

BA 835 – GLOBAL PERSPECTIVES

Mods 3 and 4/Spring 2021

January 20 - February 10: Wednesdays, 1:30-3:30, Zoom
February 17 - March 3: Wednesdays, 1:30-3:30, 105 Forum Building
March 10 - April 21: Wednesdays, 10:30-12:30, 121 Sparks Building

Instructor: Terrence Guay, Clinical Professor of International Business

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Office Hours: On Zoom, by appointment

IMPORTANT SYLLABUS INFORMATION

This syllabus is accurate as of January 20, 2021. Given possible changes that may impact the spring semester in light of COVID-19, **this syllabus is subject to change**. Changes to schedule, readings, assignments, and other aspects of this course will be communicated on Canvas.

This course is designed for an in-person classroom format. The classroom will fit the entire class with social distancing. If the class can no longer meet in-person due to state or university policy, we will meet on Zoom at normally scheduled times. A remote synchronous option is available for students that do not wish to attend class. Remote students will participate in live Zoom sessions with the in-person class and fully participate in team assignments.

Zoom Course Link (Remote Class and Office Hours): <https://psu.zoom.us/j/97447753491>

HEALTH AND SAFETY

This academic year will be different than any others we have experienced. It is essential that all of us are committed to proper health and safety procedures if the delivery of this course in the “in-person” instructional mode is to be successful. Consequently:

- 1) Everybody must wear a face mask to cover the nose and mouth at all times while in this classroom - no exceptions;
- 2) Seating is only permitted in marked seats to allow for physical distancing;
- 3) A remote synchronous option is available for students that do not wish to attend class. Remote students must email me before class stating your intent to participate remotely.
- 4) For everyone’s safety, if you are feeling ill, and especially if you are experiencing COVID-19 symptoms or have been in contact with someone who has symptoms or tests positive, please stay at home. If you feel well enough, please participate synchronously on Zoom. If not, you can access recordings of missed classes on Zoom;
- 5) Failure to follow these and other relevant [Penn State COVID-19 health and safety guidelines](#) is a conduct violation, and violations will be referred to the Office of Student Conduct.

These guidelines are meant to keep everyone safe and healthy. Adhering to these policies helps everyone get back to the campus life we want to have.

COURSE OVERVIEW

This course starts with the reality that the United States is less dominant in global trade, finance, economics, and business than it was in previous decades. Consequently, MBA students need to be aware of the business environments of other countries, the influence of these countries in the global political economy, and new competitors emanating from other parts of the world. About one-third of the course is focused on understanding and analyzing the challenges and opportunities posed by some of the most important countries and regions and the companies headquartered there. Another third of the course covers international business fundamentals, including trade, foreign investment, market entry modes, global business strategy, and risk analysis. The remainder of the course examines global themes that affect all companies, regardless of nationality. Research shows that companies that respond creatively to challenges posed by technology, sustainability, demographic change, urbanization, civil society, and related issues are more successful than those that do not.

The course uses an interdisciplinary approach to explore the dynamics of international business, globalization, and country/political risk. After reviewing important features of the international business landscape, we will examine the business environments of the world's major regions and select countries, while surveying international business terms and concepts along the way. The course concludes by examining how transnational themes may affect international business in the coming years. The course has seven learning goals:

- 1) Obtain a basic familiarity with some of the major regions of the world (with an emphasis on Europe, China, and emerging markets), and awareness of contemporary issues related to globalization.
- 2) Develop an appreciation for how business environments differ throughout the world, and the political, historical, institutional, economic, geographic, and cultural reasons for these differences.
- 3) Understand how these differences among countries and regions affect multinational enterprises (MNEs) and the decisions their managers make.
- 4) Learn how to apply concepts related to macroeconomics, international trade, foreign direct investment, and currencies.
- 5) Understand the reasons why companies go international and the entry modes and strategies for doing so.
- 6) Strengthen written and oral communication skills.
- 7) Finally, this course will provide the foundation for more focused international business studies in the Global Immersion experience (BA 836).

GRADING

Grades for the course will be determined as follows:

| | |
|---------------------------------------|------------------|
| Participation | 40 points |
| Individual paper on Ethiopia | 20 points |
| Team paper: Market entry strategy | 30 points |
| Team paper: Emerging market companies | 30 points |
| Exam | 40 points |
| Individual paper: Global trends | <u>40 points</u> |
| | 200 points |

| | | | |
|----|----------------|----|----------------|
| A | >185 points | | |
| A- | 180-185 points | C+ | 154-159 points |
| B+ | 174-179 points | C | 140-153 points |
| B | 166-173 points | D | 120-139 points |
| B- | 160-165 points | F | <120 points |

Participation

Attendance is expected either in-person or on Zoom and will be taken at each class. For everyone's safety, if you are feeling ill, and especially if you are experiencing COVID-19 symptoms or have been in contact with someone who has symptoms or tests positive, please stay at home and watch the class on Zoom. Video and audio recordings of class lectures will be part of the classroom activity. The video and audio recording is used for educational use/purposes and may be made available to all students presently enrolled in the class. For purposes where the recordings will be used in future class session/lectures, any type of identifying information will be adequately removed from the videos.

You are encouraged to participate actively in this course. It is my intention that the course be as discussion-oriented as possible. It is your responsibility to come to class prepared so that you can ask questions about the material you have read, state your opinions on the subject matter, and engage your colleagues in discussion. Participation credit also can be earned by posting comments on the Canvas discussion boards. For both in-class on on-line participation, the emphasis should be on the quality of comments, insights, and questions, and the ability to move discussions forward, rather than quantity. Because class discussions may include topics that are controversial in nature, please be courteous to your colleagues and respect different opinions and points of view.

Paper Assignments: General Instructions

Papers will be graded on the ability to: 1) show familiarity with course readings and class discussions, including references to assigned readings where appropriate; 2) apply course material to "real world" situations; and 3) present a persuasive writing style, including proper grammar, spelling, punctuation, etc. Please include a word count and the Smeal honor code (not part of the word count) on all papers.

Individual Paper on Ethiopia

Students will be assigned to one of three companies (CareCo, ShoeCo, or Medco, as described in the Ethiopia case study) and tasked with proposing a market entry strategy for their respective company. Options include entering Ethiopia through a local importer, licensing arrangement, joint venture, or wholly-owned subsidiary, as well as not doing business there at all. The paper should be 500-600 words in length (about two double-spaced pages) justifying your recommendation and noting what additional information or data not included in the case would be most helpful in making a decision. The paper is due on Canvas prior to our **February 17** class.

Team Paper on Market Entry Recommendation

This assignment is based on the February 3 presentation by David Jankowski, an executive of Xact Metals. Using class concepts, readings, and data sources discussed to date, write a 1,500 word paper (about 5-6 double-spaced pages) recommending a country that Xact Metals should consider entering in 2021. The recommendation should reflect a good fit for Xact's products, business strategy, and risk tolerance. The paper is due on Canvas prior to our **March 3** class.

Team Paper on Emerging Market Multinationals

Read “The New Mission for Multinationals” article by Santos and Williamson on Canvas. Then select a company headquartered in an emerging market (but not a subsidiary of a Western MNC) not profiled in the article that you believe has a good global strategy or has successfully defended its home market from Western MNCs. Write a 1,000-word paper (about 3-4 double-spaced pages) excluding references describing the strategy and what Western MNCs can learn from this company. This assignment will require some research. It is due on Canvas prior to our **March 24** class.

Exam

One exam will be held on **March 31**. It will be cumulative covering all readings and class discussions. More details will be provided later in the semester.

Individual Paper on Global Trends

This assignment is based primarily on the April 14 and 21 readings and class discussions. Select an industry, possibly (but not necessarily) the one in which you plan to enter upon leaving Penn State, and discuss the issues raised in these readings and discussions that you think will have the greatest impact on that industry over the next 10-20 years. You are not required to do any additional research, but you are not prohibited from doing so. Please do not exceed 1,000 words (about 3-4 double-spaced pages). This paper is due on Canvas by **Monday, April 26 at 5 pm**.

READINGS

A collection of three Harvard Business School required cases, noted by (RP) below, is available for purchase (\$12.75) <https://hbsp.harvard.edu/import/796951> All other readings are available on Canvas. Additional readings selected by international students making presentations on their home county will be added at a later date.

COURSE SCHEDULE AND READING ASSIGNMENTS

Wednesday, Jan. 20

Introduction to International Business, Trade, and Foreign Investment

1. Liz Wolgemuth. (2010) “What the Resumes of Top CEOs Have in Common,” *US News and World Report*, May 21. (Canvas)
2. Condoleezza Rice and Amy Zegart. (2018) “Managing 21st-Century Political Risk: Today’s Threats are more Complicated, but the Remedies don’t have to be,” *Harvard Business Review*, May-June, pp. 130-138. (Canvas)

Wednesday, Jan. 27

International Trade: Theory and Practice

3. Paul N. Gooderham, Birgitte Groggaard, and Kirsten Foss. (2019) “Ch. 2: Why and How Firms Internationalize,” in *Global Strategy and Management: Theory and Practice*, (Cheltenham, UK: Edward Elgar), pp. 27-40. (Canvas)

Wednesday, Feb. 3

IB Strategy

4. Paul N. Gooderham, Birgitte Groggaard, and Kirsten Foss. (2019) “Ch. 4: Strategic Decisions: Operating Modes,” in *Global Strategy and Management: Theory and Practice*, (Cheltenham, UK: Edward Elgar), pp. 108-123. (Canvas)

Guest Speaker: David Jankowski, Xact Metal, Commercial Operations Leader

Wednesday, Feb. 10

Pennsylvania in the Global Economy

5. John Quelch and Sunru Yong. (2015) *Ethiopia: An Emerging Market Opportunity?* (Cambridge, MA: Harvard Business School Press), pp. 1-15. (RP)

Guest Speaker: Noelle Long, SEDA-COG, Director Export Development

Wednesday, Feb. 17

IB Data Sources and Europe/Brexit

6. Alberto Cavallo. (2020) "Getting Brexit Done," (Harvard Business School Publishing, Cambridge). (RP)

Individual Ethiopia Papers Due

Wednesday, Feb. 24

Business Environment of China

7. Richard H.K. Vietor and Haviland Sheldahl-Thomason. (2020) "China: The New 'New Normal'," (Cambridge, MA: Harvard Business School Press), pp. 1-37. (RP)

8. Ian Bremmer. 2014. "The New Rules of Globalization," *Harvard Business Review*, January-February, pp. 103-107. (Canvas)

Wednesday, Mar.3

Emerging Markets: Opportunities, Challenges, and Misconceptions

No readings this week.

Guest Speaker: David Basmajian, Takeda, Senior Advisor Public Affairs

Team Country Market Assessment Paper Due

Wednesday, Mar. 10

Company/Country Competition and the Global Trading System

9. John Olienyk and Robert J. Carbaugh. 2011. "Boeing and Airbus: Duopoly in Jeopardy?" *Global Economy Journal*, 11 (1), pp. 1-9. (Canvas)

Student Presentations: China and Taiwan

Readings as determined by presenting students to be posted on Canvas

Wednesday, Mar. 17

Emerging Market Country Perspectives

10. José F.P. Santos and Peter J. Williamson. (2015) "The New Mission for Multinationals," *MIT Sloan Management Review*, 56 (4), Summer, pp. 44-54. (Canvas)

Student Presentations: India and South Korea

Readings as determined by presenting students to be posted on Canvas

Wednesday, Mar. 24

Emerging Market Multinationals

Student Presentations: Nigeria and Tunisia

Readings as determined by presenting students to be posted on Canvas

Team Papers on Emerging Market Multinationals Due

Wednesday, Mar. 31

Exam

Student Presentations: Brazil and France

Readings as determined by presenting students to be posted on Canvas

Wednesday, Apr. 7

Wellness Day!

Wednesday, Apr 14

Global Trends, Issues, Risks and Disruptors

11. World Economic Forum. (2020) [The Global Risks Report 2020](#), 15 January.

Guest Speaker: Kevin Callanan, Sanofi, SVP Global Procurement Industrial Affairs

Wednesday, Apr. 21

Global Trends, Issues, Risks and Disruptors

12. Paul Taylor (2017) “Here’s Looking at You, 2050,” *Foreign Policy*, January/February, pp. 30-37. (Canvas)

13. Daniel Litvin. (2003) “Trappings of Power: Royal Dutch/Shell and Nigeria,” in *Empires of Profit: Commerce, Conquest and Corporate Responsibility*, (New York: Texere), pp. 249-273. (Canvas)

Monday, April 26

Final Papers Due

ACADEMIC INTEGRITY

At the core of the University are the Penn State Values: <https://universityethics.psu.edu/penn-state-values>. The Values are our shared ideals about how people should act toward one another, the standards to which we hold ourselves, and those beliefs we find important. While aspirational in nature, the Penn State Values articulate our ethical principles and should guide our actions and decisions as members of the Penn State community, including in this course.

According to the Penn State Principles and University Code of Conduct:

Academic integrity is a basic guiding principle for all academic activity at Penn State University, allowing the pursuit of scholarly activity in an open, honest, and responsible manner. According to the University’s Code of Conduct, you must neither engage in nor tolerate academic dishonesty. This includes, but is not limited to cheating, plagiarism, fabrication of information or citations, facilitating acts of academic dishonesty by others, unauthorized possession of examinations, submitting work of another person, or work previously used in another course without informing the instructor, or tampering with the academic work of other students.

- Any violation of academic integrity will be investigated and, where warranted, corrective academic and/or disciplinary action will be taken. For every incident where a penalty is assessed, an [Academic Integrity Incident Report](#) form must be filed. The form can be found on the Smeal College Honor and Integrity website: <https://www.smeal.psu.edu/integrity>. This form is to be used for undergraduate courses. The report must be signed and dated by both the instructor and the student, and then submitted to Monica Snyder, 202 Business Building.

- **University Policy G-9**

“Once a student has been informed that academic misconduct is suspected, the student **may not drop the course** during the adjudication process. The Dean of the College (UP) and/or the Chancellor (campuses) or his or her representative is responsible for notifying the Office of the University Registrar when academic misconduct is suspected in a course. Any drop or withdrawal from the course during this time will be reversed. A student who has received an academic sanction as a result of a violation of academic integrity may not drop or withdraw from the course at any time. These drop actions include regular drop, late drop, withdrawal, retroactive late drop and retroactive withdrawal. **Any such drop action of the course will be reversed.** This drop policy may be superseded in exceptional circumstances (i.e. trauma drop). In these cases, the Office of Student Conduct or the Student Conduct designee will confer with the Dean of the College (UP) or the Chancellor (campuses) or his or her representative to determine if the drop is warranted.

University Policy G-9 <http://undergrad.psu.edu/aappm/G-9-academic-integrity.html>

Smeal Honor Code:

We, the Smeal College of Business Community, aspire to the highest ethical standards and will hold each other accountable to them. We will not engage in any action that is improper or that creates the appearance of impropriety in our academic lives, and we intend to hold to this standard in our future careers.

PLAGIARISM / COPYING

All work you submit for grading or academic credit is designed to reflect your knowledge and skill related to the course subject matter. Therefore, unless otherwise indicated, all work submitted is to be done on an individual basis. This includes but is not limited to all exams, quizzes, homework, papers, written assignments, and presentations.

Plagiarism is claiming work as your own that you have copied from another person, whether that other person knows about it or not. This includes copying from web sites without proper source citation and using homework or papers prepared by current or past students whether working as an individual or working in a group / team.

AFFIRMATIVE ACTION & SEXUAL HARASSMENT

The Pennsylvania State University is committed to a policy where all persons shall have equal access to programs, facilities, admission, and employment without regard to personal characteristics not related to ability, performance, or qualifications as determined by University policy or by Commonwealth or Federal authorities. Penn State does not discriminate against any person because of age, ancestry, color, disability or handicap, national origin, race, religious creed, gender, sexual orientation, or veteran status. Related inquiries should be directed to the Affirmative Action Office, 328 Boucke Building.

Students with Disabilities

Penn State and the Smeal College of Business welcomes students with disabilities to all of its classes, programs and events. Student Disability Resources in Room 116 Boucke Building provides a vast array of services for students with disabilities according to mandates under Title II of the ADA amendments Act of 2008 and Section 504 of the Rehabilitation Act of 1973. For

more information or to meet with a service provider from Student Disability Resources, contact them at (814) 863-1807 (V/TTY) or visit their website at: <http://equity.psu.edu/sdr>

In order to receive consideration for reasonable accommodations, you must contact the appropriate disability services office at the campus enrolled, participate in an intake interview, and provide documentation: <http://equity.psu.edu/sdr/applying-for-services> If the documentation supports your request for reasonable accommodations, the Student Disability Resources office will provide you with an accommodation letter. Please share this letter with your instructors and discuss the accommodations with them as early in the course as possible. Adjustments will be made based on the recommendations in the accommodation letter. You must follow this process for every semester that you request accommodations.
