



## **International Business Environment**

MGMT 4500

Spring 2016

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Professor Name: Jeffery D. Houghton, Ph.D.,  
Professor Email: Jeff.Houghton@mail.wvu.edu

### **Course Description**

This course is designed to develop students' skills, which emphasize the application of business concepts and techniques in the global economy and adaptation of business practices to different economic, political, and cultural environments. Topics include globalization; economic, political, and legal systems; international trade; international monetary system; the role of culture in international business, fundamentals in international business strategy; cross-border consolidations and collaborations; global ethics, and managing a multinational workforce. The students learn how multinational companies configure and coordinate activities worldwide and adjust their strategic moves to cross-national differences.

### **Course Objectives**

At the end of the course, the student will be able to:

- Discuss the major components and key concepts of international business.
- Distinguish the reasons why global trade benefits all parties
- Compare and contrast cultural and political differences among nations
- Examine the implications of fluctuating exchange rates
- Describe how exchange rates are determined
- Demonstrate the modes a firm can use to “go global”
- Explain global and regional integration

### **Course Materials & Resources**

Required Text: *International Business*, 6th Edition, Griffin and Pustay, Prentice Hall. Provided by CIMBA.

## Grading

### Examinations, Assignments, and Activities:

#### Examinations:

There will be two examinations given during the semester, a mid-term and a final. Each exam will have a maximum of 130 points possible. Exams will consist of a combination of questions based on material from the lectures and questions based on material in the text. Questions may include short answer questions and comprehensive essays.

#### Study Abroad E-Journal

Students will keep an electronic journal that describes their experience living and studying in Italy & abroad. Each week, I will give you some questions that I would like you to answer. For example, you may be asked to visit a local business and discuss how it differs from companies in the United States. Likewise, you may be asked to compare and contrast your home culture with Italian or European culture and to describe your ability to successfully adapt to life in Spain. You may also be asked to do research and analysis as part of some assignments. For instance, you may be asked to compare the corporate social responsibility views of Italian companies and U.S. companies. Or you may be asked to investigate exchange rates and discuss how the value of the dollar versus the euro has affected your spending habits. I will provide additional guidance regarding the e-journal in class, but it is an important part of your grade. As such, you will want to be sure that your assignments are properly researched, well written, and interesting.

#### Individual Business Plan Presentation and Paper

During your travels you will be exposed to many new and different products and services; some of which are not currently available in the United States. Your job is to purchase such a product, or at least take a picture of it, and bring it for show and tell in class. The presentation should include various aspects of international business: distribution, pricing, promotion, packaging, etc. At the end of the semester, you will turn in a written paper (4-6 pages, typed, double-spaced, 12 pt. font, 1 inch margins) describing how and why this product would or would not be a success if marketed in the United States.

#### Team Case Discussion:

Each team will be assigned to informally present one case to the class. The team will be responsible for providing a brief overview of the case before facilitating a class discussion. All team members are expected to contribute to the discussion. Teams should discuss the case prior to class in a meeting or via e-mail and be prepared to lead the case discussion.

#### Team International Expansion Proposal

Students will work in teams to bring a U.S. Domestic company to Europe. This is a large undertaking in multiple facets. The project should address structure and function of the organization, the product or service itself, production or service location, all aspects of marketing, legal and personnel issues, etc. The report should be in the form of a proposal being written to me, the head of the company or potential investor. The report should be a proposal designed to sell me on the international expansion. You should think about the subject/product/service/company for this project as you travel for the first few weeks of the term. Once a topic is chosen your team should establish a gap that the product/service/company will

fulfill. Once that gap is established and approved then your team can proceed with the project development. Your basic assumption is that this new foreign branch/ subsidiary/venture is the company's first attempt at global diversification.

At a minimum, your final paper should address the following issues:

- I. Host Country Culture
- II. Host Country International political, legal, and economic issues
- III. Host Country position on and use of Trade Agreements
- IV. Host Country Government influences on international trade
- V. Host Country Foreign Exchange status and implications
- VI. Your Choice of Host Country Mode of Entry with an in-depth explanation as to why you picked this entry mode

Determination of Grade:

Exams (2 exams @ 130 points each)	260 points
Team Case Discussions	20 points
Individual Business Plan Presentation and Paper	40 points
Team International Expansion Proposal	50 points
Study Abroad E-Journal	30 points
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TOTAL	400 POINTS

Course grades will be approximately distributed according to the recommended guidelines of the Tippie School of Business at the University of Iowa, which is 20% A's, 40% B's, 30% C's and 10% D's.

However, the instructor reserves the right to deviate from the curve in the case of a class that performs particularly well or poorly.

## Class Schedule

<u>Course Meeting</u>	<u>Topic</u>	<u>Reading Assignment</u>
1	An Overview of International Business Simulation: Journey to Sharahad	Ch. 1
2	The Strategic Context of International Business Globalization: Understanding the New World Economy	Ch. 2 & 3
3	The Strategic Context of International Business Globalization: Understanding the New World Economy	Ch. 2 & 3
4	Cultural Differences Communicating Across Cultures	Ch. 4
5	Cultural Adaptation/Culture Shock Simulation: Redundancia	Ch. 4
6	Ethics and Social Responsibility in International Business	Ch. 5

<u>Course Meeting</u>	<u>Topic</u>	<u>Reading Assignment</u>
7	Simulation: Barnga	No Reading
8	International Trade and Investment	Ch. 6
9	The International Monetary System and the Balance of Payments	Ch. 7
10	Foreign Exchange and International Financial Markets	Ch. 8
<b>11</b>	<b>Mid-Term Examination</b>	
12	Formulation of National Trade Policies	Ch. 9
13	International Cooperation among Nations	Ch. 10
14	International Strategic Management	Ch. 11
15	Strategies for Analyzing and Entering Foreign Markets	Ch. 12
16	International Strategic Alliances	Ch. 13
17	International Organization Design and Control	Ch. 14
18	Leadership and Employee Behavior in International Business	Ch. 15
19	International HRM and Labor Relations	Ch. 19
20	Individual Business Plan Presentations	No Reading
<b>21</b>	<b>Final Examination</b>	

### **Attendance Policy**

Attendance at all classes and CIMBA sanctioned activities is MANDATORY. All unexcused absences will have the following consequences:

- a. 1st absence will result in a loss of a 1/3 of a letter grade in that class
- b. 2nd (cumulative) absence will result in a loss of an entire letter grade in that class
- c. 3rd (cumulative) absence will result in a dismissal from the program.

Absences due to illness require a note from the CIMBA Office Staff. If a student is sick and cannot attend class, he/she must inform the CIMBA Staff immediately. Failure to do so will result in an unexcused absence.

## **Grievance Policy**

Student concerns regarding this course should first be discussed with me, the faculty member teaching this course. If we can't resolve the complaint, you may contact the CIMBA Director, Brandelle Unkrich (319-335-1041, [brandelle-unkrich@uiowa.edu](mailto:brandelle-unkrich@uiowa.edu)). The Director will review the details of the complaint and involve the Associate Dean of the Undergraduate Programs, as needed.

## **Academic Misconduct**

The Tippie College of Business at the University of Iowa follows an honor code regarding academic misconduct. That code can be found at <http://tippie.uiowa.edu/honorcode.cfm> and includes cheating, plagiarism, unauthorized collaboration, obtaining an unfair advantage, forgery, facilitating academic dishonesty, and misrepresentation. Be sure you are familiar with this code. Students who exhibit academic dishonesty will receive a zero (0) for the assignment or examination involved and may receive an "F" for the class. All incidents of cheating will be reported to the CIMBA staff, as well as to the Senior Associate Dean of the Tippie College of Business. The decision of the professor may be appealed to a Judicial Board. The Honor Code for the Tippie College of Business will determine the appropriate appeal process.

## **Accommodating Students with Disabilities/Academic Accommodations**

A student seeking academic accommodations such as a modification of seating, testing, timing, etc. should first register with Student Disability Services, then contact Shannon Lizakowski ([shannon-lizakowski@uiowa.edu](mailto:shannon-lizakowski@uiowa.edu)) in the CIMBA Office to make further arrangements. See <http://sds.studentlife.uiowa.edu> for more information.

## **Sexual Harassment**

Sexual harassment subverts the mission of the University and threatens the well-being of students, faculty, and staff. All members of the UI community have a responsibility to uphold this mission and to contribute to a safe environment that enhances learning. Incidents of sexual harassment should be reported immediately. If you feel that you are being or have been harassed or you are not sure what constitutes sexual harassment, we encourage you to visit the University website, [www.sexualharassment.uiowa.edu/index.php](http://www.sexualharassment.uiowa.edu/index.php), and to seek assistance from the CIMBA Director, Brandelle Unkrich, at 319-335-1041 or [brandelle-unkrich@uiowa.edu](mailto:brandelle-unkrich@uiowa.edu).