

# Cedar Crest College

**Title:** Completing in the Global Marketplace

**Catalog:** MGT 240

**Instructor:** W. Michael Donovan, MBA, CMA  
Office Hours: Monday, Wednesday 1:00pm – 2:15pm  
Tuesday, 5:00pm – 6:00pm  
Curtis 207, x3415, [mdonovan@cedarcrest.edu](mailto:mdonovan@cedarcrest.edu)

**Course Meets:** Tuesday, 7:00pm – 9:30pm

**Credits:** 3

**Prerequisites:** ECO 101, BUA 110, MRK 230

**Format:** Lecture/Discussion

Fall 2008

## Course Description

This course in international business, examines the global business structure with a focus on cultural differences, the theories of international trade and investment, the functions of foreign exchange and monetary systems, and the process of strategic and operational decisions. Students are asked to broaden their perspective on obtaining news and information to assess international issues intelligently.

## Course Objectives

Though participating in the capitalistic world calls for particular routines and habits, business is embedded in society and culture. Thus there are various legal, monetary, political, ethical, and cultural systems that must be understood. Students will learn that rules and procedures in one country are not always best for use in another country. Developing and implementing strategies that insure organizational success when it crosses national borders is the course's ultimate objective.

## Outcomes / Assessment

Upon completion of the course, students are able to:

1. Describe how markets around the world differ in terms of political, social and cultural characteristics, and the ramifications that these differences produce for business managers.

2. Explain major theories of international trade and investment.
3. Perform foreign exchange computations and explain the role of a monetary system in international business.
4. Prepare financing strategies for an international business transaction.
5. Develop strategies for cross-border business entry and development.
6. Demonstrate the ability to make operational decisions affecting international business strategies.

### **Topical Outline of Instruction**

1. Country factors in politics, sociology, and culture.
2. International trade and investment theory
3. Foreign exchange and monetary systems
4. Monetary systems and capital markets
5. International strategy and organization
6. Exporting and importing
7. Global manufacturing, distribution, and logistics
8. Global marketing
9. Global human resources
10. Accounting and finance issues

### **Course Requirements**

Students must complete the following as minimal requirements:

1. Read the text and cases
2. Examine the manner in which a culture is presented in the media.
3. Prepare an investment analysis about the country of South Africa
4. Prepare a take-home mid-term examination
5. Prepare 2 written case analyses
6. Prepare a 4 page country analysis for a business strategy decision
7. Attend and participate in class

### **Student Evaluation and Grading**

5% -- Examine the manner in which a culture is presented in the media  
15% -- South Africa Country Analysis  
10% -- Take home mid-term exam  
10% -- 2 written case analyses  
20% -- Brief country analysis for a business strategy decision  
20% -- Final exam  
20% -- Attendance and participation

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100% - Total

The mid-term and final will consider material from classes and the text. They will also involve a case study and current events.

Doing business outside your home country requires understanding the dynamics and characteristics of the regions in which you sell, buy, or produce. The country analysis introduces you to a framework that helps you gather information and assess a country's business attractiveness.

We will examine several complex case studies involving international business decisions. Students will prepare 2 analyses between 2 – 3 pages long.

The attendance and participation grade is a crucial measure of your performance. Attendance is important in a two weekend course. Students should also plan on occasionally participating in classroom discussion. The best way to do this is to explore the websites that this syllabus provides below.

There are no extra credit opportunities. Students should focus on the course requirements, and they will do fine.

### *Grading Guidelines for Written Material*

Any written material submitted for grading should contain all of the following elements:

Match the requested style requirements defined by the instructor.

- Have a clear, plausible thesis or focused point stated in the introduction.
- Evidence which is both necessary and sufficient to defend the focused point. Avoid wandering from the focused point.
- As required, in longer pieces, a conclusion which reinforces the thesis or focused point, gives its significance, and places it in a wider context.
- Correct spelling, grammar, and mechanics
- Factual accuracy.
- Thoughtful analysis (the use of relevant tools to examine material) and interpretation throughout.
- Originality; personal discovery of new ideas (concepts).

The following guidelines are used to assign each range of letter grades:

F The paper fails to meet minimum requirements.

D (D to D+) The material contains major errors of fact or major misunderstanding of key issues. It lacks a clear train of thought or expresses ideas incoherently. Mechanics (grammar, etc.) and structure are poor.

C (C- to C+) The material summarizes facts accurately but fails to state significance, or it has a focused point (thesis) but fails to support it with adequate and appropriate evidence. Structure and mechanics are generally correct. (Definition of “significance.” The quality of being worthy of attention; importance: adolescent education was felt to be a social issue of some significance: The meaning to be found in words or events. Definition of “meaning.” To show, imply, convey – especially to help with understanding.

B (B- to B+) In addition to factual accuracy and correct mechanics and structure expected of “C” work, the material has a point of view and demonstrates an understanding of major concepts developed within the course. The focused point is well developed with adequate and appropriate specific examples. Examples are important!

A (A- to A) In addition to the expectations for “B” work, the material goes beyond the basic requirements of the question. It does not merely summarize what books and/or the instructor have said on the question, but demonstrates original thinking. It sets the problem in a broader context, sees the relationship among ideas, and is written clearly and convincingly. Getting an “A” Does not mean the bare minimum. There must be a demonstration of insight to the lessons of the course and the purpose of the assignment.

*Grading guidelines for class discussion:*

F – Exhibits virtually no involvement in discussions.

D (D to D+) Demonstrates infrequent involvement in discussion. Points that are made do not show understanding of material, adequate preparation, or a willingness to offer original thoughts. Instead, there are repetitious or superficial comments.

C (C- to C+) Demonstrates adequate preparation. Knows basic facts, but does not show evidence of interpretation or analysis. Offers information straight from readings without elaboration or analysis.

B (B- to B+) Good preparation by knowing facts well and thinking about implications. Offers interpretations and analysis of material. Contributes frequently and interestingly to the conversation. Responds to student points. Thinks through own points. Asks questions constructively. Helps to consider alternative points of view.

A (A- to A) Excellent preparation by analyzing material deeply and thoroughly. Relates cases and discussions to readings and other material. Offers analysis, synthesis, and evaluation of material. Brings pieces together to help forward learning in the class. Contributes often. Stays focused. Responds to comments of other students productively. Cooperative in debates.

## **Student Responsibilities**

*Attendance:*

**As indicated by college policy, attendance is required.** However, adults do have busy lives. Therefore, a limited number of missed classes are tolerated as long as students make a reasonable effort to alert the instructor at least 1 day before class. Reasons for missing class can include family, employment, religious, or other situations of similar importance. Required work can be passed in late or made-up if appropriate notification occurs. *if timely notification does not occur, then late work or make-ups will be allowed only at the discretion of the instructor. the opportunity is a privilege and is not to be abused.*

#### *Policy on Collaboration:*

I fully support the Cedar Crest College Honor Code and the Classroom Protocol code as stated in the Customs Book. Students should become familiar with the Honor Code. It is important for your own personal development.

Each student is responsible for maintaining strict standards of academic honesty. Anyone caught cheating will be dealt with severely. In order that every student understand what is (or is not) acceptable, the following guidelines are offered.

Discussions of assignments with other students and members of the teaching staff is both permitted and encouraged as a constructive educational practice. Students are expected to write their papers on their own, based on their individual level of progress with the material. Copying of another's work and representing it as one's own work is a serious academic offense, and will be treated as such.

Homework plays a dual role in your education. They are an essential part of the learning process in that they require the synthesis and extension of concepts. They also help both the student and the instructor evaluate one's progress in mastering the material. The requirement that completed homework be submitted for grading reflects the great importance the instructor attaches to these functions. Past experience indicates that generally the course material can not be adequately mastered without active involvement on your part. *Merely attending class and reading the text can create a false sense of understanding.* In turn, the instructor is denied knowledge of the student's difficulty and can not bring assistance to bear effectively.

Discussion of homework assignments with others who are also struggling with them can be highly beneficial and is encouraged. Most real-life problems are solved by group efforts, and it is important to learn how to solve problems cooperatively. The interaction with others working on the same problem often reveals different approaches to common difficulties. These benefits do not accrue when one interacts with someone who has already untangled the problem and simply demonstrates the solution.

#### *How Not To Do Well:*

A lack of trying will contribute to poor performance and potentially a poor grade. Learning is about effort, diligence, and perseverance. Do not wait until the last minute. Ask questions. Demand understanding, but mutually contribute to its production.

## *Policy on Plagiarism*

In the event of suspected plagiarism, I will let the student know of my concerns. Sometimes plagiarism is not intended. However, if a major component of any work is copied, the student risks receiving a failing grade without discussion. She may follow college policy to appeal the grade.

## **Text, Tools, and/or Supplies**

The following are required texts, and can be obtained at the College Bookstore:

Hill, C.W. L. (2004). *Global Business Today, 5<sup>rd</sup> Edition*. Boston: McGraw-Hill.

The following cases are required and in the bookstore. They also may be purchased on line at the Harvard Business School Press.

- Lincoln Electric
- Wal-Mart stores: “Everyday low prices” in China
- Wal-Mart 2005
- Natura: Global Beauty Made in Brazil
- Grupo Bimbo
- Taming the Dragon: Cummins in China
- L’Oreal and the Globalization of American Beauty
- Foreign Investment in South Africa
- Country Analysis in a “Global Village”

The following pamphlets will be distributed in class.

- ◆ The U.S. Current Account Deficit in 2005
- ◆ Note on the Balance of Payments (1998)
- ◆ Reading the Balance of Payments (2005)
- ◆ Bernd Beetz: Creating the New Coty

You must regularly read the following online newspaper at [www.ft.com](http://www.ft.com)

You also should read the English version of any of the following online newspapers:

- <http://www.scmp.com/portal/site/SCMP/>
- <http://www.chinadaily.com.cn/>
- <http://www.jordantimes.com/>
  
- <http://www.onlinenewspapers.com/> (Source for newspapers worldwide)

You will also make use of the following website:

<http://globaledge.msu.edu/ibrd/> (registration is free)

(In particular, a drill down link) [http://globaledge.msu.edu/ibrd/GR\\_MultiCountry.asp](http://globaledge.msu.edu/ibrd/GR_MultiCountry.asp)

Obviously, there are thousands of others, but this is a great start for international business.

This has international payments information: <http://www.bea.gov/beatdi1.htm>

The textbook website is useful, too.: [http://highered.mcgraw-hill.com/sites/0073210544/student\\_view0/index.html](http://highered.mcgraw-hill.com/sites/0073210544/student_view0/index.html)

Students must have a Cedar Crest College email account, and regularly read a national or international newspaper/magazine.

### **Cedar Crest College Assistance for Disability Policy**

Students with documented disabilities who may need academic accommodations should discuss these needs with their professors during the first two weeks of class. Students with disabilities who wish to request accommodations should contact the Advising Center (x3484 or 610-606-4609)

### **Detail**

<b>Topic</b>	<b>Week</b>	<b>Reading</b>	<b>Video</b>	<b>Assignments</b>
Introduction and Administration  Globalization	August 25	Chapter 1	Environment and Globalization (2/2008)	
Country Differences and Culture	September 8	Chapter 2	Internet and China (7/2008)  Mexican President (3/2008)	Watch Friedman video at this site: <a href="http://mitworld.mit.edu/video/266/">http://mitworld.mit.edu/video/266/</a>

<b>Topic</b>	<b>Week</b>	<b>Reading</b>	<b>Video</b>	<b>Assignments</b>
	September 15	Chapter 3 and 4	Turkey (1/2007)  Myanmar (11/2008)	Find 3 articles about a country outside the United States and write a brief synopsis that relates to the readings between Chapter 1 and 4.
Trade Theory	September 22	Chapter 5	Delphi (3/2006)	
Political Economy	September 29	Chapter 6	McCain/Obama on Trade (8/2008)	
Foreign Direct Investment	October 6	Chapter 7		Take Home Mid-Term Distributed
Regional Economic Integration	October 20	Chapter 8	NAFTA (5/2008)	Take Home Mid-Term Due
Country Analysis	October 27	Note on Country Analysis  Foreign Investment in South Africa	Yukos (D)	
The Foreign Exchange Market  The Global Monetary System  The Global Monetary System – Balance of Payments	November 3	Chapters 9  U.S. Current Account  Reading the Balance of Payments (2005)  Note on the Balance of Payments (1998)	FX (4/2008)  Supply Price of Food (6/2008)  FRB (7/2007)	Country analysis of South Africa

<b>Topic</b>	<b>Week</b>	<b>Reading</b>	<b>Video</b>	<b>Assignments</b>
Global Strategy	November 10	Chapter 10  Wal-Mart Stores: “Everyday low prices” in China and Wal-Mart 2005	IMF 2 (D)  BP Global Brand (D)	
Entering Foreign Markets	November 17	Chapter 11  Lincoln Electric	Brazil (7/2008)	Analysis of Lincoln Electric
Exporting, Importing, and Countertrade	November 24	Chapter 12  Grupo Bimbo	LNG (2/2006)	
Global Marketing and R&D	December 1	Chapter 13  L’Oreal and the Globalization of American Beauty  Coty	Saab/GM (D)  Domino (D)  Cirque du Soleil (D)  BP (D)	Analysis of L’Oreal
Manufacturing and Materials Management	December 8	Chapter 14  Taming the Dragon: Cummins in China	Product Safety (8/2007 and 7/2007)  Hi Tech Workers (6/2007)	
Final				TBA  Business analysis due