



## **CIEE Global Institute – Paris**

<b>Course name:</b>	Principles of International Business
<b>Course number:</b>	(GI) MGMT 3004 PAFR
<b>Programs offering course:</b>	Open Campus
<b>Open Campus Track:</b>	Business
<b>Language of instruction:</b>	English
<b>U.S. semester credits:</b>	3
<b>Contact hours:</b>	45
<b>Term:</b>	Spring 2020

### **Course Description**

This course examines key concepts and debates in contemporary international business, covering a range of topics including a critical deconstruction of the term globalization; the national and supranational alignment and divergence of political, economic, and legal systems; the complexities and nuances of international trade, including import, export, and countertrade; foreign direct investment patterns and strategies; international finance and accounting; organizational structures for international businesses; market entry; global production; and, global complications in human resource management.

### **Learning Objectives**

By completing this course, students will:

- Apply knowledge of critical issues impacting international business activities and the institutions that influence international trade.
- Examine cutting-edge global business knowledge to enhance ability to work within an organization with a culturally diverse workforce or better prepare you for undertaking an international career.
- Critically review the unique opportunities and problems that confront international managers as they navigate through the constantly evolving global economic, political, legal, technological and cultural environments.
- Demonstrate an understanding of foreign exchange markets and the impact of exchange rate fluctuations, as well as skills needed to evaluate foreign market potential and emerging market opportunities, with emphasis on market entry.
- Apply the theories, concepts, and methodologies explored in this class to host environment examples.

### **Course Prerequisites**

Students should have completed a level 2000 class in business management or marketing prior to taking this course.

### **Methods of Instruction**



The course will be taught using lectures, seminars, case study discussions, group presentations, as well as field trips to local businesses and relevant organizations. Classroom activities will involve group work and critical discussion groups considering and arguing on key debates facing the international businesses today. Invited guest speakers, entrepreneurs or leading business people will add to the learning objectives of this course.

### Assessment and Final Grade

1. Debate	20%
2. Group Presentation	20%
3. Written Assignment	10%
4. Consultancy Exercise Project	10%
4. Final Exam	20%
5. Class participation	20%

### Course Requirements

**Important: all course assignments must be turned in on time. While students will not be penalised for submissions up to and including 1 hour late,**

- **Students submitting work from 1 hour and 1 minute late up to and including 24 hours late will be penalised 15% from the assignment;**
- **Student work submitted from 24 hours and 1 minute late onwards will receive a zero (0%) grade.**

#### **Debate**

Students will be placed in pre-selected groups to debate on a current topic that is relevant to international management. Topics and guidelines will be given out in advance with time to prepare during the course.

#### **Group Presentations**

This will be delivered by the students in groups of no more than 4 students. The presentation should not last more than 20 minutes and will be followed by a Q&A session. Of utmost importance is to give examples and illustrate management practices with real-life examples of MNCs.

Each group will choose a multinational company and do research on its strategy.

Each group will apply the model Keys to Innovation Success (refer to presentation on Transformative business models) and analyze how the company scores in each of the six features.

#### **Written Assignment**

Students will deliver a written assignment at the end of Week 3. After reading the Harvard Business Review Case Study “Strategic Planning at NFTE,” students will prepare a written, researched report analyzing the management challenges at NFTE. In this report, students



will recommend strategic solutions to the board of directors as to how the organization should proceed.

### **Consultancy Exercise Project**

The in-class presentation will be delivered by the students in groups of no more than 3 students. Each group will choose an existing company and country for which they will look to enter. Before developing a strategy for entering that market, it will be important to carry out an environmental analysis using the PESTEL model. Your presentation should focus on the PESTEL model for the chosen company and country.

The presentation should not last more than 5–8 minutes and will be followed by a short Q&A session.

### **Final Exam**

Students will receive a take-home final exam at the end of the course. The exam (short-answer and essay questions) will cover all topics discussed and analyzed in class. Students will receive the exam at the end of Week 4.

### **Participation**

Participation is valued as meaningful contribution in the digital and tangible classroom, utilizing the resources and materials presented to students as part of the course. Meaningful contribution requires students to be prepared in advance of each class session and to have regular attendance. Students must clearly demonstrate they have engaged with the materials as directed, for example, through classroom discussions, online discussion boards, peer-to-peer feedback (after presentations), interaction with guest speakers, and attentiveness on co-curricular and outside-of-classroom activities.

It is expected that students attend and participate actively in class. Assigned texts and case studies should be carefully read before the sessions in order for the students to be able to contribute to a coherent and interesting discussion. I do not assign too many readings, but it is vital to read and understand the case studies for each class, as they will be discussed heavily and it will impact your class participation score if you are not prepared.

The class participation grade will be broken down into three parts so that students can track their progress. Each grade is assigned at the end of even-numbered weeks (Weeks 2, 4 and 6).

*It is strongly encouraged that you bring an electronic device to class with you each day for the purpose of note-taking (laptop, tablet device, etc).* Please note that if pop quizzes are given, they will be sent electronically as class begins.

### **Course Attendance and Punctuality**

Regular class attendance is required throughout the program, and all unexcused absences\* may result in a *lower participation grade* for any affected CIEE course. Due to the intensive



schedules for Open Campus and Short Term programs, unexcused absences that constitute more than 10% of the total course will result in a written warning and the final grade for the course will be lowered by 3 percentage points.

\*Students who transfer from one CIEE class to another during the add/drop period will not be considered absent from the first session(s) of their new class, provided they were marked present for the first session(s) of their original class. Otherwise, the absence(s) from the original class carry over to the new class and count against the grade in that class.

For CIEE classes, *excessively tardy (over 15 minutes late) students will be marked absent. Attendance policies also apply to any required co-curricular class excursion or event\*, as well as to Internship, Service Learning, or required field placement.*

\*With the exception that some class excursions cannot accommodate any tardiness, and students risk being marked as absent if they fail to be present at the appointed time.

Students who miss class for personal travel, including unforeseen delays that arise as a result of personal travel, will be marked as absent and unexcused. *No make-up or re-sit opportunity will be provided.*

An absence in a CIEE course will only be considered excused if:

- a doctor's note is provided
- a CIEE staff member verifies that the student was too ill to attend class
- satisfactory evidence is provided of a family emergency

Unexcused absences will lead to the following penalties:

<i>Percentage of Total Course Hours Missed</i>	<i>Equivalent Number of Open Campus Semester classes</i>	<i>Minimum Penalty</i>
Up to 10%	1	Possible reduction of participation grade
10 – 20%	2	Written warning; reduction of final grade by 3%
More than 20%	3	Automatic course failure, and possible expulsion

### Weekly Schedule

Please note this schedule is subject to change if opportunities arise to enhance the curriculum.



## **Week 1    Orientation Week**

### ***Session 1:1    Introduction to course***

The main purpose of this course will be covered this week. General terms of international management practices and business will be discussed and introduced. The general business environment of the country and city of study will be introduced, with particular emphasis on understanding these concepts in a comparative context.

#### **Reading**

Course syllabus.

## **Week 2    Scopes and Challenges in International Business**

### ***Session 2:1    International Environments: Political, Economic and Legal Systems***

Though strides have been made in developing successful global managers, it is a sad truth that too many companies assume that they can do things abroad in the same manner as they do them domestically. As a result, most managers still lack the necessary cultural awareness when dealing with overseas employees and partners, as well as the experience of managing increasingly complex processes long distance. Learn about the steps leaders can take to develop in prospective global managers the "empathic qualities" necessary for working with individuals and systems unlike their own. In this session students will understand how the political, economic and legal systems differ across countries; and explain the implications for management practice of national differences in political economy.

#### **Readings**

Google Project Oxygen (Case study).

Chas. W. Chapter 2. 'National Differences in Political, Economic and Legal Systems'. In *International Business: Competing in the Global Marketplace*

### ***Session 2:2    International Trade & Government Policy***

In this session, students will understand why nations trade with each other; summarize the different theories explaining trade flows between nations; recognize why many economists believe that unrestricted free trade between nations will raise the economic welfare of countries that participate in a free trade system; explain the arguments of those who maintain that government can play a proactive role in promoting national competitive advantage in certain industries; and understand the important implications that international trade theory holds for business practice.

#### **Readings**

Chas. W. Chapter 7. In *International Business: Competing in the Global Marketplace*.



### **Session 2:3 Debate on Topics in International Business**

Please refer to Canvas for group assignments and debate prompts, as well as materials to use as support.

## **Week 3 Practical Business Approaches (Focus on Economies, Culture, & Marketing)**

### **Session 3:1 The Power of Consumer Stories in Marketing**

New research finds that stories about consumers' positive experiences with a brand significantly increase user engagement with brand websites, and stories originating from consumers are especially powerful in shaping brand attitudes in social media. Indeed, companies that aren't offering experiences that leverage consumer input in brand-related narratives are missing out on important opportunities to connect in a meaningful way with potential buyers. This session will focus on how to leverage consumer stories for content mailings, as well as focus on nonprofits and marketing.

*Guest Speaker:* Nico Alary, [Holybelly](#)

### **Session 3:2 Foreign Direct Investment & International Trade**

Using your host city and country as a case study in FDI, students will gain critical insights on current trends regarding foreign direct investment (FDI) in the world economy. A co-curricular site visit will encourage student to apply the different theories of FDI, whilst understanding how political ideology shapes a government's attitudes towards FDI. Furthermore, students will describe the benefits and costs of FDI to home and host countries and explain the range of policy instruments that governments use to influence FDI. Finally, students will identify the implications for managers of the theory and government policies associated with FDI.

#### **Reading**

Chas. W. Chapter 8. In *International Business: Competing in the Global Marketplace*.

### **Session 3.2 (2) Optional Site Visit: Ecole 42**

In this optional session, students will see a unique education model in practice through Ecole 42. 42 is an open opportunity to gain skills for today's digital world in a non-standard educational setting. On a broad scale, our mission is to offer to young adults a better chance at succeeding as we strive to uncover the talents of this generation in the field of programming. The future economic growth of the United States is specifically related to its innovative capacity and to the digital transformation of its businesses. To this extent, the demand for digital skills and developers has dramatically increased. However, high quality computer programming education in the US is expensive and restricted to a single model or system of learning.



*Guest Speaker:* TBA

*Readings*

Please review the Ecole 42 [website](#) and social media platforms and come prepared to ask questions.

***Session 3:3 Cultural Impact on Global Business***

Although globalization has brought about great advantages to the world, specific national cultures have tended to be neglected by international managers, many of whom tend to be unfamiliar with or insensitive to foreign languages or cultures. This week, we will be discussing how culture impacts international business more than we realize and what managers can do to incorporate it into the social and cultural codes and strategies of the MNCs. Particular emphasis will be given to North American and European cultures.

*Readings*

Three cultures or management (Case study).

Managing the millennial generation (Case study).

**Week 3 Written Assignment due**

***Session 3.3 (2) Optional Site Visit: Paname Brewery***

In this optional session, students will see a business model in practice through the well-known and trending American industry of craft beer. Located in the heart of Paris, PBC is one of the only breweries in Paris to brew their beer on site. Created by an Australian immigrant with an international staff, PBC mixes traditional methods of brewing with modern technology and market entries.

As part of this session, students will see other examples of the craft beer industry in practice, including internalization of the business model for immigrants, an example of direct foreign investment, as well as staying ahead of industry trends in an evolving entrepreneur realm.

*Guest Speaker:* Baptiste Thiery, head brewer.

*Readings (Optional)*

Bringing Yanjing Beer to Canada (Case Study).

**Week 4 Financial Strategies and Themes in International Business**

***Session 4:1 The International Monetary System***

In this session, we will describe the historical development of the modern global monetary system; explain the role played by the world bank and the IMF in the



international monetary system; compare and contrast the differences between a fixed and a floating exchange rate system; identify exchange rate regimes used in the world today and why countries adopt different exchange rate regimes; understand the debate surrounding the role of the IMF in the management of financial crises; and, explain the implications of the global monetary system for currency management and business strategy.

Reading

Chapter 11: "The International Monetary System".

**Session 4:2 Design and Management of International Joint Ventures**

An international joint venture is a company that is owned by two or more firms of different nationalities. The purpose of most international joint ventures is to allow partners to pool resources and coordinate their efforts in order to achieve results that neither could obtain acting alone. Virtually all multinational enterprises now use international joint ventures. Joint ventures are the mode of choice of both U.S. and Japanese multinationals about 30 percent of the time, for instance. This class reviews the reasons why companies create international joint ventures (for example, to strengthen the existing business, take existing products to foreign markets, bring foreign products to local markets, and diversify into a new business) and examines specific types of joint ventures (for example, research and development; raw material and component supply; and marketing and distribution). It then considers some guidelines for international joint venture success.

Reading

Merging American Airlines & US Airways (Case study).

**Consultancy Exercise Project**

**Session 4:3 The Organization of International Business: Site Visit SUEZ**

In this session, student learning is enhanced by co-curricular visit to an organization engaged in international business & sustainability. Students will explain what is meant by organizational architecture; describe the different organizational choices that can be made in an international business; explain how organization can be matched to strategy to improve the performance of an international business; and, discuss what is required for an international business to change its organization so that it better matches its strategy.

SUEZ is a leading French multinational with worldwide operations primarily in water, electricity, natural gas supply, and waste management. The group will visit the headquarters of the company in La Défense and attend a conference on the firm's strategy and international expansion.

Reading



Please visit the SUEZ website and social media accounts.

## **Week 5 External & Internal Strategy on an International Scope**

### ***Session 5:1 Entry Strategy and Strategic Alliances***

In this session, students will explain the three basic differences that firms contemplating foreign expansion must make: which markets to enter, when to enter those markets, and on what scale. Additionally, students will compare and contrast the different modes that firms use to enter foreign markets; identify the factors that influence a firm's choice of entry mode; recognize the pros and cons of acquisitions versus greenfield ventures as an entry strategy; and evaluate the pros and cons of entering into strategic alliances. Students will visit an export based business as a key component of this class.

#### *Readings*

Chapter 15: "Entry Strategy and Strategic Alliances".

### ***Session 5:2 Diversity & Inclusion in Business***

Diversity and inclusion are increasingly important issues not only in business, but in every aspect of one's life. Diversity in virtually all forms has increasingly been shown to have a positive impact on the business world. In this session, students will look at positive ways companies have introduced D&I strategies into their firms, as well as examples of how ignoring D&I will harm profits and brand reputation.

#### *Readings*

How do we get there (Case study).

Gap & gender equality (Case study).

### ***Session 5:3 Group Presentations***

#### **Group Presentations Due**

## **Week 6 Change Management in International Business**

### ***Session 6:1 Global Human Resource Management***

In this session, we will summarize the strategic role of human resource management in the international business; identify the pros and cons of different approaches to staffing policy in the international business; explain why managers may fail to thrive in foreign postings; recognize how management development and training programs can increase the value of human capital in the international business firm; explain how and why performance appraisal systems might vary across nations; understand how and why compensation systems might vary across nations; and understand how organized labor can influence strategic choices in international business firms.



### Reading

Chapter 19: “Global Human Resource Management”

### **Session 6:2 Managing Internal Communication and Organizational Development**

The primary objective of this session is to explore what senior managers think they should be doing to improve communication in their organization, what they actually do in communication terms, and the high workload which senior managers take on. Students will use role playing and act out scenarios to see what communication methods will work the best within large corporations.

### Reading

How to be appropriately assertive (Case study).

### **Session 6:3 Trends in International Business for Managers**

In order for any business to maintain its customer acquisition rate, and to progress in general, it must follow trends and adapt to new situations. There are new gadgets, online tools, apps, and platforms that help businesses around the world alter their approach, cut costs, and also advertise. In this session, students will learn up and coming trends that they can apply to different sectors relevant to their studies.

**Final Exam Due**

## Course Materials

### **Readings**

Chas. W. Hill & G. Tomas M. Hult. 2017. *International Business: Competing in the Global Marketplace*. Hill, McGraw-Hill Publisher (11th ed.).

## Academic Integrity

CIEE subscribes to standard U.S. norms requiring that students exhibit the highest standards regarding academic honesty. Cheating and plagiarism in any course assignment or exam will not be tolerated and may result in a student failing the course or being expelled from the program. Standards of honesty and norms governing originality of work differ significantly from country to country. We expect students to adhere to both the U.S. American norms and the local norms, and in the case of conflict between the two, the more stringent of the two will prevail.

Three important principles are considered when defining and demanding academic honesty. These are related to *the fundamental tenet that one should not present the work of another person as one's own*.

The first principle is that *final examinations, quizzes and other tests must be done without assistance from another person, without looking at or otherwise consulting the work of another person, and without access to notes, books, or other pertinent information* (unless the



professor has explicitly announced that a particular test is to be taken on an “open book” basis).

The second principle applies specifically to course work: *the same written paper may not be submitted in more than one course. Nor may a paper submitted at another educational institution be submitted to satisfy a paper requirement while studying abroad.*

The third principle is that *any use of the work of another person must be documented in any written papers, oral presentations, or other assignments carried out in connection with a course. This usually is done when quoting directly from another’s work or including information told to you by another person* (the general rule in U.S. higher education is that if you have to look something up, or if you learned it recently either by reading or hearing something, you have to document it).

There are three levels of escalation establishing the seriousness of the plagiarism in question.

- **Level one plagiarism:** minor or unintentional plagiarism; leading to passable grade/failing grade on the assignment, depending on perspective of lecturer. No opportunity for resubmission.
- **Level two plagiarism:** significant plagiarism, but potentially due to poor referencing rather than intellectual property theft. This leads to a failing grade (potentially zero points) on the assignment. No opportunity for resubmission.
- **Level three plagiarism:** significant plagiarism, requiring investigation by the Center/Resident/Academic Director, and subsequent disciplinary panel.

Faculty will report any suspected circumstances of plagiarism to the Center/Resident/Academic Director immediately. Faculty can, if they deem it appropriate, require students to submit the Plagiarism Declaration Form (Appendix D) with each assignment as it is submitted.

In any case where Academic Honesty is in question while the student is still onsite at the program, and will impact the grade for the assignment in question, the CIEE Academic Honesty form (Appendix E) will be completed by the Center/Resident/Academic Director, signed by the professor, delivered to the student for signature and added to the student’s permanent records. For any Level three violation, or repeated lower level violation, the Center/Resident/Academic Director will inform the student’s home institution of the infraction and subsequent penalty.