Strategy’ (3rd Edition) Prentice-Hall 2012
(most of what you need is in the first chapter which summarises the rest of the book)

Suggested Reading:

‘The evolution of modern global competition’ by Alfred D. Chandler Jr in Competition in Global Industries edited by Michael E. Porter, Harvard Business School Press, 1986 pp. 405-448

From Bartlett and Beamish

Reading 1-2 ‘Distance Still Matters: the hard reality of global expansion’ by Pankaj Ghemawat

Reading 1-3 ‘When you shouldn’t go global’ by Marcus Alexander and Harry Korine

Additional Material on Moodle:

‘Canaries in the coalmine’ June 16th 2018 *The Economist*

How falling levels of FDI are an indicator that globalisation is in danger of slipping in to reverse. The political and economic trends that are causing this.

‘In Retreat global companies’ January 28th 2017 *The Economist*

Detailed report on how MNC's are suffering in this era of anti-globalisation. Suggests protectionism is not the only issue, local companies are performing much better and the 'cost of foreignness' is increasing.

‘The Global Fortune 500’, August 1st 2019 *Fortune Magazine*

This is a list of the World’s largest multinational companies. It provides lots of detail on the nature of their business, the country origin of the firm, together with financial data on sales and profits. Students may note that ‘triad’ MNC’s continue to dominate this list although there are a growing number of representatives from China.

‘The Global Fortune 500’ August 1st 2018, August 1st 2017, August 1st 2016, August 1st 2015, 21 July 2014, 22 July 2013, 0, *Fortune Magazine*

The same figures from previous years

‘McDonalds to Redo its China Restaurants’ *Wall Street Journal Asia* April 21st 2014

How McDonalds has had to localise its offerings in China, not only for taste reasons, but also to compete with cheaper alternatives.

‘Big Mac’s Local Flavor’ *Fortune Magazine* May 5th 2008

A report on the extensive localisation activities of McDonalds. How different products are developed for different markets and how ideas are now shared from country to country. How McDs has become a much less ethnocentric company.

‘IBM and globalisation’ 7 April 2007, *The Economist*

An account of IBM's move to globalisation and how they are increasingly moving activities to India. However, also deals with the rise of Indian multinationals and how they will be able to compete with IBM.

‘Disney is aiming for a fairytale ending’ *Financial Times* 26th October 2009

How Disney has started to develop films for local markets rather than just selling dubbed versions of American films. Uses a Russian example. Interview with Bob Iger on local language productions.

‘Ernst & Young to form single business’ *Financial Times* 21st April 2008

How Ernst and Young is restructuring its business to achieve a higher level of integration. How global clients are pushing this action and how it will lead competitors to also take this move.

Yip’s Globalisation Drivers (diagram)

Yip’s Framework for Global Strategy (diagram)

LESSON GUIDE WEEK 2 Week beginning September 11th 2019

CLASS 1: LECTURE TOPIC: ‘MANAGING INTERNATIONAL PRODUCTION AND SUPPLY CHAIN ACTIVITIES’

- * Research, development and innovation
- * International sourcing
- * International logistics
- * Alliances and acquisitions

CLASS 2: EXERCISE: THE IMPACT OF 3D PRINTING

Required Reading:

Hill and Hult: Chapter 15 ‘Global Production and Supply Chain Management’

Suggested Reading:

From Bartlett and Beamish:

Reading 5-1 ‘Building effective R&D capabilities abroad’ by Walter Kuemmerle

Reading 5-2 ‘Connect and develop: inside Proctor & Gamble’s new model for innovation’ by Larry Huston and Nabil Sakkab

Additional Material on Moodle:

‘The global supply chain’ *The Economist* 3rd July 2019

Cover page of a longer Economist special report. Changes to the global supply chain system which had expanded for decades but no

‘Additive manufacturing the factories of the future’ *The Economist* 1st July 2017

Advances in additive manufacturing

‘Advanced Manufacturing’ *The Economist* 14th January 2017

How Adidas is locating an automated shoe manufacturing plant at home in Germany. How the need for shorter supply chains and the changing economics of automation versus labour costs allow them to do this.

‘Logistics: The Flow of Things’ *The Economist* July 12th 2014

Although an exporting superpower China has very poor logistics at home. A large proportion of GDP is spent on moving things around as system is not efficient. Corruption, protectionism and old equipment hamper the industry.

‘The third industrial revolution’ *The Economist* April 21st 2012

A survey on manufacturing (cover pages and summary only) of how manufacturing is changing in the age of digital information and additive printing of items.

‘Japan Inc shoots itself in the foot’ *Financial Times* July 9th 2010

How Kawasaki gave away technology for its bullet trains to a Chinese partner. That partner is not only now building trains for the Chinese market but actively competing with Kawasaki in international markets. The dangers of strategic alliances.

‘Crisis and climate force supply shift’ *Financial Times* August 10th 2009

The movement from global to regional chains. As transport costs go up, firms become more concerned over environmental impact, differences in wage rates decline and speed of delivery becomes more important, firms are turning to suppliers closer to them.

‘Delays to 787 will hurt Boeing’ *Financial Times* April 10th 2008

The problems that Boeing has faced as a result of outsourcing its supplychain. The difficulties of co-ordinating production activities of a complex product across many countries.

‘The New Jobs Migration’ *The Economist* February 21st 2004

An article that explains the economic justification of off-shoring. Article demonstrates that off-shoring is just another example of the theory of ‘comparative advantage’ in practice. Therefore suggests that both countries involved in off-shoring will benefit.

‘Deals from Shore to Shore’ *Newsweek* May 31st 2004

A short clipping that suggests not only American firms are engaged in offshoring but increasingly Indian and Chinese firms are also engaging in the activity.

LESSON GUIDE WEEK 3 Week beginning September 18th 2019

CLASS 1: LECTURE TOPIC - MANAGING INTERNATIONAL HUMAN RESOURCES

Lecture focuses on key areas of HRM, applied to a Multinational context.

- * Selection, retention, repatriation
- * International Training and Development
- * Compensation
- * Labour Relations

CLASS 2: CLASS ACTIVITY: ROLEPLAY - YOU ARE THE MANAGER

In this exercise two students from each group will be required to participate in a brief role-play exercise. One student will play the role of manager within a multi-national enterprise. The other student will play the role of employee within the same organisation.

A number of scenarios will be put forward where the manager is required to meet with the employee. Both parties in the roleplay will have been briefed on their 'parts' and what they hope to gain from the meeting. It is expected that each role-play will last no longer than five minutes. At the conclusion of each roleplay exercise the class as a whole will discuss the situation. The manner in which the 'manager' handled the particular situation will be analysed

Details of each scenario will be provided immediately prior to the roleplay. There is very little preparation you can carry out for this exercise prior to class, apart from doing the required reading.

Required Reading:

Hill and Hult: Chapter 17 'Global Human Resource Management'

Suggested Reading:

From Bartlett and Beamish

Reading 4-1 'Managing multicultural teams' by Jeanne Brett, Kristin Behfar and Mark Kern

Reading 4-2 'Managing executive attention in the global company' by Julian Birkinshaw, Cyril Bouquet and Tina Ambos

‘A World of Work: a survey of outsourcing’ *The Economist* November 13th 2004 pp.1-16

Additional Material on Moodle:

‘Ford transfers expat executives from struggling China business’ *Financial Times* May 5th 2019

Ford plans to remove most of its expatriate workers from its Chinese business and replace them with host country workers.

‘Diversity Fatigue’ *The Economist* February 13th 2016

How organisations have been trying to incorporate diversity into their workforce, but how this has led to some degree of diversity fatigue. How making diverse workplaces work and tips for cross-cultural integration are discussed.

‘Not so happy returns’ *The Economist* November 15th 2015

The problem of repatriation and how bringing back expats is often a missed opportunity for MNC's who fail to get the best from returned employees.

‘Untapped Talent’ *The Economist* July 7th 2012

How women are routinely discriminated against in Asian firms - and the opportunities this provides to non-chauvinist firms.

‘Foxconn When workers dream’ *The Economist* December 15th 2012

Challenges facing Foxconn as it grows - namely a shortage of workers and narrow profit margins. Talks about the mix of strategies and HRM related policies Foxconn is using.

‘A tale of two Expats: business in China and the West’ *The Economist* 1st January 2011

A comparison of the lifestyles and challenges facing a Chinese expat in the West and a Westerner in China. Suggests that the Chinese party is at a disadvantage as they often work for SOE's and have few benefits and will suffer from reduced career opportunities.

‘Asia’s Skill Shortage’ *The Economist* August 18th 2007

The problems that an Asia-wide skills shortage is having on firms trying to expand. Firms lack qualified applicants and if they find them, they are often poached by competitors. Poor education systems are struggling to keep up with employers needs.

‘Made in China’ *China Daily* September 3rd 2007

Story on how MNC's are increasingly using mainland born executives to lead their Chinese operations. Funny cartoon.

Culture simulation training exercise example

Who manages MNC's? (Diagram)

'Ideal background'

Result of research conducted amongst senior HR executives on the qualities that they are looking for in candidates they are considering sending overseas.

LESSON GUIDE WEEK 4 Week beginning September 25th 2019

CLASS 1: LECTURE TOPIC - 'MANAGING INTERNATIONAL MARKETING ACTIVITIES'

- * Assessing international markets
- * Understanding differences between markets
- * Developing an international marketing mix
- * Standardisation versus localisation of marketing activities

This class will be supported by a video presentation: The tape looks at a variety of both localised and globalised ads, another interesting video you may want to look at is "Branding: the marketing advantage" particularly a small section of the tape dealing with globalisation of branding. If you wish to view the tape, the full series is available in the library, call number: AVV 658.827 BRAN

CLASS 2 : CASE STUDY – MINOLTA CAMERA

Required Reading:

Hill and Hult: Chapter 16 'Global Marketing and Research and Development'

Suggested Reading:

'The globalization of markets' by Theodore Levitt (1983), Harvard Business Review, 61 (May/June), p 92-102.

Additional Material on Moodle:

'Backseat drivers point the way for China's luxury carmakers' May 24th 2017 *Financial Times*

How luxury carmakers need to adapt their cars for sale in China.

'Ethnocentric, Polycentric, Geocentric'

A comparison of the alternative strategic views, and their advantages and disadvantages.

'Chinese consumers from noodles to poodles' *The Economist* July 2nd 2016

Changes in China's consumer culture. The growth of a middle class and the desire for healthier organic products. Shows how consumer culture changes over time and how managers need to be responsive to these changes.

'Mercedes Keeps Its Eye on the Back Seat' *Businessweek* May 20th 2013; 'New models made exclusively for China' *Financial Times* January 2nd 2009 and 'Made for China' *Newsweek* 18th October 2010

How Mercedes operates in China which is a very major market. Rationalising distribution channels and adapting the product through adding to the back seats etc. The FT article discusses how VW amongst others is designing cars specifically for the Chinese market and Newsweek looks at how other Western firms are looking to China for future growth and designing products specifically for the Chinese market.

'Africa - Stalking the Wild Copycats' *Business Week* August 18th 2008

How many products, even small low value items such as toothbrushes and shoe polish, are being counterfeited by Chinese manufacturers and sold in African markets.

'How Global Brands Compete' *Harvard Business Review* September 2004

Longish article that discusses the challenges of managing 'global brands'. Presents results from worldwide research on how consumers perceive global brands, why they buy them and the reservations they have about them.

<p style="text-align: center;">LESSON GUIDE WEEK 5 Week beginning October 2nd 2019</p>

CLASS 1: LECTURE TOPIC: 'INTERNATIONAL FINANCIAL MANAGEMENT'

- * Managing global cash flows
- * Foreign exchange risk management
- * 'Hedging' strategies
- * Capital expenditure analysis and capital budgeting

CLASS 2: EXERCISES IN INTERNATIONAL FINANCIAL MANAGEMENT

This class will present some practical applications of the theory covered in the lecture. These will be completed on an individual basis, although I do encourage you to assist your group-mates. Although we only have one class to cover these examples, hopefully they will give you some flavour of how some methods of 'international financial management' actually work.

Please bring your calculator to this class.

Required Reading:

Collinson *et al.*: Chapter 16 'International Financial Management'

Additional Material on Moodle:

'Corporate taxation still slipping the net' *The Economist* 10th October 2016

How governments are trying to prevent the use of tax havens, but are still being outsmarted by MNC's.

'The Missing \$20 Trillion' *The Economist* February 16th 2013

The continued use of tax havens by multinationals - and not all havens are tropical islands, but many are larger countries or states.

'Corporate taxation wake up and smell the coffee' *The Economist* December 15th 2012

How companies like Starbucks, Google and Microsoft are using transfer pricing and other methods to limit their tax liability in some markets. How countries like the UK and US are looking to tackle this.

‘How smart companies avoid getting burned by Dollar swings’ *Fortune* July 4th 2011

How firms can use a mix of hedging and lead and lag strategies in order to cope with exchange risk.

‘Tax Havens Trouble Island’ *The Economist* October 15th 2011

How the existence of tax havens is being threatened by public anger and by shareholders who question the ethics of their use.

‘Strong Swiss Franc Knocks Nestle Sales’ *Financial Times* October 21 2011

The impact of translation risk on the profits of nestle.

‘Japanese Manufacturers Grapple with Euro’s Fall’ *Financial Times* October 26th 2011

How Japanese companies have been hurt by the rise of the Yen against the Euro and some of the strategies they are taking to deal with the currency risk.

LESSON GUIDE WEEK 6
Week beginning October 9th 2019

CLASS 1: LECTURE TOPIC - MANAGING INTERNATIONAL INFORMATION TECHNOLOGY SYSTEMS

- * The need to maintain control over international operations
- * Non-technology based approaches to international control
- * Appropriate uses of information technology in maintaining control
- * The use of the internet, intranets and extranets by MNC's.
- * Dangers of using information technology in the control process

Examples will be provided from both the hotel and advertising industries of how MNC's are employing information technology to control international operations.

CLASS 2: MID-TERM TEST

The mid-term test will be arranged on this date.

At the conclusion of the test I will ask you to complete a short mid-term evaluation.

Required Reading:

Bartlett and Beamish: Chapter 5 'Creating worldwide innovation and learning: exploiting cross-border knowledge management'

Suggested Reading:

From Bartlett and Beamish

Reading 7-2 'Tap your subsidiaries for global reach' by Christopher A. Bartlett and Sumantra Ghoshal

Reading 5-3 'Finding, forming and performing: creating networks for discontinuous innovation' by Julian Birkinshaw, John Bessant and Rick Delbridge

Case 5-3 'McKinsey and Company: managing knowledge and learning' by Christopher Bartlett

Additional Material on Moodle:

'Technology in India' *The Economist* December 15th 2007

The threats facing the Indian IT sector. Rupee appreciation, infrastructure concerns closing tax breaks, rising salaries, new competitors etc.

<p style="text-align: center;">LESSON GUIDE WEEK 7 Week beginning October 16th 2019</p>

CLASS 1: LECTURE TOPIC ‘DOING BUSINESS IN THE EUROPEAN UNION’

This year the ‘doing business in.....’ section of the course will be student-led, with student groups responsible for ‘teaching’ the class and presenting the relevant materials. With guidance from the course lecturer the student groups will present information on the economic and business environment of their designated area, and also comment on the opportunities and challenges facing MNC’s operating in the region. Each student group will provide a hard copy summary for each student of the class material they have prepared.

CLASS 2: THE IMPACT OF BREXIT

Required Reading:

Collinson *et. al*: Chapter 17 ‘European Union’

Additional Material on Moodle:

‘Hello kitty ruling claws back benefits of cross-border sales within the EU’ July 10th 2019

How the EU stopped Sanrio from making individual country specific sales agents and versions of hello kitty within the EU.

‘China Relations with the EU’ *The Economist* July 21st 2018

Given that Trump is aggravating everyone, what does this suggest for relations between China and the EU?

‘European business getting its fizz back’ *The Economist* June 17th 2017

Rising business confidence for European business.

‘The future of the European Union’ *The Economist* March 25th 2017

This is a copy of the cover page only. The full special report is available directly from me. It deals with some of the political and economic issues facing the EU in years ahead.

‘Beijing set to become world’s largest investor’ *Financial Times* 15th June 2015

Predictions of China's future outgoing FDI growth. Although small at the moment it is increasing quickly and much of it will happen in Europe especially the UK.

‘Is Europe Turning Japanese’ *Wall Street Journal Asia* November 2013

How deflation and demographics in Europe are starting to look increasingly like what happened in Japan.

‘Chinese Companies Cite Europe Related Obstacles’ *Wall Street Journal* February 5th 2013

The difficulties that Chinese firms face when operating in Europe. First are difficulties with visas, second tax and accounting issues.

‘European Entrepreneurship’ *The Economist* July 28th 2012

The difficulty that Europe has in terms of future competitiveness due to the failure to encourage and develop entrepreneurs.

‘Business and the Euro Crisis’ *The Economist* October 8th 2011

How the Euro crisis is impacting businesses across Europe in terms of their financial management, expansion plans and availability of credit.

‘Why Europe will win’ *Newsweek* April 26th 2010

How European companies are actually globally competitive - with figures to show they dominate world business to a greater extent than US firms. Firms have a much higher export share of sales than competitors in US, Japan or BRIC's

LESSON GUIDE WEEK 8
Week beginning October 23rd 2019

CLASS 1: LECTURE TOPIC - DOING BUSINESS IN JAPAN

The 'doing business in.....' section of the course will be student-led, with student groups responsible for 'teaching' the class and presenting the relevant materials. With guidance from the course lecturer the student groups will present information on the economic and business environment of their designated area, and also comment on the opportunities and challenges facing MNC's operating in the region. Each student group will provide a hard copy summary for each student of the class material they have prepared.

CLASS 2: CASE STUDY - KIRIN BEER

Please read the above case, and be prepared to discuss the following questions:

- (1) **What external industry changes have caused Kirin to lose market share?**
- (2) **Compare Kirin to Asahi. What are their generic strategies? What are their core competencies? (Please ask if you do not understand these terms).**
- (3) **What strategies are Kirin using to regain lost market share? How effective do you think these will be?**

Note that this case is 'exam-eligible'

Required Reading:

Collinson *et al.*: Chapter 18 'Japan'

Additional Material on Moodle:

Kirin Beer Case Study (please read before class)

'Proxy resignation service' *Financial Times* 14th December 2018

The emergence of 'resignation services' in Japan which employees use to communicate their resignation to employers rather than face the embarrassment of telling them directly.

'Japanese Women and Work' *The Economist* March 29th 2014

The unchanging role of women in Japanese corporate life. How this hurts the economy and the competitiveness of Japanese firms.

‘Japanese Electronics firms eclipsed by Apple’ *International New York Times* July 12th 2014

How the Japanese electronics industry has faltered, explaining the product and market failures of the leading firms. How they are attempting to restructure and turn things around.

‘The New Improved Keiretsu’ *Harvard Business Review* September 2013

How the keiretsu system has changed in Japan and how it has evolved over time.

‘Zen and the art of carmaking’ *The Economist* June 16th 2012

How Japanese firms have historically been much better at manufacturing products rather than marketing them.

Employment in Japan’ *The Economist* January 5th 2008

Briefing on the changing nature of Japan's employment system. How many of the old traditional habits such as life-time employment are being gradually phased out.

‘Japanese Business: gaijin at the gates’ *The Economist* August 18th 2007

How foreign capital is being introduced into Japan not so much for the cash but for the hope that foreign pressure can reform companies and industries to make them more efficient.

‘This nation is an island’ *Newsweek* May 12 2008

An analysis of the impact and the causes of a lack of incoming FDI to the Japanese economy. Suggests that lack of incoming investment is harmful for Japan, but this is difficult to change as cultural factors limit acceptance of foreign ideas and capital.

LESSON GUIDE WEEK 9
Week beginning October 30th 2019

CLASS 1: LECTURE TOPIC - DOING BUSINESS IN NORTH AMERICA

The 'doing business in.....' section of the course will be student-led, with student groups responsible for 'teaching' the class and presenting the relevant materials. With guidance from the course lecturer the student groups will present information on the economic and business environment of their designated area, and also comment on the opportunities and challenges facing MNC's operating in the region. Each student group will provide a hard copy summary for each student of the class material they have prepared.

Note that the text-book is of limited use in this particular class. That is because in discussing North America it looks at Mexico and Canada in detail but doesn't talk about the United States! This is because the book was written for a primarily American audience and it is assumed they are already familiar with the U.S.

CLASS 2: VIDEO EXERCISE: MUSTANG JEANS

This class will utilise a video presentation named 'Mustang Jeans'. The situation is that of a Japanese buyer coming to the United States to meet with a jeans company which is a potential supplier. Students will be given a fuller summary of the situation from the perspective of either the Japanese or the American party. Opposing groups will be asked to roleplay the meeting. The video will then demonstrate how the meeting actually went when played by American and Japanese actors.

The purpose of the exercise is to demonstrate:

- * Different ways of negotiating styles in different countries
- * Cross-cultural communication problems
- * Comparison of North American and Japanese ways of doing business

There is no preparation for student groups required for this exercise. However, you will be expected to participate in the role-plays.

Required Reading:

Collinson et al.: Chapter 19 'North America'

Additional Materials on Moodle:

'A new kind of cold war' *The Economist* May 18th 2019

The challenges in the U.S. and China relationship, which are technological and economic in nature but may progress to military if not managed carefully. Introduction to the special report.

'Canada breaking a few eggs' *The Economist* June 16th 2018

The impact on Canada of increasing U.S. trade hostility.

'Chinese-American economic ties' *The Economist* April 1st 2017

The challenges in the most important economic relationship in the world - that between the U.S. and China. How America is taking a harder line with the Chinese.

'NAFTA Redesigning the North American home' *The Economist* July 22nd 2017

The renegotiation of NAFTA under President Donald Trump. The major issues to be discussed.

'The America That Works' *The Economist* March 16th 2013

The cover and first page of a survey of U.S. competitiveness. Suggests although the political system may be broke there are core strengths in education, business and innovation the country can build upon.

'There's no quit in Michael Porter' *Fortune* October 29th 2012

A profile of Michael Porter and a summary of some of his latest work on North American competitiveness.

'The Cartel Problem: Mexico's Economy' *The Economist* August 27th 2011

The problems facing Mexico's economy, an over-reliance on the US, cartels and an unstable government amongst them and some suggestions on how these problems should be tackled.

LESSON GUIDE WEEK 10 Week beginning November 6th 2019
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CLASS 1: LECTURE TOPIC - DOING BUSINESS IN EMERGING ECONOMIES

The 'doing business in.....' section of the course will be student-led, with student groups responsible for 'teaching' the class and presenting the relevant materials. With guidance from the course lecturer the student groups will present information on the economic and business environment of their designated area, and also comment on the opportunities and challenges facing MNC's operating in the region. Each student group will provide a hard copy summary for each student of the class material they have prepared.

Once again, the textbook is of limited value for this particular lesson. The text does a good job of explaining economic and market conditions in several developing nations, however it is already a little out of date in some areas and in any case I do not expect you to memorise this kind of detail. In the class we will therefore focus on more generalised aspects of the challenges of operating in emerging economies. (Note: The book talks about the 'double-diamond' framework in this chapter. **Understanding of that framework is not required for this course.**)

CLASS 2: EXERCISE: MARKETING IN EMERGING ECONOMIES

Read the attached article 'Slim Pickings for the global brand in India'

Prior to class prepare and be ready to discuss the following questions:

1. Why have many of the big Western consumer goods firms been less successful in India than they would have hoped?
2. Kiwi products, manufacturers of shoe polish, are thinking of entering the Indian market. What advice would you give to this firm regarding its marketing strategy before it enters the market?

In class we will work further on the Kiwi example. Students will be asked to consider a particular aspect of the firm's marketing strategy. Short presentations of the results of group discussions will be required.

Required Reading:

Collinson *et al.*: Chapter 20 'Emerging Economies'

Suggested Reading:

From Bartlett and Beamish:

Reading 8-2: 'Serving the world's poor profitably' by C.K. Prahalad and Allen Hammond

Additional Materials on Moodle:

'Tech wars FAANGS vs BATS' *The Economist* July 7th 2018

The battle between western and Chinese companies to build share in emerging markets.

'Multinationals ignore India's bottom billion at their peril' *Financial Times* October 31st 2016

The difficulties of operating in India and problems MNC's have with the 'last mile' problem. How many have decided to go for currently affluent consumers - why this may be a mistake.

'Amazon Invades India' *Fortune* 1st January 2016

Amazon's attempts to enter the Indian market and a report on the potential of that market - unlike China which is considered already to difficult. Reporting of the competitive status of local competitors.

'Is Africa's rise for real this time?' *Fortune* September 2014

The rise of Africa and the suggestion that it is the next Asia in terms of being primed for rapid economic growth.

'Business in emerging markets submerging hopes' *The Economist* March 8th 2014

Many western MNC's piled into emerging markets in the past two decades. However in terms of profits, the returns have been mediocre and many have lost everything. A discussion of the difficulties operating in emerging markets, both past and future.

'The journey of an Indian Onion' *The Economist* December 14th 2014

Using the example of onions, article shows the inefficiencies in India's food supply chain and the difficulty that MNC retailers have in getting fresh produce in their stores.

'Africa and China: more than minerals' *The Economist* March 23rd 2013

The impact of Chinese investment in Africa, which the article says is now about more than just minerals. Suggests threats of colonialism have been overdone and China has been a positive force in many ways.

‘Unilever taking on the world’ *Businessweek* January 7th 2013

The success of Unilever in merging markets as compared to competitors such as P&G and Nestle. A mix of global products with local execution is reported on.

‘The best since sliced bread’ *The Economist* January 19th 2012

Report by the BCG listing the biggest emerging market MNC's. Traces how these firms are developing, the industries they compete in and the countries they compete in. Shows signs of increasing diversity in both the aforementioned.

‘The emerging world consumer is king: mammons new monarchs’ *The Economist* January 5th 2013

The increasing importance of the emerging market middle classes and why so many consumer brands are focused on them. How they are adapting products to fit these markets.

‘Trading Up’ *Time* November 7th 2011

The growing amounts of South-South trade and how this makes the role of the West in the global economy much less important.

‘The new global opportunity’ *Fortune* July 5th 2010

An examination of doing business in 'third-world' markets. How to make profits from these emerging economies and how MNC's can best compete in these areas. Ideas of how to compete at the bottom of the pyramid. Example of how a British firm designed a product for developing markets’

‘Russia’s economy’ *The Economist* June 6th 2009 and ‘How Russia Lost its Mojo’ *Newsweek* October 25th 2010

A report on Russia's economy in the aftermath of the credit crunch. Why the falling oil price and the lack of credit has been such a problem for Russia and the surprising fact that the economic problems don't seem to have caused any political instability.

‘Emerging Market Multinationals’ *The Economist* January 12th 2008

The growth of MNC's from the emerging markets. How they are buying into developed markets and the strategic advantages that these developing country MNC's have. Examples include Chery, Tata and Embraer.

‘Slim Pickings for the global brand in India’ *Financial Times* 12 June 2002 (please read before class).

Yes, I know this is really, really old! Discusses the problems that multinational firms have faced in expanding into India. Suggests some of the ways in which they need to adapt their approach for developing markets if they hope to be successful there.

‘Why Selling to the Poor makes for Good Business’ *Fortune* November 15th 2004

Excerpt from a best-selling book by academic by C.K. Prahalad. Suggests that MNC’s need to recognise that ‘the poor’ make up the bulk of the world’s market. Suggests ways of competing by selling to ‘poor’ consumers and the benefits this can bring.

LESSON GUIDE WEEK 11 Week beginning November 13th 2019

CLASS 1: LECTURE: DOING BUSINESS IN CHINA

The 'doing business in.....' section of the course will be student-led, with student groups responsible for 'teaching' the class and presenting the relevant materials. With guidance from the course lecturer the student groups will present information on the economic and business environment of their designated area, and also comment on the opportunities and challenges facing MNC's operating in the region. Each student group will provide a hard copy summary for each student of the class material they have prepared.

CLASS 2: VIDEO CASE ON DOING BUSINESS IN CHINA

We will work on a video based case illustrating the challenges of operating in the Chinese mainland.

Required Reading:

Collinson *et al.*: Chapter 21 'China'

Suggested Reading:

'The China Price: the true cost of Chinese competitive advantage' Alexandra Harney *The Penguin Press* 2008

Additional Materials on Moodle:

'Can Pandas fly' *The Economist* February 23rd 2019

Some of the economic problems facing China and how it is tackling them. How government policy might be causing difficulties for businesses and economic growth.

Planet China; *The Economist* July 28th 2018

What is meant by the belt and road initiative and the impact it will have on the countries that are part of it.

'China and the West' *The Economist* March 3rd 2018

How China has turned into a capitalist society in many ways, but still one under strict one-party rule with central control of economic policy. How the West can deal with this.

‘Innovation takes off in China’ *Fortune* December 1st 2017

How China is taking the lead in a number of technological sectors with the help of abundant local VC firms.

‘China loses its allure’ *The Economist* January 25th 2014

The trends of consumer behaviour in China where they are becoming ever more informed, demanding, and less brand loyal. The difficulties this is causing for multinational firms.

‘China is really big: its brands, not so much’ *Businessweek* July 30th 2012

The attempts by Chinese brands to develop international stature. The challenges they face and the steps some of the larger firms have successfully taken.

‘The end of Cheap China’ *The Economist* March 10th 2012

The rising cost of manufacturing on China's coastal cities - but the problems and difficulties of moving further inland. How Chinese firms need to be moving further up the value chain.

‘China Rounds Up The Usual Suspects’ *Businessweek* October 31st 2011

The difficulties that MNC's face operating in China. Focus on Walmart, but general comments that there is an unfair playing field within China.

‘The Rising power of the Chinese Worker’ *The Economist* July 31st 2010

How the Chinese labour market has changed over the past few years. How wages are rising and protests and strikes are increasing. How this has led to increased consumer spending.

‘Name a global brand that is Chinese’ *Newsweek* 27th July 2009

Why China despite its manufacturing success has had difficulty establishing brand names well known in Western markets. How the Chinese government is encouraging firms to brand and innovate and the obstacles that stand in the way of this happening.

‘China’s next revolution’ *The Economist* 10th March 2007

China's 2007 revision of laws to allow for private property rights. How this could have big implications for its future economic development but will likely be limited by poor

enforcement.

‘Why China Works’ *Fortune* 19th January 2009

An article looking at China's system of government and how and why the high levels of state control have been so effective and why the government model has been better than pure market adherence systems.

‘China’s new cultural revolution’ *Fortune* 28th May 2007

A discussion of how Chinese consumers are becoming increasingly nationalistic in their tastes after years of admiring all things western. Looks at a number of industry examples and discusses how firms - both Chinese and Western - can respond to this change.

‘China above the law’ *Newsweek* 19th February 2007

Commentary on how China has been able to maintain its economic growth despite a poorly functioning legal system. How firms get around the weaknesses in the system and what the government does to maintain a business friendly environment despite weak legal protections.

LESSON GUIDE WEEK 12
Week beginning November 20th 2019

CLASS 1: ETHICS IN INTERNATIONAL BUSINESS

- **The increasing pressures for ethical compliance**
- **The major ethical issues facing MNC's**
- **Universal versus relativist approaches to international ethics**
- **Strategies for achieving ethical compliance**

This class on international business ethics is especially important. Attendance is mandatory. Failure to attend this class will result in penalties being assessed..

CLASS 2: CASE STUDY DISCUSSION: NESTLE INFANT FORMULA

Please make sure that you have read the case. Be prepared to discuss the following questions;

1. List all the ways in which Nestle is promoting its products in developing markets.
2. List the ways in which the use of Nestle's infant milk powder is harming babies in developing countries.
3. What criticisms are opponents of Nestle making against the company?
4. How does Nestle justify its actions?
5. Do you think Nestle is behaving ethically?
6. If your group was the Board of Directors of Nestle what action would you recommend the firm to take with regard to its infant formula business in developing markets.

Required Reading:

Collinson *et al.*: Chapter 11 'MNE's as Responsible Stakeholders'

Suggested Reading:

John B. Cullen 'Multinational Management: a strategic approach' Chapter 15 *Managing Ethical and Social Responsibility Challenges in Multinational Companies*' (on short term reserve in library)

From Bartlett and Beamish:

Reading 8-1: 'Values in tension: ethics away from home'

Additional Material on Moodle:

Nestle Case Study (please read before class). You may also want to visit the Nestle website to see what they have to say about the milk powder controversy.

http://www.nestle.com/Our_Responsibility/Infant_Formula/Charter/The+Charter.htm

'Chinese Burn' *The Economist* April 6th 2019

How companies like Google have to be aware of ethical issues in dealing with China as America and investors take a hard look at the behaviour of companies there,

'Selling soap and saving the world' *Fortune Magazine* March 1st 2017

How Unilever runs a policy of being ethical and moral across all their businesses - does this hurt the firms bottom line?

'Social Saints Fiscal Fiends' *The Economist* January 2nd 2016

Can companies who make use of tax sheltering really claim to be socially responsible?

'Workplace safety Avoiding the fire' *The Economist* May 4th 2013

How MNC's are responding to the factory collapse in Bangladesh. They can do this either by trying to improve working conditions there - which is very difficult - or by moving to another location.

'Working conditions in Factories' *The Economist* March 31st 2012

How western companies have responded to repeated claims to improve working conditions in overseas factories. Using examples including apple and nike shows how effective these calls have been and how they have raised working conditions more

generally.

‘Good business, nice beaches’ *The Economist* May 19th 2012

The changing face of CSR away from being a charitable way of making amends for being a business to a new perception of how to do well while doing good and making money.

‘The Corruption Eruption’ *The Economist* May 1st 2010

Results from a study that shows that firms who refuse to pay corruption in their international operations really do better than those which pay. Discusses the motives for corruption, but also outlines some of the factors that make corruption ever more risky.

‘Ethical Rules impose perverse incentives’ *Financial Times* January 30th 2009

How companies who use strict ethical policies when sourcing goods from India are forced to buy only from full-time factory workers who tend to be male and work in mechanised plants. Lower paid female home-workers cannot get jobs as a result.

‘Global Business: Corporate Social Responsibility’ *Newsweek* June 23rd 2008

Two stories one about monitoring standards in factories in China and the other about how Coke is trying to become 'water-neutral'. The first one shows how managers in Chinese factories are forced to cheat on ethical audits.

‘Accounting for Accountability’ *Fortune Magazine* November 12th 2007

The Fortune Accountability index and how it is computed

‘Drug testing goes offshore’ *Fortune* August 8th 2005

How MNC’s have moves testing of new medicines to developing countries where costs are lower and the threat of lawsuits much more controllable. Questions whether it is ethical to be testing new drugs on poor people who have little way to seek compensation should the tests damage their health.

‘Cops of the Global Village’ *Fortune* June 27th 2005

How contrary to the ‘race to the bottom’ theory globalisation may actually be forcing companies to improve their environmental and ethical standards. An interesting alternative viewpoint.

‘Milk Powder makers Accused Over Africa’ *Financial Times* January 18/19th 2003

An update on the marketing practices of milk powder manufacturers in Africa. Suggests

that many of the unethical procedures being adopted in the 1970's are still being carried out today.

‘Money and morals at GE’ *Fortune* November 15th 2004

One of the world’s biggest companies, GE, has made social responsibility a major plank of its business strategy. The article discusses why ethics has become more important in recent years and outlines how GE has tried to make each of its businesses more socially responsible.

<p style="text-align: center;">LESSON GUIDE WEEK 13 Week beginning November 27th 2019</p>

CLASS 1: LECTURE TOPIC - FUTURE ISSUES IN INTERNATIONAL BUSINESS

- * Changing political and economic climate of international business
- * Developments in international business theory
- * Review of current issues in international business
- * Career development in international business: employment prospects and recruitment requirements

CLASS 2: EXAMINATION REVISION AND PREPARATION

There will be a review of the course in preparation for the exam. In that regard students are advised to consider and prepare any questions that they have about the course materials and core concepts.

Previous examinations are available to consult in the library. I will also prepare a ‘mock exam’ paper that will be distributed during the class. The mock will be identical in format to the final exam. It should also give an indication to the style of the examination and the degree of difficulty of the questions. Please note that the appearance of a particular subject area on the mock exam has absolutely no connection with whether that same subject area will appear on the final. Topics on the mock may or may not appear on the final exam.

Note that this session is intended for revision of the topics covered on the course. It will also address details regarding the format and structure of the examination. Please do not expect that the class will give ‘tips’ as to what is on the examination paper.

During this session students are also requested to complete the course and teacher evaluation forms.

Required Reading:

No required reading

Additional Materials on Moodle:

Obviously this section will need to be updated as the term progresses! However, three long term trends impacting the future of international business are discussed in the articles below; first the return of economic nationalism, and then alongside this the collapse of world trade talks.

‘What scares the world’ *Fortune* March 1st 2019

A poll of major global concerns cited by experts - climate change, weather and cyber attacks dominate

‘The consensus crumbles’ *The Economist* July 2nd 2016

How the consensus about the benefits of free trade and globalisation has been broken since the economic crisis. How some economists predicted this and what they see as need to be done to put globalisation back on track.

‘WTO warns against global rise in protectionism’ *Financial Times* June 22nd 2016

The WTO issues warnings against rising trade barriers which have coincided with falling levels of trade.

‘An inconvenient truth about free trade’ *Business Week* April 1st 2016

The downsides of free trade and its negative impact on certain groups of workers. How governments could compensate the losers, but generally fail to do so.

‘World Trade Becalmed’ *The Economist* September 19th 2015

The slowdown in world trade in recent years and its causes. The problems it is causing particularly for commodities exporters like Brazil and Indonesia.

‘Farewell to the age of free trade’ *Business Week* 12th December 2013

Suggests that an age of freer trade and more investment is coming to an end partly for political reasons and also partly due to new technologies which encourage firms to keep activities inhouse and nearby.

Examples of previous exam papers. The format of the final exam will be like that in previous years.