

International Business

SEMS 3500-501/502

SEMESTER AT SEA COURSE SYLLABUS

Voyage: Spring 2013

Discipline: Business

Course Title: International Business

Division: Although this course will be more beneficial to upper division business students, it will be taught in a manner that can be taken by all business students.

Faculty Name: Brent B. Allred

Pre-requisites: Since this course has not specifically been designated as an upper division course, there are no particular pre-requisites, but is primarily intended for business students. Students that have already taken core business courses, such as Accounting, Strategy, Marketing, Finance, and/or Operations will have an advantage. Students that have not yet taken these courses should not be discouraged from taking this course

COURSE DESCRIPTION & OBJECTIVES

International Business will expose undergraduate business students to the fundamental principles applicable to managing in the global business environment. This course is structured as a seminar and will go beyond what is found in a traditional survey course of international business in both content and approach. We will cover topics such as the nature of international markets, global trade, investment and financial exchange, and the operation of international business functions, with a strong emphasis on the strategy and structure of global business. We will regularly draw upon our experiences and insights at each port of call to further explore the issues of global business.

This course relies heavily on the *case method*, used by top business schools. This method facilitates a student's broad exposure to the multi-dimensional issues involved in the strategic management of different kinds of firms and the problems they face. In order for this method to be most effective and provide the greatest learning experience, active student participation is expected.

REQUIRED TEXTBOOKS

AUTHOR: Charles Hill

TITLE: Global Business Today

PUBLISHER: McGraw Hill

ISBN #: 978-0078137211

DATE/EDITION: 2010, 7th Edition

COST: The Amazon.com price seems to vary between \$120 - \$130. The Amazon Kindle ebook version runs for less than 70% of this price. Students can also use the international edition [ISBN: 978-0071220842], which is available on Amazon.co.uk for about \$60, including shipping to the US. It is also available on Amazon.com for even less. The content of this edition should be very similar to the US version. If you pursue this option, make sure you give yourself enough time to receive if it is being shipped from the UK.

You will also need to purchase a case pack at: <http://cb.hbsp.harvard.edu/cb/access/15711100>. The cost of this pack is less than \$20 and students are encouraged to purchase and download/print these cases before arriving onboard.

TOPICAL OUTLINE OF COURSE

Session Topic/Assignment

A1 Introduction and Overview

A2 Globalization (Ch.1)

A3 Country Differences (Ch. 2 & 3)/Current Event

A4 Global Strategy (Ch. 11)

Cross Cultural Simulation – Tuesday, January 22, 2013 (*Study Day*)
9:30 – 12:00 (for 8:00AM section), 12:00 – 2:30 (for 9:25AM section)

A5 Internal Analysis/External Analysis (Posted Readings)

A6 Case Discussion: *Hong Kong Disneyland* (Case Pack)

A7 International Trade Theory (Ch. 5 & 6)

Sec. 1 Field Lab – Visit to Hong Kong Disneyland

A8 The Global Monetary System (Ch. 9 & 10)

A9 Case Discussion: Case Discussion: *Unilever in Brazil* (Case Pack) **[EB Due]**

Sec. 2 Field Lab – Ho Chi Min City/Can Gio Reserve

A10 International Expansion (Ch. 12 & 13)

A11 Case Discussion: *McDonalds in India* (Posted)

- A12 Investment & Regional Integration (Ch. 7 & 8)
- A13 Case Discussion: *Outback Goes Int'l* (Posted) [**EB Due**]
- A14 Panel/Presentation
- A15 Case Discussion: *Wal-Mart and Bharti: Transforming Retailing in India* (Case Pack), **Field Lab Assignment Due**
- A16 Global Functions (Ch. 14, 15, & 16)
- A17 Case Discussion: *Nike's International Labor Practices* (Case Pack) [**EB due**]
- A18 International activity/exercise
- A19 Group Project Work Day
- A20 **Group Presentations – Group Projects Due**
- A21 **Group Presentations**
- A22 International Activity/Exercise
- A23 Course Wrap-up

Case Pack = cases to be at: <http://cb.hbsp.harvard.edu/cb/access/15711100>. Posted = this material will be posted online. EB = Executive Brief are due on these dates.

FIELD LAB

There is a different Field Lab for each section of this course. The Field Lab for Section 1 is been scheduled for Hong Kong and Section 2 is in Ho Chi Min City, Vietnam. These Field Labs will include visits to businesses to explore the issues associated with the challenges of doing business in their own country and the global economy. Below is a brief description of each Field Lab and the associated assignments.

Section 1 Field Lab: Vietnam has been rising in its importance as an Asian Tiger. Its location and cost advantages have resulted in it competing with larger Asian economies, such as Japan and China in various industries. As with China, Vietnam has embraced many free market philosophies, while retaining its communist political structure. This presents interesting challenges and opportunities for businesses doing business in Vietnam. One such challenge for businesses and the country is how to balance globalization and growth while maintaining the fragile environment. For this Field Lab, we will be visiting the Can Gio Reserve, a coastal wetlands ecosystem dominated by mangroves. Home to a wide variety of plants, fish, birds and

invertebrates, the area represents one of Viet Nam's most rich and diverse natural habitats, but experienced extensive deforestation during the Vietnam War. The natural diversity is threatened by expanding aquaculture activities, primarily of shrimp, which compete other uses of the watershed, and impose substantial externalities on other parties. In addition to exploring the rich natural beauty of the Can Gio Biosphere, participants will visit a working shrimp farm to learn about shrimp aquaculture in the region. Students will explore the impact that the business of shrimp farming has on the sustainability of this region, both economically and ecologically, to better sensitize them to the issues and challenges businesses face when entering developing markets.

Section 2 Field Lab: The globalization of Disney's Magic has not always been easy. The Hong Kong Disneyland is Disney's third major theme park outside of the U.S. (after the Tokyo and Paris Disneyland, and with a new park being developed for Shanghai). Disney has faced various challenges balancing the core Disney Magic with adapting the park to local tastes. In class and prior to this visit, we will explore in depth the development of this park. Once in Hong Kong, we will spend a day at the park. Our visit to the park will include interaction with a park employee and the opportunity to observe and discuss what Disney has done to create its magic for the Chinese market.

For each field lab, a specific written assignment, worth 20% of your grade, will be given where you will be asked to use the knowledge gained from the class to address specific issues related to the field lab, such as making recommendations for the company/organizations visited. More details of this assignment will be provided in class.

As part of this field lab and all port visits, the students are encouraged to keep a journal of experiences and observations regarding how business activities take place in these locations. This journal could draw up on the different port experiences to further apply the concepts from course to the different country and competitive situations observed.

EXECUTIVE BRIEFS

You will be asked to submit three executive briefs for specific cases. The nature of these briefs will be detailed in class and are each worth 11.67% of your final grade (for a total of 35%).

GROUP PROJECT

The major deliverable for this class is a group project. For this project, your group will need to research and recommend whether a given company should enter a specific country market. The details of your company/country assignment will be provided once the groups have been formed. Each group should consist of approximately 5 students.

The nature of this assignment requires that you determine and understand what the current goals, strategies, and capabilities of the company are. You will also need to understand the competitive environment of this company's industry. In addition, you will need to conduct research on the

target country to determine whether the proposed move is appropriate.

The page limit is 15 single-spaced pages, inclusive of all text and exhibits, but not including the title page or references. The form of the final report will be discussed in class. However, it should include:

- An **Executive Summary** (1-2 pages) covering the scope and purpose of the report, together with major recommendations. The summary should be sufficient for the reader to grasp the main findings of the report and only require them to read the body of the report for additional details.
- An **introduction** that covers the scope and purpose of the report in more detail (including terms of reference), a brief overview of the organization, the methodology used in compiling the report, a discussion of any limitations to the report and an overview of the rest of the report.
- A discussion of the **major strategic issues** confronting the organization. This may include an overview of the methods of analysis used to identify the strategic issues. Only the details of the important issues arising from the analysis should be included in the body of the report. Details of any analysis could be contained in appendices. Remember that not all issues are strategic!
- **Analysis** of the general and industry environment, as well as an internal company analysis.
- A **discussion and evaluation of the alternatives** for future strategies for the organization. Strategies should be both realistic and implementable. While this is followed with **recommendations**, remember that you are preparing the report for the Board to make a decision. They will be interested in which course of action you suggest, but ultimately it is up to *them* to make the decision. Make sure the other alternatives are reasonably analyzed in the event they choose not to follow your recommendations. Your recommendations *must* be justified. Significant issues involved in implementing each of the options, particularly the recommended strategy or strategies, must be considered.
- **Appendix.** The use of the various strategic management models and tools can be extremely helpful for this report. Include an appendix to display **exhibits** utilizing relevant concepts, models and tools. These exhibits should be referenced in the body of the report and should be used to provide greater insight and information to the reader.

Your research and analysis should consider the: history of the company, current strategies and recent evolution of strategies, financial performance, core competencies/competitive advantages, organization structure and inter-organizational relationships, competitor analysis, leadership style and organizational culture.

There is a wide variety of databases and other sources of information from which to draw to undertake your project. These include articles in business magazines and newspapers, stockbroker reports, company or organization annual reports and published company histories.

This project will worth 30% of your overall grade. Project groups will also be given 25 minutes to make a presentation to the board of directors (15 minutes for presentation and 10 minutes for Q&A). All students in the group are expected to contribute in the presentation. Class members

not in the group presenting will serve as the board of directors and may be asked to evaluate the quality and effectiveness of the presentation. The paper and presentation are worth 25% and 5% of your final grade, respectively, (for a total of 30%).

In an attempt to address concerns that may arise regarding adequate contribution from all group members, each member will complete a peer evaluation after the project's completion. For the peer evaluation, each team member will provide their assessment of the relative contribution of the team members for the project. Although the input from the group members may be used to raise or lower individual grades on the group project, this appraisal is a zero sum exercise, so the overall average grade of the group will remain the same. While this appraisal system is included to help overcome free rider concerns, I would prefer that any issues and concerns be addressed during the process, rather than afterwards. It is critical that while the group is working on the project, that expectations are clearly communicated to and understood by all members. This should result in satisfactory contributions on the part of all members and a better end result.

METHODS OF EVALUATION / GRADING RUBRIC

This course is not grounded on “right” or “wrong” answers or solutions, but instead gaining a greater understanding of the factors that influence global business and how better to manage in it. Global managers are faced with increasingly complex situations, characterized by uncertainty and risk. The problems or opportunities for an organization are not always obvious and the alternatives for action are seldom clear. For this reason, students are encouraged to be thorough and creative in their preparation and contributions to class discussion and with their assignments.

Class participation plays a major role in the learning experience and your grade, and is expected from all students. Appropriate participation requires that you are not only in attendance, but have read the assignments and prepared any questions assigned for the specific class period. Due to the limited number of class periods, missing even one day can have a significant negative effect on your comprehension of course material and on your participation grade. Excellent preparation and thinking will be obvious through the contributions made in class. The *quality* of the contribution is more important than the *quantity*. Shallow or weak contributions may be detrimental to your participation.

Participation will be graded for each of the case discussions and last day of class. To receive maximum credit for participation, you must be thoroughly prepared for and contribute substantively to the discussion, since your grade will be significantly influenced by your contribution to class discussions. For each case discussion, participation is graded you will be assigned a score between 0 and 5 points. 0 points corresponds to not being in attendance for that session. *Non-participants* are given 2 points for simply attending the specific class period, without any contribution to the discussion. *Basic contributors* receive 3 points and represents satisfactory preparation with limited comments that may provide insight. *Strong Contributors* earn 4 points for contributions that reflect thorough preparation, provide good insight, and may influence the direction of the discussion. *Outstanding contributors* are awarded 5 points and are given to individuals that exhibit great insight and leadership during the discussion and present

arguments that are well supported and persuasive. The participation portion of your grade should not be ignored, since it represents 15% of your final grade.

In addition to the expectation that students are adequately prepared for each case discussion, occasional written homework will be assigned, as indicated on the schedule. In addition, each case will also have a set of questions intended to direct the class discussion. You should be thoroughly prepared for each case, regardless of whether or not it has been assigned as homework. Written assignments must be completed and turned in during the class for the day assigned. No late assignments will be accepted.

GRADING:

Final grades will be awarded based on the following criteria:

Executive Briefs (3 @ 11.67% each)	35.0 %
Group Project (Paper and Presentation)	30.0 %
Field Lab paper	20.0%
Participation	<u>15.0 %</u>
Total	100.0 %

Final grades are based on the following percentage ranges:

A	93.0% - 100.0%
A-	90.0% - 92.9%
B+	88.0% - 89.9%
B	83.0% - 87.9%
B-	80.0% - 82.9%
C+	78.0% - 79.9%
C	73.0% - 77.9%
C-	70.0% - 72.9%
D+	68.0% - 69.9%
D	63.0% - 67.9%
D-	60.0% - 62.9%
F	Below 60.0%

No 'extra credit' work will be offered, assigned, or accepted in consideration for improving the final grade or as a substitute for any of the above grading criteria.

HONOR CODE

Semester at Sea students enroll in an academic program administered by the University of Virginia, and thus bind themselves to the University's honor code. The code prohibits all acts of lying, cheating, and stealing. Please consult the Voyager's Handbook for further explanation of what constitutes an honor offense.

Each written assignment for this course must be pledged by the student as follows: “On my honor as a student, I pledge that I have neither given nor received aid on this assignment.” The pledge must be signed, or, in the case of an electronic file, signed “[signed].

For all individual assignment, do not include your name on the front of the assignment. Instead, write it on the back of the last page. This will allow for anonymity during the grading process.