AEM 3991. GLOBAL BUSINESS STRATEGY
NBA 5991. GLOBAL BUSINESS STRATEGY
(combined)

3 credits

May 29 – June 21, 2019

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Course Objectives
In today’s increasingly globalized and interconnected world, international transactions as part of business are the norm. Even purely domestic firms have to deal with international issues, be it in the form of imported supplies or foreign competitors. In addition, more and more companies are going abroad to pursue their major business objectives. How can they take advantage of the global marketplace and create economic value through their multimarket activities?

This course has three integrated objectives:
-- First, to give you a basic grounding in global business, so that you can become capable of understanding and analyzing events and trends in the global business environment and their impact on managerial decision making;
-- Second, to help you understand the analytical frameworks on strategy formulation and implementation in an international context;
-- And third, through a series of concrete case discussions and a local product internationalization project, the course aims at developing your practical skills in applying the tools of global strategic analysis in concrete business situations. Its ultimate goal is to help you become better prepared to serve in and lead business organizations in today’s globalized world.
Course Readings

A digital Reading Packet will be available for purchase from the campus store. Please call the Book Information Desk (607-255-2933) or email Leslie (lam18@cornell.edu) for the digital code to be mailed to you.

Additional Readings will be posted on Canvas@Cornell.

Distance Learning Organization of the Course

(1) Lectures. The course’s core conceptual material will be introduced through detailed lecture notes – you can download them from Canvas@Cornell (the new Blackboard version for Cornell).

(2) Assigned Readings. There will be assigned readings for each class session. You can find them on Canvas in the respective Modules for each session; and in a Reading Packet that you can purchase from Cornell’s Campus Store.

(3) Discussion Board. There will be a Discussion Forum for each class session. Do you have to be on Canvas/online for a specific time of the day in order to participate in group discussions? The answer is No. Overall, the course has a flexible schedule – you are not required to be at your computer at a certain time of the day for class discussions.

(4) Fulfilling the Course Requirements. Finally, you have to fulfill the course requirements which are listed below.

Course Requirements and Grading Policy

Your grade will be based on: (a) participation in class discussions on Canvas (40 points); (b) one case write-up (25 points); and (c) a final paper (35 points).

(a) Participation in Discussion Forums (40%)

As the percentage breakdown indicates, participation in online discussions is an important part of the learning process. There will be a discussion forum for each daily class session. You will have the flexibility to post your comments throughout the day, or about 24 hours after the release of the lecture notes for the respective class session.

You can get up to 4 points per discussion post, depending on the quality of your analysis.

What counts as a post: (a) an answer to one of the discussion questions (all discussion questions will be posted in advance); or (b) a comment on one of the assigned readings for the day; or (c) a brief analysis of a recently published news article that discusses topics relevant to the class themes (please attach the news article to your post or provide a web link if the article is publicly available).
Length of the post: up to a page. Try to be clear and concise – clarity of thought and economy of words are important.

Deadline for posting: 11:59 pm on the day of the class session.

(b) One Case Write-Up (25%)

You have to write an essay of up to 1,300 words on one of the cases that will be discussed in class: Intel’s Site Selection Decision in Latin America; Trouble in Paradise; Starbucks and Conservation International; and The Shakedown.

The write-up should be an answer to the respective discussion questions for the case (they are listed in the Syllabus). Please provide separate answers to each of the discussion questions for the case and use subheadings to indicate where the answer to one question ends and the answer to another question starts. You can find detailed guidelines on Canvas about Answering a Case Question.

Length: Up to 1,300 words. Less words is not bad; I will be evaluating the quality of your logical thinking and critical assessment of the case, not the quantity of words with which you express yourself. In any case you have to assume that quantity and quality are often interdependent. With more space/words you can increase the general quality of your answer by bringing additional relevant evidence/data in support of your argumentation.

Your essays are due by 11 pm on the day before the respective case will be discussed in class. Please send them to me by email.

<table>
<thead>
<tr>
<th>Case</th>
<th>Case Write-Up Submission Deadline</th>
<th>Case Discussion in Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intel</td>
<td>June 4, 11 pm</td>
<td>June 5, Wednesday</td>
</tr>
<tr>
<td>Trouble in Paradise</td>
<td>June 9, 11 pm</td>
<td>June 10, Monday</td>
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<tr>
<td>Shakedown</td>
<td>June 11, 11 pm</td>
<td>June 12, Wednesday</td>
</tr>
<tr>
<td>Starbucks</td>
<td>June 12, 11 pm</td>
<td>June 13, Thursday</td>
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(c) Final Paper (35%)

On June 15th, Saturday, I will send you by email one or more recently published journal articles that will discuss issues of business organization, strategy or management in the context of the global marketplace. I will also include a set of questions on the contents of the article/s. Please write a concise essay in response to these questions, by using the theoretical framework and perspectives of the course readings and lecture notes. You are welcome to use additional materials beyond the assigned article/s in support of your arguments.

The standard for the paper is as follows: 12-point Times New Roman font, 1-inch margin, double-spaced, page-numbered, maximum 2,700 words which is about 9-10 pages in length (double-spaced), and saved as a Word document. References and any exhibits/appendices you deem necessary do not count against this limit.

More detailed guidelines on your final project will be provided during the last week of class sessions.

Your final paper is due on June 22, Saturday by 5 pm ET. Please send it to me by email.
Other Important Class Policies

**Academic Integrity.** You are expected to uphold the fundamental values of honesty, trust, fairness, respect and responsibility that characterize academic integrity. Please abide by Cornell’s Code of Academic Integrity which is to be found here. I expect you to turn in all assignments written by you, in your own words, citing any references you may have used. When in doubt, cite!

“A Cornell student’s submission of work for academic credit indicates that the work is the student’s own. All outside assistance should be acknowledged and the student’s academic position truthfully reported at all times.” (Cornell Academic Integrity Code)

Please do the Exercise (available [here](#)) to check your understanding of plagiarism.

**Accessibility.** Students wishing to request academic accommodations to ensure their equitable access and participation in this course should notify the instructor as soon as they are aware of their need for such arrangements. Cornell’s Accessibility Policies can be found [here](#). Excerpt:

"It is Cornell policy to provide reasonable accommodations to students who have a documented disability (e.g., physical, learning, psychiatric, vision, hearing, or systemic) that may affect their ability to participate in course activities or to meet course requirements. Students with disabilities are encouraged to contact Student Disability Services and their instructors for a confidential discussion of their individual need for academic accommodations. Student Disability Services is located in 420 CCC. Staff can be reached by calling 607.254.4545."

**Netiquette.** Please observe proper "Netiquette". Please treat your fellow classmates with respect, even if you strongly disagree with their positions expressed in the discussion forums. There is room for all opinions in our forums—we are here to share and learn, together. The Canvas module on **Online Learning Basics** provides netiquette guidelines on how to write and receive communications in an online course setting.

**Extensions.** Contact me as soon as you can if you fall behind. Extensions are not automatic; they must be requested and meet the criteria of having provided sufficient work for me to be able to state you are successful thus far.

**Keeping in Contact.** Please maintain contact with me. Ask questions when needed and please do not let problems go unresolved.
Detailed Class Schedule

May 29, Wednesday
Module 1. Globalization of Markets and Internationalization of the Firm

Readings:

Optional:

May 30, Thursday
Module 2. The Global Company and Its Environment

Readings:

May 31, Friday
Module 3. Global Governance and Regulation of Corporate Behavior

Readings:

Browse the websites of the World Bank; International Monetary Fund; World Trade Organization; United Nations Conference on Trade and Development.
June 3, Monday
Module 4. Regional Economic Integration

Readings:
2) Council on Foreign Relations. Backgrounder on What Brexit Means https://www.cfr.org/backgrounder/what-brexit-means?gclid=EAIaIQobChMI_LvA5dem4gIVhbrACh3CswHJEAMYASAAEgK11PD_BwE
4) Backgrounder on the United States – Mexico – Canada Trade Agreement (Canvas).

June 4, Tuesday
Module 5. Strategy and Organization in the International Firm

Readings:

June 5, Wednesday
Module 6. Expanding Abroad: National Sources of Competitive Advantage and the Changing Global Mosaic

Readings:
1) **Case 1:** “Intel’s Site Selection Decision in Latin America.” In: David W. Conklin, *Cases in the Environment of Business: International Perspectives* (Sage, 2006), pp. 576-590 (Reading Packet).

Discussion Questions for Intel Case:
(1) Why did Intel decide to invest in Latin America?
(2) What were the criteria influencing Intel managers’ site selection decision?
(3) If you were part of the selection team, which of the four shortlisted Latin American countries (Brazil, Mexico, Costa Rica, and Chile) would you recommend for locating Intel’s assembly plant? Please motivate your selection. How to do it?
Please assign a number (1, 2 or 3) to each of the site selection criteria, depending on its level of availability in the four shortlisted countries (1 – not easily available; 3 – easily available; 2 – neutral or no information listed in the case). How many total points did you get for each of the four countries?
**June 6, Thursday**  
Module 7. Global Market Opportunity Assessment  
Readings:  

Optional:  

**June 7, Friday**  
Module 8. Developing a Global Business Plan  
Readings:  
2) “What is Walmart’s Global Plan?” CNN Money, May 9, 2018 (Canvas)  

**June 10, Monday**  
Readings:  

Discussion Questions for Trouble in Paradise Case:  
(1) Is the joint venture Zhong-Lian Knitting Company Limited between the U.S. apparel company Heartland Spindle and the Chinese manufacturer Suzhou First Textile Company beneficial to both companies?  
(2) What dilemma does Mike Graves, general manager of the joint venture, face?  
(3) What are the four experts’ commentaries on Mike’s dilemma? Which recommendation for approaching the dilemma are you in favor of? Why?
**June 11, Tuesday**

**Module 10. Assessing and Managing Risk in Global Organizations**

Readings:

**June 12, Wednesday**

**Module 11. Dealing with Corruption**

Readings:
4) **Case 3**: *The Shakedown*, by Phil Bodrock (Reading Packet).

Discussion Questions for The Shakedown Case:
1) Did Customer Strategy Solutions bribe Mylofienko for the expedite installation of phone lines?
2) Why are the tax officials “picking” on Customer Strategy Solutions?
3) In your view, how should Customer Strategy Solutions respond to the extortion request: pay off the tax officials in Kiev and stay; do not pay and stay; or do not pay and leave Ukraine? Please motivate your answer.

**June 13, Thursday**

**Module 12. Global Trade and In/Justice**

Readings:
3) **Case 4**: *Starbucks and Conservation International* (Reading Packet).
Discussion Questions for Starbucks and Conservation International Case:
(1) What are the key success factors for the Starbucks – Conservation International partnership on the Chiapas coffee project in Mexico?
(2) How does Starbuck’s relationship with Conservation International compare to that of its relationship with the Fair Trade Movement organizations Global Exchange/TransFair? In that regard, do the criticisms against Starbucks make sense to you?
(3) What would you recommend to Starbucks regarding the future of its relationship with Conservation International? What might you change?

June 14, Friday

Readings:

June 17, Monday
Module 14. Strategic Community Engagement and Corporate Social Responsibility

Readings:

June 18, Tuesday

Readings:
3) Video: World Economic Forum’s projection of the world’s biggest economies in 2030: https://www.youtube.com/watch?v=Osp5h8m3-aI

June 19, Wednesday
(16) Concluding Discussion: Key Success Factors for Global Business Management

Readings:

June 22, Saturday

Final Reports are due by 5 pm.