**International Business**

**Course code:** MGT325

**Semester and year:** Spring 2024

**Day and time:** Thursday 14:45 to 17:30

**Instructor:** Dipl. Wi. – Ing. Heinrich Homola

**Instructor contact:** heinrich.homola@aauni.edu

**Consultation hours:** By appointment

|  |  |  |  |
| --- | --- | --- | --- |
| **Credits US/ECTS** | 3/6 | **Level** | Intermediate |
| **Length** | 15 weeks | **Pre-requisite** | TOEFL iBT 71ECO 110, ECO 120, MGT 245, MKT 248 |
| **Contact hours** | 42 hours | **Course type** | Bachelor Required |

# Course Description

The course is thought of as an overview of International Business, intended as the study of cross-border economic transactions carried out by companies. This course is thought to present the nature and role of i) cross-border / regional (i.e. countries within a region) business, ii) the Multi-National Enterprise (MNE), iii) international business aspects from an entrepreneurial / start-up perspective. Theories and especially practices related to International Business operations will be discussed, including attention to key success factors of international operations. In particular, consistently with a trend dominating the recent literature, a particular emphasis will be put on the examination of the geo-political, legal and socio-cultural environment surrounding International Business activities. Real life case studies will be widely used throughout the whole course.

# Student Learning Outcomes

* Students becoming familiar with the activities of Multi-National Enterprises
* Students learning the advantages and disadvantages of the various foreign market entry-modes
* Students understanding the challenges of a foreign market
* Students becoming familiar with the Ownership, Location and Internalization Advantages of a foreign market
* Students understanding the challenges of the geo-political environment where MNEs operate
* Students understanding the challenges of the legal environment where MNEs operate
* Students understanding the challenges of the social environment where MNEs operate
* Demonstrate the ability to research and gather current and relevant information related to international business issues.
* Develop and orally present a compelling international expansion plan for an existing product or service.
* Demonstrate holistic (conceptual - strategic) thinking and setting direction
* Show analytical problem solving and independent judgement
* Be able to ask good business questions

# Reading Material

There is no required reading material for this course as the course will not follow chapters from textbooks.

However, students will have to use intensively external sources to complete work assignments, test assignments, and also in-class in order to support discussions, their argumentation and their viewpoints.

Sources have to fulfill standards of academic credibility. Use & citations have to follow AAU’s guidelines for writing, including rules about plagiarism specifically.

The following list of possible sources may help but is not meant to be complete:

<https://hbr.org/> (Harvard Business Review)

https://www.investopedia.com/

https://www.bloomberg.com

[https://www.mckinsey.com](https://www.mckinsey.com/)

<https://www.bcg.com/> (Boston Consulting Group)

<https://www.strategy-business.com/>

As for academic journals, those related to the area of International Business are, for example, the ***Journal Of International Business Studies*** and the ***International Business Review***.

In order to obtain further information, especially about statistical data, students may consider having a look at the following websites:

<http://www.imf.org/external/>

http://www.oecd.org/

http://www.unctad.org/

The websites above contain reports as well as updated statistical data about FDI and International Business in general. Students are welcome to use other websites of their choice in case they find them more convenient or reader - friendly.

**For students with a strong interest in International Business**

Students interested in gaining in-depth and advanced knowledge of International Business may consider having a look at

DANIELS, J.D.; RADEBAUGH, LEE H.; SULLIVAN, D. **International Business: Environments and Operations**, Prentice-Hall, Inc.

DERESKY, K., **International Management: Managing Across Borders and Cultures**, Pearson Education/Prentice Hall, 7th edition.

RUGMAN, A.; COLLISON, D. **International Business,** Pearson Education/Prentice Hall, 5th edition.

DUNNING, J.H. ; LUNDAN, S.M. 2008, ***Multinational Enterprises and the Global Economy****,* Edward Elgar, Cheltenham, UK, Northampton, USA.

These books represent a real treatise of International Business and provide a fully referenced insight into all topics related to the subject. Students may attempt at reading some chapters (or sections) related to areas of particular interest. In particular, these books provide information about those most important debates where there are different views about particular issues.

# Teaching methodology

The course is delivered through **participative lectures and class discussions.**

Students are expected to study primary and secondary texts if announced in class, and to be exposed to up-dated materials.

The course will consist partly of lectures which are based on readings, case studies and other reading materials. \_**Class participation\* is expected of all students**. This means reading assignments in advance and doing all required preparation for class.\*

The main teaching/learning emphasis of this course is of a “hands-on” workshop approach. Depending on the designated topics for each class session, students will be presenting, discussing and critiquing in class sessions each other's work with the goal of improving day-to-day, “real life” management communication.

# Course Schedule

Note: Assignments are due the following class unless specified differently

|  |  |
| --- | --- |
| **Date** | **Class Agenda** |
| Class 1  February 8 | **Topic:** Introduction  **Description:** Course overview, teaching methodology, grading structure  Multi-National-Companies: Definitions, types, origin & history, characteristics,  advantages & risks. Eliciting single brand vs. multiple brand, incl. examples. Discussing the nature of Multi-National Companies using examples from luxury goods categories & retail categories, comparing also local vs. multinational market approaches.  **Assignments/deadlines:** Essay specified in class |
| Class 2  February 15 | **Topic:** Corporate culture, heritage & future, global vs. local  **Description:** Introduction to Culture Sensitivity, translating into development of different corporate cultures / business cultures as challenge for international organizations. The future balance of global vs. local business in light of market cultures. How this effects the development of online vs. B&M retail, and manufacturing ethics.  Example of the clothing industry used for interactive group work in class, eliciting key patterns.  **Assignments/deadlines:** |
| Class 3  February 22 | **Topic:** Balance of global vs. local business (cont.)  **Description:** Why the balance of global vs. local business is key for analyzing international expansion; Analysis of Successes & Failures of Selected Examples: Group work on Starbucks, Red Bull, IKEA, Mc Donald's, Uber, Airbnb; to be presented in following class **Assignments/deadlines:** Group work Presentations for next class |
| Class 4  February 29 | **Topic:** Group work presentations  **Description:**  **Assignments/deadlines:** |
| Class 5  March 7 | **Topic:** The geo-political environment (1)  **Description:** Geopolitical development is a complex and multifaceted narrative that spans millennia, with the rise and fall of empires, shifting borders, and global power struggles. Throughout history, geopolitical developments have been shaped by factors such as military conflicts, diplomatic negotiations, economic interests, and the pursuit of strategic advantage, all of which continue to influence global politics and international relations.  Specific examples how geo-political developments affect international business.  **Assignments/deadlines:** |
| Class 6  March 14 | **Topic:** The geo-political environment (2)  **Description:** With this closer look at current geo-political risks, students will better understand in which environment MNE's operate today. Our today's global economy implies that thinking business actually means thinking international business more often than ever before. Hence, understanding geo-political implications and potential risks is essential for corporate management, independently from in which branch the company operates.  **Assignments/deadlines:** |
| Class 7  March 21 | **Topic:** Midterm Exam  **Description:** Midterm Exam which covers the first half of the course  **Assignments/deadlines:** |
| March 28 | **Mid-term Break** |
| Class 8  April 4 | **Topic:** Market readiness for international expansion  **Description:** In - class group work on examining the international expansion of the car industry of various countries **Assignments/deadlines:** Group work on specific examples |
| Class 9  April 11 | **Topic:** Group work presentations from previous class  **Description:**  **Assignments/deadlines:** |
| Class 10  April 18 | **Topic:** Challenges for regional expansion in start-up's (1)  **Description:** Recent trends of globalization turning into regionalization and even glocalization, and about offshoring - nearshoring - friendshoring. Learning about the interrelationships in  supply chains, sourcing strategies, organizational structures supporting regionalzation strategies. Developing a perspective on why regionalization vs. globalization is becoming an essential discussion point in regional business.  **Assignments/deadlines:** Group work: Researching multiple examples of regional expansion of delivery services and assessing whether successful & why. - GRADED |
| Class 11  April 25 | **Topic:** Group work presentations– GRADED  **Description:**  **Assignments/deadlines:** none for this class |
| Class 12  May 2 | **Topic:** Legal Considerations in International Business  **Description:** Challenges & enforcement in a global context, international law vs. foreign law, arbitration vs. litigation. Providing insight into key regulatory frameworks (e.g., FCPA, GDPR) that impact global business operations. Importance of ethical considerations in global business. **Assignments/deadlines:** In class group work: Choose study case between Netflix, YouTube, Uber, discussing future outlook with using variables learned in this class |
| Class 13  May 9 | **Topic:** 1. Legal considerations (cont.) 2. Review for Final exam:  **Description:** Research on how a given company was coping with legal challenges in different geographies. 7 companies given: Walt Disney, Red Bull, Amazon, Netflix, Youtube, Uber, Airbn'b, 1 company per group. Focus is NOT on the outcome of legal disputes, but on whether the company was paying enough attention to cultural AND legal considerations discussed in previous classes, and what kind of changes the company had to pursue based on their dealing with these issues.  **Assignments/deadlines:** |
| Class 14  May 16 | **Topic:** Final Exam |

# Course Requirements and Assessment (with estimated workloads)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Assignment** | **Workload (average)** | **Weight in Final Grade** | **Evaluated Course Specific Learning Outcomes** | **Evaluated Institutional Learning Outcomes\*** |
| Attendance and Class Participation | 42 | 20% | * All students are expected to participate in class * To achieve all participation points, student must take an active role * Expect instructor to keep track of contributions to class discussion * Missing class, naturally, affects participation and therefore the grade! * Assessment of a student's performance outside of their assignments * Engagement in class discussions * Student behavior in group settings | 1,2,3 |
| Assignment I (homework, individual) | 20 | 15% | TBD | 1,2,3 |
| Assignment II (homework, group work) | 20 | 15% | * Assessment of the Key Success Factors of regional expansion * Eliciting the various used expansion strategies from the example companies * Knowledge and ability to apply learned information and critical thinking. | 1,2,3 |
| Midterm Exam | 28 | 20% | * Students becoming familiar with the activities of Multi-National Enterprises * Students learning the advantages and disadvantages of the various foreign market entry-modes * Students understanding the challenges of foreign markets * Knowledge and ability to apply learned information and critical thinking. | 1,2,3 |
| Final exam | 40 | 30% | * Students becoming familiar with the activities of Multi-National Enterprises * Students learning the advantages and disadvantages of the various foreign market entry-modes * Students understanding the challenges of a foreign market * Students becoming familiar with the Ownership, Location and Internalization advantages of a foreign market * Students understanding the challenges of the legal environment where MNEs operate * Students understanding the challenges of the social environment where MNEs operate * Knowledge and ability to apply learned information and critical thinking. | 1,2,3 |
| **TOTAL** | **150** | **100%** |  |  |

\*1 = Critical Thinking; 2 = Effective Communication; 3= Effective and Responsible Action

# Detailed description of the assignments

**Participation:** All students are expected to participate in class discussions. Class participation means **“voluntarily speaking and taking part in the conversation/lecture** for the purpose of sharing experiences/opinions & enriching the class experience.” Expect your professor to keep track of how often you contribute to class discussion. If you don’t speak, you get a zero. Students should note that while attendance at every class is not required, class time serves as the primary opportunity to participate. Experience has shown that regular attendance will significantly help your performance in the course.

**Assessment breakdown Participation**

|  |  |
| --- | --- |
| **Assessed area** | **Percentage** |
| Active engagement in discussion: Positive, constructive contribution to discussions and presentations, and the application of relevant course concepts (based on the course readings) | 100% |

## Assignment I – individual homework

The assignment will cover a specific topic based on contemporary reading / research material. Students should then formulate opinions supported by evidence and draw conclusion from their reading / research.

**Assessment breakdown**

|  |  |
| --- | --- |
| **Assessed area** | **Percentage** |
| Capacity to identify challenges for Multi-National Companies | 33.3% |
| Capacity to discuss theoretical concepts | 33.3% |
| Capacity to solve practical exercises | 33.3% |
| Total | 100% |

**Assignment II – homework, group work**

Students will work in teams on a given topic from class. They will then present their results in a formal presentation in class. All team members will get the same grade.

**Assessment breakdown**

|  |  |
| --- | --- |
| **Assessed area** | **Percentage** |
| Capacity to identify challenges for Multi-National Companies | 33.3% |
| Capacity to discuss theoretical concepts | 33.3% |
| Capacity to solve practical exercises | 33.3% |
| Total | 100% |

## Midterm Exam

The exam will covers all of the material covered in the readings and classes so far.

**Assessment breakdown**

|  |  |
| --- | --- |
| **Assessed area** | **Percentage** |
| Capacity to identify challenges for Multi-National Companies | 33.3% |
| Capacity to discuss theoretical concepts | 33.3% |
| Capacity to solve practical exercises | 33.3% |
| Total | 100% |

## Final Exam

A final, comprehensive exam will be given to students on the last day of class.

**Assessment breakdown**

|  |  |
| --- | --- |
| **Assessed area** | **Percentage** |
| Capacity to identify challenges for Multi-National Companies | 33.3% |
| Capacity to discuss theoretical concepts | 33.3% |
| Capacity to solve practical exercises | 33.3% |
| Total | 100% |

# 8. General Requirements and School Policies

## General requirements

All coursework is governed by AAU’s academic rules. Students are expected to be familiar with the academic rules in the Academic Codex and Student Handbook and to maintain the highest standards of honesty and academic integrity in their work.

## Electronic communication and submission

The university and instructors shall only use students’ university email address for communication, with additional communication via NEO LMS or Microsoft Teams.

Students sending e-mail to an instructor shall clearly state the course code and the topic in the subject heading, for example, “COM101-1 Mid-term Exam. Question”.

All electronic submissions are through NEO LMS. No substantial pieces of writing (especially take-home exams and essays) can be submitted outside of NEO LMS.

## Attendance

Attendance, i.e., presence in class in real-time, at AAU courses is default mandatory; however, it is not graded as such. (Grades may be impacted by missed assignments or lack of participation.) Still, students must attend at least two thirds of classes to complete the course. If they do not meet this condition and most of their absences are excused, they will be administratively withdrawn from the course. If they do not meet this condition and most of their absences are not excused, they will receive a grade of “FW” (Failure to Withdraw). Students may also be marked absent if they miss a significant part of a class (for example by arriving late or leaving early).

## Absence excuse and make-up options

Should a student be absent from classes for relevant reasons (illness, serious family matters), and the student wishes to request that the absence be excused, the student should submit an Absence Excuse Request Form supplemented with documents providing reasons for the absence to the Dean of Students within one week of the absence. Each student may excuse up to two sick days per term without any supporting documentation; however, an Absence Excuse Request Form must still be submitted for these instances. If possible, it is recommended the instructor be informed of the absence in advance. Should a student be absent during the add/drop period due to a change in registration this will be an excused absence if s/he submits an Absence Excuse Request Form along with the finalized add/drop form.

Students whose absence has been excused by the Dean of Students are entitled to make up assignments and exams provided their nature allows. Assignments missed due to unexcused absences which cannot be made up, may result in a decreased or failing grade as specified in the syllabus.

Students are responsible for contacting their instructor within one week of the date the absence was excused to arrange for make-up options.

## Late work: No late submissions will be accepted – please follow the deadlines.

## Electronic devices

Electronic devices (e.g. phones, tablets, laptops) may be used only for class-related activities (taking notes, looking up related information, etc.). Any other use will result in the student being marked absent and/or being expelled from the class. No electronic devices may be used during tests or exams unless required by the exam format and the instructor.

## Eating is not allowed during classes.

## Cheating and disruptive behavior

If a student engages in disruptive conduct unsuitable for a classroom environment, the instructor may require the student to withdraw from the room for the duration of the class and shall report the behavior to the student’s Dean.

Students engaging in behavior which is suggestive of cheating will, at a minimum, be warned. In the case of continued misconduct, the student will fail the exam or assignment and be expelled from the exam or class.

## Plagiarism

Plagiarism obscures the authorship of a work or the degree of its originality. Students are expected to create and submit works of which they are the author. Plagiarism can apply to all works of authorship – verbal, audiovisual, visual, computer programs, etc. Examples are:

* **Verbatim plagiarism**: verbatim use of another’s work or part of it without proper acknowledgement of the source and designation as a verbatim quotation,
* **Paraphrasing plagiarism**: paraphrasing someone else’s work or part of it without proper acknowledgement of the source,
* **Data plagiarism**: use of other people’s data without proper acknowledgement of the source,
* **False quotation**: publishing a text that is not a verbatim quotation as a verbatim quotation,
* **Fictious citation**: quoting, paraphrasing, or referring to an incorrect or a non-existent work,
* **Inaccurate citation**: citing sources in such a way that they cannot be found and verified,
* **Ghostwriting**: commissioning work from others and passing it off as one’s own,
* **Patchwriting**: using someone else’s work or works (albeit with proper acknowledgement of sources and proper attribution) to such an extent that the output contains almost no original contribution,
* **Self-plagiarism**: unacknowledged reuse of one’s own work (or part of it) that has been produced or submitted as part of another course of study or that has been published in the past,
* **Collaborative plagiarism**: delivering the result of collective collaboration as one’s own individual output.

At minimum, plagiarism will result in a failing grade for the assignment and shall be reported to the student’s Dean. A mitigating circumstance may be the case of novice students, and the benefit of the doubt may be given if it is reasonable to assume that the small-scale plagiarism was the result of ignorance rather than intent. An aggravating circumstance in plagiarism is an act intended to make the plagiarism more difficult to detect. Such conduct includes, for example, the additional modification of individual words or phrases, the creation of typos, the use of machine translation tools or the creation of synonymous text, etc. The Dean may initiate a disciplinary procedure pursuant to the Academic Codex. Intentional or repeated plagiarism always entail disciplinary hearing and may result in expulsion from AAU.

## Use of Artificial Intelligence and Academic Tutoring Center

The use of artificial intelligence tools to search sources, to process, analyze and summarize data, and to provide suggestions or feedback in order to improve content, structure, or style, defined here as AI-assisted writing, is not in itself plagiarism. However, it is plagiarism if, as a result, it obscures the authorship of the work produced or the degree of its originality (see the examples above).

AAU acknowledges prudent and honest use of AI-assisted writing, that is, the use of AI for orientation, consultation, and practice is allowed. For some courses and assignments, however, the use of AI is counterproductive to learning outcomes; therefore, the course syllabus may prohibit AI assistance.

A work (text, image, video, sound, code, etc.) generated by artificial intelligence based on a mass of existing data, defined here as AI-generated work, is not considered a work of authorship. Therefore, if an AI-generated work (e.g. text) is part of the author’s work, it must be marked as AI-generated. Otherwise, it obscures the authorship and/or the degree of originality, and thus constitutes plagiarism. Unless explicitly permitted by the instructor, submission of AI-generated work is prohibited.

If unsure about technical aspects of writing, and to improve their academic writing, students are encouraged to consult with the tutors of the AAU Academic Tutoring Center. For more information and/or to book a tutor, please contact the ATC at: http://atc.simplybook.me/sheduler/manage/event/1/.

## Course accessibility and inclusion

Students with disabilities should contact the Dean of Students to discuss reasonable accommodations. Academic accommodations are not retroactive.

Students who will be absent from course activities due to religious holidays may seek reasonable accommodations by contacting the Dean of Students in writing within the first two weeks of the term. All requests must include specific dates for which the student requests accommodations.

# Grading Scale

|  |  |  |
| --- | --- | --- |
| **Letter Grade** | **Percentage\*** | **Description** |
| A | 95–100 | **Excellent performance**. The student has shown originality and displayed an exceptional grasp of the material and a deep analytical understanding of the subject. |
| A– | 90–94 |
| B+ | 87–89 | **Good performance**. The student has mastered the material, understands the subject well and has shown some originality of thought and/or considerable effort. |
| B | 83–86 |
| B– | 80–82 |
| C+ | 77–79 | **Fair performance**. The student has acquired an acceptable understanding of the material and essential subject matter of the course, but has not succeeded in translating this understanding into consistently creative or original work. |
| C | 73–76 |
| C– | 70–72 |
| D+ | 65–69 | **Poor**. The student has shown some understanding of the material and subject matter covered during the course. The student’s work, however, has not shown enough effort or understanding to allow for a passing grade in School Required Courses. It does qualify as a passing mark for the General College Courses and Electives. |
| D | 60–64 |
| F | 0–59 | **Fail**. The student has not succeeded in mastering the subject matter covered in the course. |

\* Decimals should be rounded to the nearest whole number.

Prepared by: Heinrich Homola

Date: 2024/01/05

Approved by: Greg Pezda, Chair of Department of Management

Date: 2024/01/08

Approved by: Jan Vašenda, Vice Dean, School of Business Administration

Date: 2024/01/24