



IB/MK 344 INTERNATIONAL BUSINESS TOWARDS A GLOBAL MARKET
IES Abroad Vienna

DESCRIPTION:

Discussion and evaluation of different approaches to international business activities, focusing on differences in historical development and on the influences of environmental - particularly socio-cultural – variables. Discussions of possible future developments in international business in view of the ongoing trend towards globalization. The course is aimed at increasing the students’ awareness and understanding of factors outside the business sphere, such as cultural competence, which might have a decisive influence on the long- term viability and success in a one-world-market in the face of global competition.

CREDITS: 3 credits

CONTACT HOURS: 45 hours

LANGUAGE OF INSTRUCTION: English

PREREQUISITES: At least two courses of introductory-level studies in business, economics and/or finance

ADDITIONAL COST: None

METHOD OF PRESENTATION:

- Lectures
- Discussions
- Student presentations

REQUIRED WORK AND FORM OF ASSESSMENT:

- Class participation and Presentation - 25%
- Midterm exam - 25%
- Final exam - 25%
- Research Paper - 25%

Class Participation and Presentation

Active participation in discussion. See Course Participation Grading Rubric below.

Presentation portion: 15-20 minutes, to include: a country overview; report on the global business attractiveness of the country; examples of international companies within selected country; identification of opportunities for market entry and market expansions. Presenters must come prepared with: collected sources; 2-3 page executive summary; and ability to answer 2-3 follow-up questions from classmates during a brief post-presentation Q&A. Further details and instructions are available on Moodle.

Course Participation Grading Rubric

A	<p>Excellent participation</p> <p>The student’s contributions reflect an active reading of the assigned bibliography. Skillfully synthesizes the main ideas of the readings and raises questions about the applications and implications of the material. Demonstrates, through questions and comments, that he or she has been capable of relating the main ideas in the readings to the other information discussed in the course, and with his or her own life experience. The student makes informed judgments about the readings and other ideas discussed in class, providing evidence and reasons. He/she respectfully states his/her reactions about other classmates’ opinions, and is capable of contributing to the inquiry spiral with other questions. The student gets fully involved in the completion of the class activities.</p>
B	<p>Very good participation</p> <p>The student’s contributions show that the assigned materials are usually read. Most of the time the main ideas are identified, even though sometimes it seems that applications and implications of the information read were not properly</p>

	reflected upon. The student is able to construct over others' contributions, but sometimes seems to interrupt the shared construction to go over tangents. He/she is respectful of others' ideas. Regularly involved in the activities but occasionally loses concentration or energy.
C	Regular participation The participant evidences a regular reading of the bibliography, but in a superficial way. He/she tries to construct over others' ideas, but commonly provides comments that indicate lack of preparation about the material. Frequently, contributions are shallow or unarticulated with the discussion in hand.
F	Insufficient participation Consistently, the participant reads in a shallow way or does not read at all. Does not participate in an informed way, and shows lack of interest in constructing over others' ideas.

Midterm Exam

Exam covering material from the lectures and complementary reading assignments from the first half of the course.

Final Exam

Exam covering material from the lectures and complementary reading assignments from the second half of the course.

Research Paper

One 10-12 page research paper to cover an issue in global business

LEARNING OUTCOMES:

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

- Assess the global business attractiveness of a country based on key factors specific to international business
- Utilize the key concepts of international trade, investment, strategy and organization in international business
- Identify consequences, risks, and benefits to globalization for an international firm
- Describe the impact of culture and cross-cultural risk in international business

ATTENDANCE POLICY:

IES Abroad Vienna requires attendance at all class sessions, including field study excursions, internship meetings, scheduled rehearsals, and all tests and exams. Attendance will be taken for every class. If a student misses more than two classes without an excuse, the final grade will be reduced by one-third of a letter grade (for example, A- to B+) for every additional unexcused absence.

Excused absences are permitted only when:

- 1) a student is ill (health issues),
- 2) when class is held on a recognized religious holiday traditionally observed by the particular student, or
- 3) in the case of a grave incident affecting family members;
- 4) Exceptions may be made for conflicting academic commitments, but only in writing and only well in advance of missed class time.

Please refer to IES Abroad Vienna Attendance Policy for details on how to get your absences excused.

CONTENT:

Week	Content	Assignments
Week 1	Introduction to International Business <ul style="list-style-type: none"> • Introduction; plan, structure, and organization of course • Introduction to International Business (IB) • Major types of IB risks and risk Management • Key concepts in international trade and investment • Why do firms pursue internationalization strategies? • Country and company case requirements (Part 1) 	<ul style="list-style-type: none"> • Cavusgil, Ch. 1 • Introduction to International Business
Week 2	Globalization and Internationalization <ul style="list-style-type: none"> • Globalization is not a new phenomenon • Major phases and triggers of globalization • How to structure country and company analysis (Part 2) - Format, requirements, and its components. • Team formation and selection of country cases from: Austria, Denmark, France, Germany, Great Britain, Ireland, Latvia, Netherlands, Norway, Romania, Russia, Sweden, and Switzerland. 	<ul style="list-style-type: none"> • Cavusgil, Ch. 2 • <i>The Economist</i>. "A Bigger World: A special report on globalization," Sept. 20, 2008. p 3-20. • How to convince top management to globalize
Week 3	Participants, Foreign Investment Theory and Practice in International Business <ul style="list-style-type: none"> • Four types of participants in international business - focal firms, distribution channel intermediaries, facilitators, and governments in international business 	<ul style="list-style-type: none"> • Cavusgil, Ch. 3
Week 4	The Cultural Environment of International Business <ul style="list-style-type: none"> • The Cross-Cultural Risk. • Dimensions of culture with language as one dimension • The essential elements of culture • Practice of Management: concept of high and low context typology of cultures • Understanding managerial implications of culture • Deal-oriented versus relationship-oriented cultures 	<ul style="list-style-type: none"> • Cavusgil, Ch. 4

Week	Content	Assignments
Week 5	International Trade and Investment <ul style="list-style-type: none"> • Theories of international trade and investment • How nations trade to enhance their competitive advantage • Why and how firms internationalize • Exchange rates and their determination • Emergence of the modern exchange rate system • Monetary and financial systems, and the key players within 	<ul style="list-style-type: none"> • Cavusgil, Ch. 6 & Ch. 11
Week 6	Midterm Week	
Week 7	Government Intervention and the Monetary and Financial Environment in International Business <ul style="list-style-type: none"> • Nature of and rationale for government intervention • Instruments and consequences of government intervention • Evolution of government intervention • Latest IMF World Economic Forum Study 	<ul style="list-style-type: none"> • Cavusgil, Ch. 11 & Ch. 8
Week 8	Global Market Opportunity Assessment and Foreign Direct Investment <ul style="list-style-type: none"> • The Six Tasks of Global Market Opportunity Assessment (GMOA) • Major screening methods for potential country markets and country rankings • FDI types in detail • Reasons and motives for FDI and collaborative ventures • FDI as a risky-entry strategy • FDI vs. International Portfolio Investment • Major factors relevant to selecting FDI locations • Case on China's FDI Strategy: Closing case on China's "Going out Strategy" • China's strategy towards Europe and Austria 	<ul style="list-style-type: none"> • Cavusgil, Ch. 13 & Ch. 15

Week	Content	Assignments
Week 9	Strategy and Organization in International Business (Part 1) - Ethics and Developing Management Skills <ul style="list-style-type: none"> Business Ethics and Corporate Social Responsibilities Ethical dilemmas business managers might face Understanding emerging markets 	<ul style="list-style-type: none"> Baldwin, T. <i>Developing Management Skills</i>. p. 111-120 Cavusgil, Ch. 5
Week 10	Strategy and Organization in International Business (Part 2) <ul style="list-style-type: none"> The strategic objectives of a globally competitive enterprise Key dimensions of truly global companies 	<ul style="list-style-type: none"> Baldwin, T. <i>Developing Management Skills</i>. p. 27-37 Cavusgil, Ch. 12
Week 11	Human Resource Management and Financial Management in International Business <ul style="list-style-type: none"> Future challenges in international business Course review 	<ul style="list-style-type: none"> Cavusgil, Ch. 19 & 20
Week 12	Final Exam	

COURSE-RELATED TRIPS:

- Excursion to OPEC Headquarters
- Excursion to the United Nations Office in Vienna (UNOV)

REQUIRED READINGS:

- Baldwin, T.; Bommer Bill, Rubin, Robert. *Developing Management Skills: What Great Managers Know and Do*. McGraw-Hill/Irwin. 2007.
- Cavusgil, S. Tamer; Knight, Gary; Riesenberger, John R.: *International Business: Strategy, Management and the New Realities*. Pearson Education, Pearson Prentice Hall, 2017
- The Economist: A special report on globalisation, Sept. 20th, 2008, p. 3-20.

RECOMMENDED READINGS:

- Adler, Nancy J. *International Dimensions of Organizational Behaviour*. 4th ed. Cincinnati: South Western, 2002
- Balance, Robert H. *International Industry and Business*.
- Bürgenmeier, B., and J. L. Mucchielli. *Multinationals and Europe 1992: Strategies for the Future*. Routledge, 1991.
- Cowling, Keith. *Beyond Capitalism: Towards a New World Economic Order*. New York: St. Martin's Press, 1994.
- Daniels, John D., and Lee H. Radebaugh. *International Business: Environment and Operations*. 8th ed. Addison-Wesley, 1998.
- Hampden-Turner, Charles and Fons Trompenaars. *Building Cross-Cultural Competence*. London, 2000.
- IMF. *Issues and Developments in International Trade Policy*. August 1992.
- Mead, Richard. *International Management: Cross-Cultural Dimensions*. 2nd ed. Cambridge, MA: Blackwell, 1994.
- Moss-Kanter, Rosabeth. *World Class*. New York: Simon & Schuster, 1995.

- Neal, Larry, and Daniel Barbezat. *The Economics of the European Union and the Economies of Europe*. New York: Oxford University Press, 1998.
- Nugent, Neill, and Rory O'Donnell. *The European Business Environment*. London: Macmillan Press, 1994.
- Ricks, David. *Blunders in International Business*. 1993.
- Schneider, Susan and Jean Louis Barcaux: *Managing Across Culture*.
- Smith, David. *Eurofutures. Five Scenarios for the Next Millennium*. Capstone, 1997.