YORK UNIVERSITY
WINTER 2014
INTERNATIONAL BUSINESS
ADMS 3960, Section M
Tuesdays, 7:00 p.m. – 10:00 p.m.

COURSE DIRECTOR
Leigh Lampert  
Leigh {at}leighlampert.com  
Office Tel: (416) 941-4411
*e-mail always fastest!

COURSE DESCRIPTION
This is an overview course that introduces students to the world of international business, management and international trade by studying cultural influences and economics, as well as governmental, legal and business structures in our global economy. The key to international business is rooted in understanding the impact of globalization, the integration of the world economies and the impact these have on the conduct of business. Students also learn about international trade theory, multinational enterprise theory, collaborative strategies and legal agreements. Also covered are topics on: information needs, global manufacturing and supply chain management; competition and technology and the role they play in globalization and in international business; multinational financial organizations; and human resource management.

COURSE OVERVIEW
Today, nations are more economically integrated than ever before. This increased integration presents business leaders with unprecedented opportunities and challenges. On the one hand, the opportunity to sell to multiple, global markets rather than a single, national market, increases the potential profitability of nearly every kind of business activity. Furthermore, the sharp differences among nations in terms of wage rates and national resource endowments allow multinational firms to create value by locating different aspects of the value chain in those countries where those functions can be undertaken most efficiently. On the other hand, globalization increases the number and range of potential competitors and risks in nearly every industry. As well, the challenges of effectively managing a multinational enterprise can be substantially greater than those confronting a firm largely based in a single country.

This course seeks to equip future business leaders to exploit these opportunities and to cope with these challenges. The course will accomplish this goal by providing students with a systematic understanding of the fundamental aspects of the global business environment that influence business decisions and behavior. Corporate managers must understand the structural economic factors that determine locational advantages, the way government policies both promote and restrain the integration of national economies within the global economy and the impact of volatility in the global macroeconomic environment on international business strategy. These issues will be studied using the analytical tools and concepts of international economics and risk, as well as case studies and examples that will be used to relate these concepts to actual business problems.
In addition to learning about strategic concepts, you can expect to further develop your abilities to size up complex business situations, to identify the core problems and issues and to succinctly articulate this analysis.

**COURSE MATERIALS**


Course website, accessible via York University Moodle.

**COURSE STYLE & FORMAT AND GENERAL COMMENTS**

I make extensive use of Moodle and all class announcements will be posted there, so you should regularly check the site for important communications.

We are scheduled to have three hours together each week, and most classes will run anywhere from 2 ½ to 3 hours. Most weeks, we will have a 10 to 15-minute break part-way through class.

I am a very strong believer in having *interactive discussions* rather than formal lectures. Class participation is crucial both to your learning and our collective sanity, and is strongly related to the professionalism component of your final grade for reasons described below.

I encourage relevant interruptions and questions at any point during any class, and am available by e-mail/phone regularly to address any questions or concerns that you may not want to raise in class.

**COURSE ORGANIZATION AND READINGS**

*NOTE: Class schedule may be changed at the discretion of the Course Director.*

{ SEE NEXT PAGE }
<table>
<thead>
<tr>
<th>DATE</th>
<th>MAIN TOPICS</th>
<th>READINGS IN TEXT</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 7-Jan-14</td>
<td>Course overview, history and trends; the meaning and impact of globalization;</td>
<td>Ch. 1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>the important role of change; why enter the international marketplace</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 14-Jan-14</td>
<td>Theories of international economics and trade; why trade occurs</td>
<td>Ch. 6 (only pp. 219-232) and 7</td>
<td></td>
</tr>
<tr>
<td>3 21-Jan-14</td>
<td>The global trading system; key features; economic integration (WTO, NAFTA, EU,</td>
<td>Ch. 3 (only pp.88-91 and 119-124) and Ch. 8 (only pp. 290-306); and Ch. 13</td>
<td></td>
</tr>
<tr>
<td></td>
<td>etc.); government influence on trade and trade patterns; types of trade barriers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 28-Jan-14</td>
<td>Foreign Direct Investment (FDI); motives, patterns and government influence</td>
<td>Ch. 5 and Ch. 14 (only pp.520-528)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>on FDI; Rule of law and its importance in international business; Corruption,</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ethics and CSR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 4-Feb-14</td>
<td>Multinational enterprises; why go international and ways to do it; forms of</td>
<td>Ch. 12 (only pp.440-452 and 458-460 and 464-468) and Ch. 14</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ownership and alliances</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 11-Feb-14</td>
<td>MID-TERM EXAM *WRITTEN IN-CLASS. MID-TERM EXAM *WRITTEN IN-CLASS. EXAM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-Feb-14</td>
<td>There will be no class.</td>
<td>There will be no class.</td>
<td>NO CLASS</td>
</tr>
<tr>
<td>7 25-Feb-14</td>
<td>International monetary systems and international financial institutions;</td>
<td>Ch. 4 (only pp. 153-176); and Ch. 9 (but exclude pp.342-345 and pp.348-355); and Ch. 10 (exclude pp. 369-372)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>foreign exchange, exchange rates and inflation; balance of payments; impact</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>of recent global recession and debt crisis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8 4-Mar-14</td>
<td>Role of competition, technology and globalization in international business;</td>
<td>Ch. 11 (exclude pp. 409-420)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>innovation and productivity; reasons for opposition to globalization</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9 11-Mar-14</td>
<td>Risk (cultural, political, economic, etc.); culture and its impact on</td>
<td>Ch. 2 and Ch. 3 (only pp.91-118); and Ch. 12 (only pp.452-457)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>business; identifying and managing risk</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 18-Mar-14</td>
<td>Management in a MNE; supply chain management; logistics; control of</td>
<td>Ch. 11 (only pp. 409-419); and Ch. 15 (only pp. 560-568 and pp. 574-585); and Ch. 17; and Ch. 20 (only pp. 761-778)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>operations; Human Resources Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11 25-Mar-14</td>
<td>IB in Action / REVIEW</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 1-Apr-14</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**COURSE EVALUATION**

Mid-term test: 25%
Group assignment: 30%
Final exam: 30%
Professionalism* 15% *See below for further explanation/details.

**MID-TERM AND FINAL EXAMS**

A mid-term exam will be held during class on Tuesday, February 11th, 2014. You must attend the mid-term since there will be no other alternative dates to write a make-up exam. If you miss the mid-term exam for a valid reason (as set-out in York policies), then the value of the mid-term will be added to the value of your final exam, making your final exam worth 55%. If you do not have a valid reason for missing the mid-term exam, you will get a mark of zero. The mid-term exam is a closed-book exam covering materials covered in class. You will be advised of the format in advance.

The final exam will be held during the formal examination period. More details will follow later, but the exam will be cumulative, covering all material from the semester.

As of: 2013/12/13
GROUP ASSIGNMENT

The group project is one of the core evaluation activities in the course and is worth 30% of your overall mark. The group project has three components (all of which are explained further below): a written paper (15%), a presentation (10%) and peer evaluation (5%). Please note that properly following the peer evaluations and submission of resources as outlined below is an important part of the group project.

The group project will involve analysis and application of course concepts to a case study. The purpose of this group assignment is to study and present your findings relating to an international business situation specific to a company. In doing this, the case study you choose will be the critical source of information. You can also gather information from the news/press, journals, managers and employees, your own experiences, etc. While outside research (i.e. sources other than the case study and the textbook) may strengthen your overall project and your mark, it is not required. At least one week before your scheduled presentation, you must e-mail to me a copy of or a link to any background materials you have used to prepare this assignment. Please note that any background materials used must be properly cited in the written paper and included in a bibliography.

Group Formation: You are responsible for forming your own groups. There will be a total of 10 groups, with each group having 6 members (depending on final numbers enrolled in the section, there may be a small number of groups that only have 5 members). A list of all members in your group, with each member's full name, student number and e-mail address, as well as your top 3 choices for the class presentation date (see below) and the case study you plan to use, must be submitted to me no later than January 21, 2014 (i.e. during the third lecture).

Case study: Each group will select a case study to use for the group project from the case studies available at www.iveycases.com (a small copyright fee will be required to access the case). Set out below is a list of recommended cases, but you are welcome to use any case that is of interest. Please note that only 1 group may use the same case. Also, if you plan to use a case other than the recommended cases set out below, please consult with me to ensure the case sufficiently addresses international business issues to be used as a case study for this group project.
Recommended cases:
- Resuming Internationalization at Starbucks (published in 2010, revised in 2012)
- Swatch and the Global Watch Industry (published in 2000)
- Huxley Maquiladora (published in 2002)
- Google in China (published in 2007)
- Global Branding of Stella Artois (published in 2000)
- Abercrombie and Fitch (published in 2012)
- Coca-Cola: Back in Burma (published in 2013)
- 7-11 in Taiwan: Adaptation of Convenience Stores to New Market Environments (published in 2012)
- Best Buy in Crisis (published in 2012)
- Fiji Water and CSR: Green Makeover or Greenwashing? (published in 2009, revised in 2011)

In-class Presentations (10%): Beginning in the seventh lecture (February 25th), groups will present their findings to the rest of the class. There will be 2-3 presentations per class. Please sign up for a presentation slot no later January 21st, or you will be slotted in the remaining openings. Dates and topics will be confirmed back to you by e-mail and are on a first-come-first-served basis.

Each case study is built around a central issue or situation. For example, in Huxley Maquiladora, the case provides information about relocation options, as well as company and industry considerations, to raise the question of what recommendation a company executive should make to the company’s boss. As a group, your presentation’s analysis and recommendations will focus on this central issue or consideration.

The case studies are often from a situation that occurred in the past. In most instances, the company in question has already taken action with respect to the issue at the centre of the case study. While this can influence your recommendations, it should not determine your answers. You must presume that you are working in the time period of the case study (i.e. if the case takes place in 2000, then your presentation is being made in 2000, not 2012). **The key to your grade will be your recommendations/plan on this central issue.**

Please note: Due to scheduling conflicts, no new dates to do your presentation will be assigned if you are unable to present on the assigned date. You will receive a grade of zero on the presentation if you do not present as scheduled.

If you are using an electronic presentation (i.e. PowerPoint), please provide a printed version of the presentation on the day of your presentation.

The group presentation is to be 10-12 minutes in length. For this presentation, your group is to act as though it has been hired as consultants by the company that is the subject of the case study to advise them on how to respond to the central issue or situation. You should act as though the presentation is being made to the head of the company. The presentation will be marked on criteria such as clarity, visual aids, logic and flow, and the ability to answer questions on the project content. In short, this presentation should include the following, at a minimum:

1. The organization your group is investigating.
2. Explanation of the issue the organization is dealing with.
3. Your recommendations/plan on how to improve the situation. Reminder that this is the KEY to a good mark.

4. It is important to focus on the specifics not generalities.

Not all members of your group are required to present, although all should be in attendance. Subject to any concerns raised in the confidential peer evaluations (see below), all group members (including those who do not actually present) will receive the same mark for the group project. It is a good idea to assign back-up presenters if you are unsure of your ability to attend that particular class.

Written Paper (15%): Your group written paper should be no more than 12 pages, excluding the list of references and appendixes (Arial or Times New Roman, 12-point font, double-spaced, with 1" margins). The written paper should respond to 3 of the following questions/statements regarding international business issues:

1. There are many different entry strategies used by firms in the industry to enter new markets in order to be profitable and competitive. What entry strategies were used and what are the advantages/disadvantages of each?
2. Technology and innovation has been critical to the growth and globalization of this industry.
3. Cross-cultural differences are a major consideration in most international business. How were cross-cultural issues dealt with?
4. Projecting a “responsible” image can provide a multinational company with a competitive advantage.
5. What are the factors influencing the industry's structure? Analyze these factors and assess how they might affect your company.

The issues covered in the written paper must be different from the issue covered in the presentation (i.e. if the central issue covered in the presentation is about the company's responsible image and its impact on the company's competitiveness, then question #4 above should not also be part of your written report). Respond to the questions/statements using the case study as the primary source of evidence (additional research and evidence is welcome, but must be properly cited).

One project is to be handed in by each group. The project should have a title page listing the members of the group (with their last names underlined). It is important to bear in mind that this is a course in international business and professional, well-written, error-free projects are expected.

You must also include a list of articles cited and any sources used, using the MLA style. Your paper will be evaluated on style (grammar, etc.) and content (the extent and quality of your research, analysis, and recommendations). See rubric on next page. This paper must be handed in on the day of your presentation.

Each group must hand in its written report immediately following your presentation. An electronic Word copy must also be submitted through the Moodle course website (as indicated on the website) by 7:00 p.m. on the day you present. Only one copy of the report for the entire group needs to be uploaded through the Moodle.

Peer Evaluation (5%): Each group member must individually hand in a short, CONFIDENTIAL, typed evaluation of the project and of the contributions of their group members. Each person will
place their evaluation in a sealed envelope. Each evaluation should contain your name and the proper names of each group member and their student number. There is no standard form to be used, but instead, please provide some commentary on each group member in relation to the following:

- His/her contribution;
- Timeliness of contribution;
- How well each person worked in the team;
- Leadership;
- Whether the person deserves to get the mark assigned to the project as a whole (or a higher grade or a lower grade) and an explanation
- Any comments on the assignment and suggestions, if any, to improve.

This typed evaluation should not exceed 2 pages and must be handed in by the end of the class in which you make your presentation, or all group members will receive a mark of 0/5 for the peer evaluation component. Late peer evaluations will not be accepted. You should not hesitate to provide negative feedback if it is warranted. If group members collude and agree to provide only positive feedback, then each member will receive the same mark. In other words, you can be negatively affected by the poor performance of your group members unless the collective feedback suggests that marks should not be equal for all group members.

The 5% awarded for the peer evaluations is comprised of two components: i) whether – in preparing it – you have closely followed the instructions above; and ii) this 5% will also be adjusted, in part, based on what your peers have said about you.

Late submissions (including completed projects lacking one or more individual evaluations) will be penalized at a rate of 10% per day.
Criteria for Evaluation
Total 100 points

The criteria set out below are specific to the written paper. However, they are reflective of the evaluation criteria that will be used for the presentation as well (i.e. 20% of mark for presentation format and style, 80% for content).

1. Format and Writing Style (20 points)
   a. Overall presentation
   b. Section Headings
   c. Graphs, Tables and Illustrations
   d. Footnotes
   e. Bibliography
   f. Appendices
   g. Other
   h. Sentence structure
   i. Word choice
   j. Flow of paper (including how fluid and seamless the various writing styles are)
   k. Vocabulary
   l. Punctuation
   m. Spelling

2. Content (80 points)
   a. Topic clearly defined
   b. Directed at target audience
   c. Arguments clearly presented
   d. Originality of thinking
   e. Thoroughness of research
   f. Thoroughness of response
   g. Quality of evidence
   h. Coherence
   i. Overall persuasiveness
How to Order Ivey Cases

1. Please go to the Ivey Publishing website located at: http://www.iveycases.com

2. Click on “Register”, and choose the “Student User” role. Complete the registration.

3. Go to Express Order and enter the product number(s) for the required Ivey cases.

4. Select Digital Download – then click on Add to Cart.

5. Go to “My Cart” (located at the top of the page), and click “Checkout”.

6. Enter course information and verify your contact information.

7. Enter your credit card information and then click “submit order.”

8. Once you have completed your order, go to “My Orders” to download a copy of the case. * Please note: You will need to enter the username and password you created upon registering within the PDF document to access the case.

9. You will receive an order confirmation and receipt by email immediately after placing your order.

CASE FILES ARE NOT TO BE TRANSMITTED OR REPRODUCED WITHOUT PERMISSION

If you have any questions or problems, please email cases@ivey.uwo.ca or telephone 1-800-649-6355 during regular office hours Monday to Friday 8am to 4pm EST.
Marks for Professionalism vs. Participation

My decision to base part of the course mark on professionalism is based, in part, on recent teaching experience, through which I found there to be a direct correlation between students’ marks and their level of participation in class discussions.

However, in considering this further, I decided that mere participation is insufficient, but in fact, it is professionalism (which includes participation, among other things) that should be considered. It is my hope that in basing a material portion of your final mark on professionalism, this will better prepare you for the “real world”.

The attached article “Professionalism Marks vs. Participation Marks: Transforming the University Experience”\(^1\) serves as the basis for the decision to award marks for professionalism in this course.

Practically-speaking, some of the things that will count towards this component of your final grade include (but are not limited to) the following:

- Attending class and being on time
- Having your name clearly displayed in a large, dark font so I can read it from the front of the room
- Paying attention in-class, not using BlackBerrys, iPhones or other electronic devices
- Being prepared for class, having done all of the assigned readings, and being prepared to speak when called upon, often randomly
- Participating in class discussions with meaningful contributions
- Asking pertinent questions
- Carefully following all instructions relating to classes, assignments and exams
- Handing-in your work on-time (or early)
- Respecting other students

This is not a kindergarten class and it is not my intent to “police” you. However, professionalism is extremely important in the real world, and what better training than to begin now! To be clear, you will not fail this course by missing classes, but if you regularly miss class with no valid reason, this will certainly impact your professionalism mark, the same way regularly missing work with no valid reason would certainly impact your career.