

John F. Welch
COLLEGE OF BUSINESS

SACRED HEART UNIVERSITY



BU 278: PRINCIPLES OF INTERNATIONAL BUSINESS

Dr. Balbir B. Bhasin

Class Meetings: Twice a week for 1.5 hrs per meeting over 12-14 weeks

Prerequisites: BU 201 Organization Management

“An interdisciplinary study of the management of organizations and decision making utilizing behavioral and quantitative approaches. Topics include: decision making, motivation and behavior, leadership, group behavior, organizational change, planning, control and allocation of resources.”

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Catalogue Description:

“Surveys the scope of international business with special emphasis on the various environments including political, economic, legal, technological, and socio-cultural This course also discusses the managerial process of planning, organizing, controlling and leading in a global context, and their application to achieve success in international business”.

Course Materials:

International Management: Strategic Opportunities and Cultural Challenges by McFarlin and Sweeney, Third Edition, Houghton Mifflin NY, 2006. ISBN 0-618-51983-1.

“The modern business enterprise has no place to hide. It has no place to go but everywhere.”

--Lane, DiStefano & Maznevski

“Today, the world has changed, and the international business environment is profoundly influencing firms, governments, and individuals on a daily basis.”

--Czinkota & Kotabe

Learning Objectives:

- 1. To understand the special terms, concepts, and institutions associated with the environment in which international companies operate
- 2. To introduce managerial concepts and techniques for analysis and decision making in international businesses
- 3. To develop an expertise for practical planning and implementation of global business strategies for the development of competitive advantage



Why study International Business?

Managers around the world are now or will soon be involved to some degree in international business. The escalating level of involvement and competitiveness makes it imperative that managers develop the skills needed to be effective in cross-national interactions and in daily operations in foreign subsidiaries.

Executives increasingly recognize the importance of specialized international management skills as the workforce (both in the U.S. and in other countries) becomes more diverse, and as the level of management in international business increases.

What do International Managers do?

International managers are involved in the process of planning, organizing, staffing, leading and controlling in a multicultural or cross-cultural environment. Their goal is to make effective and efficient use of the human and capital resources they have at their disposal.

How will you learn it?

Lectures, Class Discussions, Textbook Readings, Supplementary Readings, Video Presentations, Case Studies, Guest Speakers, Student Presentations, Term Project, Tests and Examinations.

How will you be evaluated?

Evaluation will be based on exhibiting maximum effort individually and as part of an assigned team; the ability to apply of various concepts taught, and the ability to draw appropriate conclusions and lessons learned.

Attendance (Required)	10	
Participation (in class and in teams)	10	
Group Case Presentations	10	
Mid Term Examination	20	
Final Term Project Presentation	20	
Final Term Project Written Paper	30	
Total		100



“Globalization has changed us into a company that searches the world, not just to sell or to source, but to find intellectual capital - the world's best talents and greatest ideas.”

- Jack Welch

COURSE APPROACH AND CLASSROOM MANAGEMENT

Fundamentals: This course takes a *very serious approach to the learning* process and requires all students to perform and contribute at the highest level. A positive response will be duly rewarded and there will be *consequences for non compliance* of requirements.

Assignments: All assignments must be completed and submitted in time. At least one letter grade will be deducted from assignments that are turned in late. There will be *no make up* for assignments not completed. Students are expected to maintain a high degree of positive personal attitude to allow for a meaningful learning environment in the classroom. *There are no make up exams or extra credit opportunities in this course.*

Classroom Discipline: Personal discipline in attitude and study is paramount for success in this course. *Coming to class late, talking in class and causing distraction, disrupting the class in any way will not be tolerated.* There will be a fair amount of *group work* and *public speaking* involved, which is aimed at preparing you for teamwork and professionalism in work and life.

Cellphones and Laptops: No cellphones or laptops are allowed in the class in order that maximum focus can be put on the presentations and discussions. No extra credits are awarded as you are expected to perform at your highest level at all times.

Dress Code: As business and management majors, you will ultimately be joining the work force as professionals. This is going to be especially important when operating in countries where proper attire in a business setting will make a marked difference. You will therefore be required to adhere to a ***strict business casual dress code*** in class. For all classes, students will be required to dress as managers would in a work setting, but for all presentations a ***formal business attire*** is required.

Attendance: *Attendance is mandatory. More than two absences will result in a full letter grade drop for the course.* If you miss a class for any reason, you are responsible for all material covered and assignments given. You should ascertain from your classmates exactly what handouts or assignments were given. You are also to ensure that you read your email daily for any instructions that may be sent.

Participation: A significant portion of this course will involve student participation. Therefore, you will be expected to adequately *prepare* for each class session, *attend classes regularly*, and *participate* in the *class and case discussions*. The text and required readings will be used in classroom discussions. Class Participation is the classroom equivalent to professionals' participation in meetings and is an important part of success in this course. *Effective participation means (a) active, (b) substantive, and (c) continuous (d) contribution.* In other words, *occasional non-substantive comments or questions will not meet the requirements of this assignment.* Performance is assessed by the instructor based on each participant's contribution, which may take the form, among others, of raising or answering questions, offering comments, enriching the class with relevant items of interest from the media or personal experiences, brief in-class and/or take-home quizzes or exercises, and overall effort throughout the term. This includes all group work. To participate, one has to be in class; so, there is a specific requirement that *classroom attendance is mandatory*



Academic Integrity: As stated in the University policy, students are expected to have an understanding of and commitment to the fundamental values of honesty, trust, fairness, respect and reasonability as expressed in the University's policy on Academic Integrity.

This is a very exciting time in the world of information. It's not just that the personal computer has come along as a great tool. The whole pace of business is moving faster. Globalization is forcing companies to do things in new ways."
- Bill Gates

COURSE ASSIGNMENTS

Case Studies:

(Oral communication skills, analytical skills, global issues, ethical issues, the influence of political, social, legal and regulatory, environmental and technological issues, and the impact of demographic diversity on organizations.)

The case study method will be extensively used to experience and understand real life situations. Students will be required to read the case and discuss the case in groups of three or four before class. During class sessions, students will be required to present orally the facts of the case, and answer the questions on the issues highlighted by the case.

Comprehensive Final Group Project:

(Oral communication skills, analytical skills, global issues, ethical issues, the influence of political, social, legal and regulatory, environmental and technological issues, and the impact of demographic diversity on organizations.)

This will require research, business sense and logic in applying the contents of the textbook. You will select an existing company that has been operating in the domestic market for some time, and has now decided to go international.

Your task as management will be to present to the major stockholders of the company, your plan for going international, and addressing the following issues:

1. Company background, product or service
2. Country that you wish to enter, and why
3. Environment – political, social, economic, legal, technological and the risks involved as well as how you plan to overcome these
4. Strategy for operations in entering the country
5. Organization chart – staffing plan
6. Potential communication problems
7. Controlling the operations
8. Concerns of host country & how to overcome these

You will be required to present your plan to the class using Power Point, Charts, Models and Handouts. Each group will be given 45 minutes to present, followed by 15 minutes of questions. Grading will be done by your peers and by the instructor. Students are required to take a professional approach to present their business plan for approval to stakeholders – this will include preparing two dishes (and a beverage) from the particular country for the class to get a real life taste of the culture.

The project will also be submitted as a bound Business Plan for evaluation. The business plan will be prepared as in real life and not as an academic endeavor. It will have a title page, an executive summary, and table of contents. All sections will be prepared in single space business format and will be highlight of the course. It is due on the final day of the course.



Mid Term Examination: The exam will cover all the chapters covered in class and will require students to read the text thoroughly. It will consist of multiple choice questions and will require critical thinking and understanding as well as application of the concepts taught in class.

“It has been said that arguing against globalization is like arguing against the laws of gravity.”

Kofi Annan

SUGGESTED BUSINESS PLAN LAYOUT

Cover Sheet

- Company Name
- Presented To
- Date
- Group Members

Table of Contents

- List key sections of business plan

Executive Summary

- The Company Overview
- Mission Statement
- Statement of Funding
- Statement of Purpose

Description of Business

- Company Ownership
- Description of Product/Service (overview) What are you going to sell?
- Company Location and Facilities
- Licenses/Permits/Regulations Overview of key items
- Insurance
- Overview of most pertinent concepts
- Start-up Costs
- Listing of key purchases necessary to execute business plan

Market Analysis

- Target Market and Demographics
- Quantify Market Potential
- Competitive Analysis including SWOT analysis
 - List major distribution partners
 - List communication and promotion strategies

- Strategic Alliances
 - Key relationships

Operations Plan

- Warehousing / Shipping Operations
- Key Capital Expenditures
- Equipment

Human Resources

- Organizational Structure
 - Organizational Chart
 - Job description summaries for key positions
- Personnel Plan
 - How many people and what is the timing?
 - Recruiting and selection processes

Financial Plan


- List Key Assumptions (support your financial projections)
- Break-even Analysis
- Historical Financial Statements (current, 3-5 years if available)
- Projected Profit and Loss (monthly for next year, yearly thereafter for 2-5 more years)
- Projected Cash Flow (along with projected financing requirements)
- Projected Balance Sheet
- Pertinent Business Ratios

Appendix

- List key items not included in business plan
- **Management resumes**
- **Owner's Personal Financial Statement**
- Manufacturing details – key products
- Customer contracts
- Vendor contracts
- Sales literature



TENTATIVE COURSE SCHEDULE

1.	Welcome	Course Outline – Clarifying the Expectations & Requirements <i>Critical Essay Assignment</i>		
2	Chapter 1	Management and International Business Fundamentals		
3	Chapter 2	Managing Risk: Political, Economic, and Legal		
4	Chapter 3	Social Responsibility & Ethics		
5	Chapter 5	Role of Culture		
6	Chapter 6	Communicating Across Cultures		Lecture and Discussion
7	Chapter 7	Cross Cultural Negotiations		Lecture & Discussion
8	Chapter 8. 9	Strategy Formulation Country Project Assignments		Lecture & Discussion
9	Movie	Gung Ho		Cultural differences
10	Movie	Gung Ho		Cultural differences
11	Ch. 1-9	Mid Term Examination	Multiple Choice & Essay	
12	<i>Case 1</i> <i>Case 2</i>	<i>Third World Families</i> <i>Chiba International</i>	<i>Preentation Group 1</i> <i>Preentation Group 2</i>	
13	<i>Case 3</i> <i>Case 4</i>	<i>Grupo Finance</i> <i>Western Africa</i>	<i>Presentation Group 3</i> <i>Presentation Group 4</i>	
14	<i>Case 5</i> <i>Case 6</i>	<i>Go Global or No?</i> <i>Trouble in Paradise</i>	<i>Presentation Group 5</i> <i>Presentation Group</i>	
15	<i>Case 7</i> <i>Case 8</i>	<i>Floundering Expatriate</i> <i>In a World of Pay</i>	<i>Presentaion Group 7</i> <i>Presentation Group 8</i>	
16	Term Project	<i>Country Business Plan</i>	<i>Presentation Group 1</i>	
17	Term Project	<i>Country Business Plan</i>	<i>Presentation Group 2</i>	
18	Term Project	<i>Country Business Plan</i>	<i>Presentation Group 3</i>	
19	Term Project	<i>Country Business Plan</i>	<i>Presentation Group 4</i>	
20	Term Project	<i>Country Business Plan</i>	<i>Presentation Group 5</i>	
21	Term Project	<i>Country Business Plan</i>	<i>Presentation Group 6</i>	
22	Term Project	<i>Country Business Plan</i>	<i>Presentation Group 7</i>	
23	Term Project	<i>Country Business Plan</i>	<i>Presentation Group 8</i>	
24	Conclusion	Course Evaluation	Class Social	
25		Final Examination	(if necessary)	