IB 340 BUSINESS STRATEGIES IN LATIN AMERICA COURSE TITLE
IES Abroad Buenos Aires

DESCRIPTION:

In order to be able to do business effectively either with or in Latin America, international managers must understand the key factors, both uncontrollable and controllable, internal and external, that will affect their firm's performance. This course will address the challenge of doing business in different cultures, as well as the impact of history and geography, on the various functions of a firm, including marketing, finance and accounting, operations and human resources. It also examines the challenges in trying to implement sustainable practices and how to deal with differing concepts of ethics and the issue of corruption. Students will learn international business analysis tools, including models and frameworks to help them diagnose organizational issues and make recommendations to improve or sustain performance. The objective of the course is to equip students with real-world skills that can be applied in an organizational setting, and to provide them with an appreciation for the complexity of doing business abroad, but specifically in Latin America. On a more general level, the course aims to improve students' critical thinking skills and ability to tackle tough organizational problems in a variety of settings.

CREDITS: 3 credits

CONTACT HOURS: 45 hours

LANGUAGE OF INSTRUCTION: English

INSTRUCTOR: Alfredo Fierro y Mario Braga

PREREQUISITES: None

ADDITIONAL COST: None

METHOD OF PRESENTATION:
Lectures, guest speakers' presentations, discussions, readings, fieldtrips, individual and group in-class activities, and oral presentations.

REQUIRED WORK AND FORM OF ASSESSMENT:
- Class participation - 10%
- Individual Case Memoranda - 15%
- Group Project Write-up & Presentation - 25%
- Mid term assigment - 20%
- Quizzes - 10%
- Final exam - 20 %

Course Element

A significant amount of class time will involve discussion of case studies and current periodicals, as well as individual and group exercises that introduce and reinforce student understanding of key topics. Therefore, students' participation in class is essential and it will be assessed. Students are expected to have an active role in the class, participating in class discussions and fulfilling the required work for each session. In order to successfully meet this requirement, students should be prepared to devote significant time outside of class for reading and critical thinking.
The mid-term and final exam will be taken in-class and may consist of questions in multiple choice, short answer or short essay format. The group presentation will require small teams to work outside of class to analyze a real-world case that involves tough

international business issues. The group will then present its analysis and recommendations to the class and answer questions. The group will also submit a strategic memorandum of approximately 3 pages that summarizes its work.

LEARNING OUTCOMES:

By the end of the course, students will be able to:

- Define important terms and concepts associated with international business.
- Analyze and understand the key environmental variables that influence business in this region.
- Describe a firm's options in adapting for successful operations in Latin America.
- Demonstrate understanding of key tools and frameworks that can lead to successful business abroad.
- Analyze real-world cases involving companies that have faced difficult challenges in the region, and provide recommendations—in written form and orally—for how the company should proceed
- Assess general business issues with enhanced critical-thinking skills

ATTENDANCE POLICY:

As a member of our class community, you are expected to be present and on time every day. Attending class has an impact on your learning and academic success. For this reason, attendance is required for all IES Buenos Aires classes, including course-related excursions. If the student misses more than one class (if the course is given intensively in 5 to 7 weeks) or two classes (if the course is given in 15 weeks), his/her final grade will drop one point for each missed class exceeding the limit, e.g. from A to A-, from A- to B+ and so on. Absences will only be justified, and assessed work, including exams, tests and presentations rescheduled, in cases of documented medical or family emergencies.

CONTENT:

Week	Content	Assignments
Week 1	**Course Overview; Introduction to International Business** **A Brief Economic History of Latin America**	• Ball: Chapter 1: "The Rapid Change of International Business" (pp. 4-31) • Becker: Chapter 1: "Where and What is Latin America?" (pp. 1-45) • Becker: Chapter 3: "The Historic Legacy" (pp. 101-146) • Bulmer-Thomas: Chapter 1 (pp. 1-18) • Hammond, John S. (2002). "Learning by the Case Method," Harvard Business School Note 9-376-241. (pp. 1-4).

Week	Content	Assignments
Week 2	**International Trade & Investment in Latin America** **Sociocultural Forces**	• Ball: Chapter 2: "International Trade and Foreign Direct Investment" (pp. 32-65) • The Economist: "A Continental Divide" • Ball: Chapter 5: "Sociocultural Forces" (pp. 136-169) • Case: "Johannes van den Bosch Sends an Email" (IMD091)(pp 1-2) • Case: "Johannes van den Bosch Receives a Reply" (IMD092)(pp 1-2) • Note: "National Cultures & Work-Related Values: The Hofstede Study" (HBS 9-496-044)(pp 1-7) • Becker: Chapter 4: "Using Cultural Literacy to Hone your Competitive Edge" (pp 147-182) • • Note: "Leading Across Cultures: Mexico" (Thunderbird D16-03-0008)(pp 1-8)
Week 3	**Natural Resources & Environmental Sustainability in Latin America** **Economic Forces in Latin America** **Political Forces in Latin America** **Country Risk Assessment**	• Ball: Chapter 6: "Natural Resources and Environmental Sustainability" (pp. 170-209) • Ball: Chapter 7: "Economic and Socioeconomic Forces" (pp. 210-241) • Ball: Chapter 8: "Political Forces" (pp. 242-277) • Note: "Note on Country Risk and Competitive Advantage in Latin America" (Ivey 9A98G011)(pp. 1-5)
Week 4	**Legal Forces in Latin America** **International Competitive Strategy** **Entry Modes into Latin America** **Consumer Markets**	• Ball: Chapter 9: "Intellectual Property and Other Legal Forces" (pp. 278-301) • Ball: Chapter 12: "International Competitive Strategy"(pp. 364-399) • Ball: Chapter 15: "Entry Modes" (pp. 444-465) Course related trip to Museo Evita • Robles, Chapter 2: "The Latin Consumer Markets: Convergence or Fragmentation?" (pp.41-82) • Case: "Procter & Gamble Brazil (A): 2 ½ turnarounds" (HBS)

Week	Content	Assignments
Week 5	**Marketing Strategy in Latin America** **E-Business in Latin America** **Operations & Supply Chain Management in Latin America**	• Ball, Chapter 17: “Marketing Internationally” (pp. 496-527) • Note: “Note on Market Research” (pp. 1-11) • Dyer, Chapter 12: “En Río Revuelto: Finding the Formula in Mexico and Latin America” (pp. 241-260). • Case: “MercadoLibre.com” (HBS)(pp.1-17) • Note: “E-Commerce in Latin America” (HBS 9-801-388)(pp. 1-31) • Ball: Chapter 18: “Global Operations and Supply Chain Management” (pp. 528-565)
Week 6	**Entrepreneurship in Latin America** **Public Relations Management in Latin America**	• Note: “International Entrepreneurship” (HBS 9-899-148)(pp. 1-12) • • Case: “Safer Taxi: Connecting Taxis and Passengers in South America” (HBS 9-913-041)(pp. 1-10) • Case: “McDonald’s Argentina” (IMD 5-0600)(pp. 1-9) • Article: “Why PR Matters and What It Can Do For You” (Harvard Management Update U0705D)(pp. 1-4) • Article: “Avoiding PR Disasters” (Harvard Management Communication Letter C0105D)(pp. 1-4)
Week 7	**Corporate Social Responsibility in Latin America** **Ethical Issues in Business in Latin America**	• Case: “Mining and Corporate Social Responsibility: Newmont Mining Corporation” (Northeastern/Ivey W12765)(pp. 1-12) • Note: “Mining and Corporate Social Responsibility: A Note on Mining in Peru” (Northeastern/Ivey W12766)(pp. 1-15) Note: “Corruption in International Business (A)” (HBS 9-701-128)(pp. 1-10) • Note: “Corruption: The International Evolution of New Management Challenges” (Ivey 909M65)(pp. 1-21)

COURSE-RELATED TRIPS:

- Course related trip to Banco Central de la República Argentina (BCRA).
- Course related Trip to The CeDEL (public building within the Mugica Neighborhood aimed at promoting the economic development of the neighbors).
- Course related Trip to Globant (an Argentine software engineering and information technology company headquartered in Luxembourg.1 It is considered one of the four Argentine unicorns).

REQUIRED READINGS:

- Ball, Donald et al. (2012) International Business: The Challenge of Global Competition (13th Edition). New York: McGraw-Hill/Irwin.
- • Becker, Thomas H. (2010). Doing Business in the New Latin America. Santa Barbara: Praeger (2nd Edition).

Case Studies, Background Notes and Articles:

- “A Continental Divide,” (2013), The Economist, May 18, 2013. Available here: http://www.economist.com/node/21578056
- Applegate, Lynda (2001). E-Commerce in Latin America. Harvard Business School. Case 9-801-388, revised June 10, 2002.

- Asis Martínez-Jerez, F. (2006). MercadoLibre.com. Harvard Business School. Case 9-106-057.
- Cole, Peter and Edelman, Benjamin (2013). Safer Taxi: Connecting Taxis and Passengers in South America. Harvard Business School. Case 9-913-041.
- DiStefano, Joe (2000). Johannes van den Bosch Sends an Email. IMD International. Case IMD091. Updated 12/11/2002).
- DiStefano, Joe (2000). Johannes van den Bosch Receives a Reply. IMD International. Case IMD092. Updated 12/11/2002).
- Conklin, David (2009). Corruption: The International Evolution of New Management Challenges. Richard Ivey School of Business. Case 909M65.
- Conklin, David (1998). Note on Country Risk and Competitive Advantage in Latin America. Richard Ivey School of Business. Case 9A98G011.
- Gosset, Steve (2001). Avoiding PR Disasters. Harvard Management Communication Letter. Article Reprint No. C0105D.
- Hammond, John (2002). Learning by the Case Method. Harvard Business School. Case 9-376-241.
- Hawkins, David (2011). Accounting for Foreign Operations. Harvard Business School. Case 9-100-024.
- Ibarra, Herminia (1996). National Cultures and Work-Related Values: The Hofstede Study. Harvard Business School. Case 9-496-044.
- Kennedy, Robert and Di Tella, Rafael (2001). Corruption in International Business (A). Harvard Business School. Case 9-701-128.
- Khanna, Tarun et al (2002). Emerging Giants: Building World-Class Companies in Emerging Markets. Harvard Business School. Case 9-703-431.
- Kuemmerle, Walter (1999). International Entrepreneurship: Managing and Financing Ventures in the Global Economy - Overview. Harvard Business School. Case 9-899-148. Revised Sept. 14, 2004.
- Moss Kanter, Rosabeth (2008). Procter & Gamble Brazil (A): 2½ Turnarounds. Harvard Business School. Case 9-308-081.
- Ready, Douglas A. et al (2008). Winning the Race for Talent in Emerging Markets, Harvard Business Review, November 2008. Reprint R0811C. pp. 1-10.
- Seiger, Alicia (2003). Note on Market Research. Stanford Graduate School of Business. Case E-165.
- Siehl, Caren (2003). Leading Across Cultures: México. Thunderbird, The American Graduate School of International Management. Case D16-03-0008.
- Sharp Paine, Lynn (1997). Merck, Sharp & Dohme Argentina, Inc. (A). Harvard Business School. Case 9-398-033. Updated Oct. 17, 2006.
- Sullivan, Kevin (2007). Why PR Matters-And What It Can Do For You. Harvard Management Update. Article Reprint U0705D.
- Turpin, Dominique (2002). McDonald's Argentina. IMD International. Case IMD-5-0600 (M 600) v.02.08.2006.
- Wesley, David (2002). AOL Latin America. Northeastern University/Richard Ivey School of Business. Case 902M29.
- Wesley, David (2012). Mining and Corporate Social Responsibility: Newmont Mining Corporation. Northeastern University/Richard Ivey School of Business. Case W12765.
- Wesley, David (2012). Mining and Corporate Social Responsibility: A Note on Mining in Peru. Northeastern University/Richard Ivey School of Business. Case W12766.
- "Why Top Management Eludes Women in Latin America," (2013), McKinsey Global Survey, August, 2013. Available here: http://www.mckinsey.com/insights/organization/

RECOMMENDED READINGS:

- Bulmer-Thomas, Victor. (2003) The Economic History of Latin America Since Independence. Cambridge: Cambridge University Press.
- Cardoso, Eliana et al. (1995) Latin America´s Economy: Diversity, Trends and Conflicts. Boston: The MIT Press.
- Crane, Robert and Rizowy, Carlos. (2004) Latin American Business Cultures. Basingstoke: Palgrave Macmillan.
- D'Andrea, Guillermo and Quelch, John. (2000) Cases in Strategic Marketing Management: Business Strategies in Latin America. Prentice Hall.
- Dyer, Davis et al. (2004) Rising Tide: Lessons from 165 Years of Brand Building at Procter & Gamble. Boston: Harvard Business Review Press.
- English, David. (2011) Expatriate Entrepreneurs in Emerging Markets: Ten Success Stories From Argentina. Expat Books.
- Hofstede, Geert et al. (2010) Cultures and Organizations: Software of the Mind. McGraw-Hill.
- Morrison, Terri and Conway, Wayne. (2006) Kiss, Bow or Shake Hands, Latin America: How To Do Business in 18 Latin American Countries. Adams Media.

- O'Brien, Thomas. (1999) The Century of U.S. Capitalism in Latin America. University of New Mexico Press.
- Robles, Fernando et al. (2003) Winning Strategies for the New Latin Markets. New Jersey: Financial Times Prentice Hall.

INSTRUCTOR BIOGRAPHY:

Alfredo Fierro was born in San Salvador, El Salvador. He has a Business Administration Degree from the Universidad Católica Argentina in Buenos Aires and a Postgraduate Certificate in Business Administration from The Open University in the UK. He has attended over 150 conferences, courses and seminars in Argentina, Brazil, Italy, the UK, and the US. In his professional career he has worked in different International Marketing roles for large Argentine corporations and is currently the Deputy Director of Trade & Investment for the British Embassy in Buenos Aires assisting some 500 companies a year to enter the Argentine market. He speaks Spanish (mother tongue), English French, Italian and Portuguese with fluency as well as communicational German. Alfredo is also a Professor of International Negotiations at the Catholic University of La Paz, Bolivia.

Mario Braga is an Economist with an MBA in Marketing with extensive regional experience as a Brand experience Director and business and marketing consultant with a proven track record of success in various sectors, including technology, services and fmcg and companies such as BDO, Natura Latin America, SAP Latam, Boehringer Ingelheim and Microsoft Latam, and small and medium companies as well. He worked for MS&L/ Publicis Groupe, Clarin Multimedia Group and as an Economist at Argentina's Central Bank. Teaching is one of his passions and he´s a professor at postgraduate courses at UADE Business School, UCEMA and IAE Naves (Argentina) and UDE (Uruguay), among other Universities. He´s the Director of the Marketing degree program at UCES (Universidad de Ciencias Empresariales y Sociales – Argentina).

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