AEM 4940. SPECIAL TOPICS IN AEM: GLOBAL BUSINESS STRATEGY
NBA 5991. GLOBAL BUSINESS STRATEGY
(combined)

3 credits

January 3 – 21, 2017

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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 Reading Packet will be available for purchase at the campus store in early May. If you have already left Ithaca, you can call the Book Information Desk (607-255-2933) and order your reading packet. The store will ship it out to you at a designated address for a small shipping fee.

Additional Readings will be posted on Blackboard.

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 Blackboard.

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

(3) Discussion Board. There will be a Discussion Forum on Blackboard for each class session. Do you have to be on Blackboard/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 Blackboard (40 points); (b) one case write-up (25 points); and (c) a final (group) project (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 class session, or a total of 15. 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) one separate comment on the assigned readings that is not directly related to the posted discussion questions for the day; or (c) a brief analysis of a recently published news article in the media which 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: 1-2 paragraphs, 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 before the class session.
(b) One Case Write-Up (25%)
You have to write one essay on any of the following four 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.

Each write-up should be an answer to the respective discussion questions for the case (they are listed in the Syllabus) and should be up to 1,300 words.

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>January 8, 11 pm</td>
<td>January 9, Monday</td>
</tr>
<tr>
<td>Trouble in Paradise</td>
<td>January 10, 11 pm</td>
<td>January 11, Wednesday</td>
</tr>
<tr>
<td>Starbucks</td>
<td>January 12, 11 pm</td>
<td>January 13, Friday</td>
</tr>
<tr>
<td>Shakedown</td>
<td>January 15, 11 pm</td>
<td>January 16, Monday</td>
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(c) Final (Group) Project (35%)
You will have the opportunity to gain first-hand practical experience with international business by developing an export plan for a local company. You can develop this final paper either on your own or in a group setting (your preference).

Your task is to identify a suitable international market/country for a locally manufactured product – Salamida’s spiedie sauce, Raymond Corporation’s automated lift truck, a Stakmore Co. folding chair, Chobani’s Greek yogurt, or any other local product of your choice. You have to propose a relevant plan (strategy) for bringing the local product to the selected international market/country. Information about the three companies – including presentations of their CEOs – is available on Blackboard.

The Final Executive Report that you have to submit should, first, identify the most important factors in the selected country’s business environment, as sources of international expansion opportunities and risks for our local company. Second, based on this analysis, you have to propose a relevant plan for entering the selected country’s market.

The standard for the paper is as follows: 12-point Times New Roman font, 1-inch margin, double-spaced, page-numbered, maximum 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 projects and executive reports can be found on Blackboard – Internationalization Project folder. You can also find there supplemental materials that will help you develop your projects.

Your final Executive Reports are due on January 21st, Saturday by 5 pm ET. Please send them 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 Blackboard folder 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.

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Detailed Class Schedule

**January 3, Tuesday**

(1) Globalization of Markets and Global Regions of the World

Readings:


Additional/Optional materials on Blackboard
January 4, Wednesday

(2) The Global Company and Its Environment

Readings:
Additional/Optional materials on Blackboard

January 5, Thursday

(3) Global Governance and Regulation of Corporate Behavior

Readings:
UN-ILO. Corporate Codes of Conduct and Labor Standards (Blackboard).
Browse the websites of the World Bank; International Monetary Fund; World Trade Organization; United Nations Conference on Trade and Development.

January 6, Friday

(4) Regional Economic Integration

Readings:
Additional/Optional materials on Blackboard

January 7, Saturday

(5) Strategy and Organization in the International Firm

Readings:
Additional/Optional materials on Blackboard

January 9, Monday

(6) Expanding Abroad: National Sources of Competitive Advantage and the Changing Global Mosaic

Readings:
Discussion Questions:
(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.
January 10, Tuesday
(7) Global Market Opportunity Assessment
Readings:

January 11, Wednesday
(8) Entry Strategies. Making Strategic Alliances Work
Readings:
Discussion Questions:
(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?

January 12, Thursday
(9) Assessing and Managing Risk in Global Organizations
Readings:

January 13, Friday
(10) Global Trade and Justice
Readings:
*Case: Starbucks and Conservation International* (Reading Packet).
Discussion Questions:
(1) What are the key success factors for the Starbucks – Conservation International partnership on the Chiapas coffee project in Mexico?
(2) How does Starbucks’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?
**January 16, Monday**

(11) Dealing with Corruption

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

Discussion Questions:
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.

**January 17, Tuesday**

(12) Global Labor Standards

Readings:
- Materials on Apple & Foxconn work conditions case (Blackboard).
- Optional: Mattel toy recall case (Blackboard)

**January 18, Wednesday**

(13) Strategic Community Engagement and Corporate Social Responsibility

Readings:

**January 19, Thursday**


Readings:

**January 20, Friday**

(15) Concluding Discussion: Key Success Factors for Global Business Management

Readings:


**January 21, Saturday**

Final Executive Reports are due by 5 pm.