

NORTHEASTERN UNIVERSITY

College of Business Administration

INB G200: Managing the Global Enterprise

Spring 2004, Tu 10:30a.m.-12:30p.m.

Professor: Andrew Watson, Hayden Hall 319H

Office Hours: Tu 1-2p.m, F 10-11a.m., and by appointment

Email: a.watson@neu.edu

Phone: 617 373 2516

FAX: 617 373 8628

It may be necessary to make changes to the syllabus. It is my responsibility to let you know what they are, and yours to keep track of them (even if you are absent from a class meeting in which they are announced). I will announce such changes via the online syllabus, as well as in class meetings.

Northeastern University's Academic Honesty and Integrity policy applies to this course, and will be enforced if necessary.

Overview and Objectives

There are two sides to international business. One concerns the international environment for business, and the other concerns managing within that environment.

Upon successful completion of this course, you will gain knowledge of the following aspects of the international business environment.

- Globalization
- Differences between countries, in terms of political economy and of culture
- International trade
- Foreign direct investment
- Regional economic integration
- Currencies, including markets for their exchange

You will also gain knowledge of the following aspects of international management.

- Strategy
- Modes of entry into foreign markets
- International management of functions (e.g, marketing, human resources)
- Ethical implications of international management decisions

Books

Hill, C. W. L. 2004. *Global business today*. 3rd edition. Irwin McGraw-Hill. Available from the campus bookstore, and on reserve at the Snell library.

Custom case book. Available from the campus bookstore, and on reserve at the Snell library. The title is the same as that of the course. It is different from the case books used by most other professors here, so you need to use the one with my name, not one with anyone else's.

Schedule

Date	Due from you	In class: Chapter(s)/case
Jan 6		1&4/Ticonderoga mini- case from Ch. 1
Jan 13	#	2/Ford Argentina
Jan 20	#	3/Pacific Dunlop*
Jan 27	#	5/HCL*
Feb 3	#	6/ Donnelley*
Feb 10	#	7/Unilever's Butter-Beater*
Feb 17	#	8&9/Kodak's Health Imaging (A)*
Feb 24	Entry proposal, #	15/ In a World of Pay
Mar 2		-/- No class: spring break!
Mar 9	#	11&12/African Communications Group*
Mar 16	#	10/Eli Lilly (A)
Mar 23	#	13/Eli Lilly(B)
Mar 30	Entry presentation	-/-
Apr 6	#	14/Renault-Nissan*
Apr 13	Entry writeup, #	-/-Schweizerische Maschinenfabrik Zug*
Apr 20		Final exam

indicates that you should be well prepared for discussion of the case assigned for this class meeting. You need not read the chapter(s) assigned for this meeting in advance. You may find it a more efficient use of your time to read them after the meeting.

* indicates that you may submit a casebrief for this case.

Class Meetings

Jan 6

Chapters: 1, Globalization, and 4, International trade theory (preview).

Case: Ticonderoga. This is the one-page closing case from chapter 1 of the text. I will hand out the case, along with questions, in the first class meeting.

Jan 13

Chapter: 2, Country differences in political economy.

Case: Ford Argentina. Questions:

1. Describe the environment posed by Argentina for Ford.
2. What actions should Ford Argentina take with reference to e-business?
3. What other important issues face Ford Argentina? What actions should the subsidiary take with reference to these issues?
4. Many different “players” make decisions relevant to Ford Argentina’s e-business, and supply the necessary resources to implement these decisions. Who are the key players? How should these tasks of decision-making and resource supplying be divided among these players?

Jan 20

Chapter: 3, Differences in culture.

Case: Pacific Dunlop. Questions:

1. Why is Steve Littlely finding his job so difficult?
2. Consider the machines and jobs in exhibits 8 and 9. How are the jobs currently scheduled? How could scheduling be improved? How much money would this save? More generally, how should jobs be scheduled?
3. What should Littlely do about information technology?
4. What further recommendations do you have for Littlely?

Jan 27

Chapter: 4, International trade theory, and 5, The political economy of international trade.

Case: HCL America. Questions:

1. Satash Lele has four choices for the project: he can have it done by Telogy staff; he can have it done by HCL staff working on-site at Telogy; he can have it done by HCL staff working at an HCL America office; or he can have it done by HCL staff in India. What are the advantages and disadvantages of each of these choices? What advice would you offer him?

2. How does HCL America create value for its clients?
3. Can HCL America meet its growth target? Can it do so profitably?
4. Is attrition among engineers a serious problem for HCL America? If so, how should HCL address this problem?

Feb 3

Chapter: 6, Foreign direct investment.

Case: Donnelley. Questions:

1. Jim Mauch is considering two deals. What are the key features of the country involved in each of the deals, and how should these features influence Jim's recommendation?
2. What are the key features of the other organizations involved in each of the deals, and how should these features influence Jim's recommendation?
3. What other factors, if any, should Jim consider in making his recommendation?
4. What should Jim recommend to the executive committee, and why?

Feb 10

Chapter: 7, Regional economic integration.

Case: Unilever Butter Beaters. Questions:

1. What are the chances of Krona becoming a successful European (as opposed to "only" German) product?
2. How did Unilever processes and structures affect the development of Krona?
3. Bill Bordewijk is considering approaches for new product development at Unilever. What advice would you give him?
4. The word "global" appears in the title of the case, and again toward the end of the first paragraph. How "global" should Unilever attempt to be?

Feb 17

Chapters: 8, The foreign exchange system, and 9, The global monetary system.

Case: Kodak Health Imaging . Questions:

1. What is Nancy Sousa's job within Kodak? How does Kodak's organizational design help or hinder her in doing this job?
2. How did Sousa respond to the crisis? Identify and evaluate specific actions.
3. What lessons can be learning from the crisis? For Sousa? For HI? For Kodak? For students of international management?

Feb 24

Chapter: 15, Global human resource management.

Case: In a world of pay. Questions:

1. Which of the four commentators do you most closely agree with?
2. Is there anything that occurred to you that none of four mentioned?
3. What advice would you give to Renate Schmidt?

Mar 2

We will not meet this week, since it is the university's spring break. I hope that your break is a safe one. I also hope that it's enjoyable, productive, or both.

Mar 9

Chapters: 11, Entering foreign markets, and 12, Exporting, importing, and countertrade.

Case: African Communications Group. Questions:

1. What is the attitude of telecommunications equipment suppliers towards Africa? Why do the suppliers take this attitude?
2. What opportunities and threats does Tanzania present for ACG?
3. What are ACG's strengths and weaknesses?
4. How likely does it seem that ACG will achieve their goals in Tanzania?
5. Consider ACG's options for its next move (see p. 12 of the case). Comment on these options.

Mar 16

Chapter: 10, Global strategy.

Case: Eli Lilly (A). Questions:

1. How has the pharmaceutical industry changed?
2. How has Lilly changed its strategy?
3. How well does Lilly's current strategy fit with the environment? What are its strengths relative to this environment?
4. Does Lilly have any weaknesses? Are there any strategic changes you would recommend to Lilly?

Mar 23

Chapter: 13, Global marketing and R&D.

Case: Eli Lilly (B). Questions:

1. How has Lilly changed its organizational structure? Why has it done so?

2. What tensions are there within the new structure?
3. How would you recommend that these tensions be managed?

Mar 30

Each group will give a presentation on its entry project. Your group should show considerable progress toward the written project.

Apr 6

Chapter: 14, Global manufacturing and materials management.

Case: Renault-Nissan. Questions:

1. What is the logic behind the alliance?
2. How equal, or otherwise, are the alliance partners?
3. What lessons is each firm learning from its alliance partner? Did it need to form an alliance to learn these lessons?
4. How is the alliance being managed?
5. How should the alliance be managed in future?

Apr 13

Chapter: There is no book chapter assigned for this, our last meeting before the final exam. We will revisit, with the help of the SMZ case, much of the course material. To which of the course learning objectives (listed on the front of this syllabus) is the SMZ case relevant?

Case: SMZ. Questions:

1. How successful has SMZ been? Why?
2. Why might SMZ be less successful in future?
3. How, if at all, should SMZ change its pricing?
4. What other changes and actions should SMZ consider? Which of these should it actually go ahead with?

Apr 20

Final examination.

Assignments

Assignment	%age of grade
Casebriefs (3 or 4)	20
Class participation—including online	20
Final examination	35
Entry assignment	25

Casebriefs may be individual or group work. If you choose to do them individually, you should submit three. If you choose to do them as a group (of two, three, or four) your group should submit four casebriefs. A casebrief for this course comprises two pages. It includes at least one table, graph, figure, or similar object that is *not* solid text. Having said that, most casebriefs will consist mostly of text. The text should be single-spaced. The minimum font size is 12. The minimum margin is one inch.

A casebrief should summarize the situation, and recommend a course of action for the firm (or firms). It should *not* assume that the reader has read, or has access to, the case itself. It should *not* depend on events that have taken place since the case. The questions assigned for class discussion are also intended to help you with the casebrief.

There is more to **class participation** than mere attendance. Punctuality, preparation, and, of course, active participation are also vital. So is turning off mobile phones and similar devices during class.

Note that preparation is required for almost every class meeting. In particular, when I assign a case, I expect to be able to call upon any student.

There will also be opportunities to participate in online discussions on Blackboard.

The **final examination** will comprise short essay questions. I will provide sample questions on Blackboard. So will you!

The **entry assignment** will be done in groups. I suggest three or four as a good size for a group. The assignment is to plan the entry of a specific firm into a specific country. You may base your plan on an existing firm, or you may propose the creation of a new firm.

The end product of this assignment is a written plan, due in the last class meeting (excluding the final exam). A few weeks before that, each group will make a presentation of its progress on the assignment to the class. A few weeks before that, each group will submit a short (one page would be fine) proposal identifying, among other things, the firm and the country.

We will discuss the projects on Blackboard between the proposals and the presentations, and again between the presentations and the written plans. Constructive comment on the presentation or project of another group is good class participation.

Web Site

The **web syllabus** is a Blackboard site. It is the home site for this course, and provides links to other relevant sites and pages. You can access it via:

<http://blackboard.neu.edu> (note the lack of “www” in this URL).

Make sure that you are enrolled in the appropriate section of INB G200.