



## Korea University International Summer Campus (KU IWC) 2019

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December 27, 2019 ~ January 16, 2020

### ISC312A – International Business

#### I . Instructor

|                  |   |  |
|------------------|---|--|
| Professor        | : | CUI Lin  |
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#### II. Textbook

|                                 |   |  |
|---------------------------------|---|--|
| Required Textbook               | : | Global Business Today (10 <sup>th</sup> Edition)<br>By Charles W. L. Hill and G. Tomas M. Hult<br>ISBN10: 1259686698<br>ISBN13: 9781259686696<br>Copyright: 2018<br><br>Notes:<br>1. The IWC admin team holds a reserve book of this book.<br>2. More recent editions (e.g. 11 <sup>th</sup> edition) are also acceptable. |
| Recommended Additional Readings | : | N/A (will be provided during course)   |

#### III. Course Description and Objectives

This course is a broad survey of the field of international business and provides the foundations for further specialisation in this field. It will begin with a brief overview of international business, focused on the concept of 'globalisation'. The course will then examine the environment for international firms, particularly the political, social and economic configurations that support cross-border commerce. Amongst others, we will look at the role of national policies and cultures, the evolution of international markets in goods, services and finance, and the supranational mechanisms and infrastructures for trade, investment and finance. The course will then probe international firms: their strategies and organisational design, their entry modes into international enterprise, and their behavioural and control systems. Many parts of the course involve current events, including issues related to international trade, foreign investment and international political conflict, which can all be discussed in the seminars.

By the end of this course students should be able to:

- 1 Identify the main features of the international business environment and its main institutions;
- 2 Analyse the political, social and economic configurations that support cross-border commerce;
- 3 Understand the multinational firm as an institutional structure for the conduct of cross-border commerce;
- 4 Analyse the key decisions that multinational firms make in relation to the choice of markets and entry strategies;
- 5 Communicate their understanding in a clear and concise way through assignments and seminar participation;
- 6 Research international business issues and apply theoretical insights to the analysis of such issues in the context of a complex international business environment.

#### IV. Grading

|                              |   |     |
|------------------------------|---|-----|
| Attendance and participation | : | 20% |
| Midterm Exam                 | : | 30% |
| Final Exam                   | : | 30% |
| Presentation                 | : | 20% |

#### V. Class Outline

| Date         | Topic                                   | Reading (Chapter) | In-class Activity |
|--------------|---|-------------------|-------------------|
| Dec 26 (Thu) | Check-in / Orientation Day              |                   |                   |
| Dec 27 (Fri) | Introduction / Globalization and IB     | 1                 | Break ice         |
| Dec 28 (Sat) | Cultural environment                    | 4 & 17            | Case 1            |
| Dec 30 (Mon) | Economic environment                    | 3 & 9             | Case 2            |
| Dec 31 (Tue) | Political and institutional environment | 2 & 7             | Case 3            |
| Jan 2 (Thu)  | International financial markets         | 10 & 11           | Case 4            |
| Jan 3 (Fri)  | Team project consultation               |                   |                   |
| Jan 6 (Mon)  | Mid Exam                                |                   |                   |
| Jan 7 (Tue)  | Trade theory and practice               | 6 & 14            | Case 5            |
| Jan 8 (Wed)  | Trade simulation game                   |                   |                   |
| Jan 9 (Thu)  | Foreign market entry mode               | 8, 12, & 13       | Case 6            |
| Jan 10 (Fri) | Ethics in international business        | 5                 | Case 7            |
| Jan 13 (Mon) | Global supply chain                     | 15 & 16           | n/a               |
| Jan 14 (Tue) | Team project presentation 1             |                   |                   |
| Jan 15 (Wed) | Team project presentation 2             |                   |                   |
| Jan 16 (Thu) | Final Exam                              |                   |                   |

#### Detailed Activities and Requirements:

##### 1. Class Discussion

The topics listed above will be introduced in formal lecture format, as well as through case-based in-class discussion. Students are required to complete the required reading

prior to attending the class, and contribute to class discussion by answering questions raised by the instructor, and providing their constructive comments on other students' views. Engaging in class discussion is essential for achieving the learning outcomes listed above.

## **2. Private Study**

In preparation for the class discussion and presentation, students are expected to read chapters from the textbook and prepare their answers to the discussion questions included in the case for each class. In preparation for exams, students are recommended to review lecture slides, study notes, as well as textbook, in combination of testbank material.

## **3. Attendance (10%) and Participation (10%)**

Class participation and attendance are essential to this course. You are expected to arrive ready to begin class on time; to not leave until class is over; and to attend all classes. If for any special reason you are unable to meet these requirements, please talk to the instructor or the TA about it, otherwise an absence will be recorded towards your attendance. Each recorded absence will result in one point loss from your final mark, this is however capped at 10 marks.

Students are expected to participate in class discussion. Constantly and actively participation throughout the course will contribute to your learning experience, and that of others. In-class participation will be observed and evaluated by the lecturer. During in-class case discussion, students will be randomly selected to present their discussion findings and hand in their discussion summary sheet. This will be graded out of a full mark of 10. If a student is selected multiple times, the highest mark will apply.

A bonus of 5 marks will be given to the team that wins the trade simulation game on July 9<sup>th</sup>.

## **4. Mid-term and final exams (30% + 30%)**

The mid-term exam includes 4 open-ended questions (essay style, your answer is limited to 500 words per question). Students are to choose 3 out of the 4 questions to answer. The full mark for each question is 10. This is an open-book exam, but discussion is not allowed.

The final exam includes 4 open-ended questions (essay style, your answer is limited to 500 words per question). Students are to choose 3 out of the 4 questions to answer. The full mark for each question is 10. This is an open-book exam, but discussion is not allowed.

## **5. Team project presentation (20%)**

The team project takes the form of a business presentation to the CEO at the headquarters of a Korean company that invests in a foreign market, or a foreign company that invests in Korea. You are required to:

- Select either (1) a Korean company (i.e. the company) and a country in which your chosen company currently has operations (i.e., the host country), or (2) a foreign company (i.e. the company) that currently has operation in Korea (i.e. the host country)
- Conduct an analysis of significant changes in the business environment of the host country that may provide new opportunities or increase risks for the company to conduct business in that host country
- Make strategy recommendations to the company in response to changes in the business environment of the host country

In preparing your team project, be aware of the following:

- the CEO only has time for a focused but informative and analytically sharp report;
- the presentation should focus on country-level conditions and any industry-specific issues that are relevant to the company's products and/or services. Additionally, you can assess the competitive environment that the company is operating in. For example, the pricing, product, and strategic decisions of other firms in the industry, if such information is available from your research;
- attention should be paid to any changes in the business environment relevant to the company and its products/services, such as the political environment, government regulation, commercial law, intellectual property issues, level and rate of economic development, demographics, policies on international trade and investment, environmental law, regional cooperation etc.; and
- the presentation should focus on current/future conditions and issues and therefore should not dwell on old or historical information.

### **Format requirements**

1. each team will have 20 minutes to present, plus no more than 5 minutes Q&A
2. you are required to use presentation visual aids, such as PowerPoints slides or equivalent
3. while all team members are required to contribute to the project, a team can decide if all or some of its members will deliver the presentation (I'm assuming all members contribute to the project equally, if not, team can submit a relative contribution statement, signed by all members, to me)

### **Suggested structure and contents**

#### 1. Introduction

Provide a brief overview of the company's products/services and engagement in the host country and the significance of this foreign market to the company

#### 2. Analysis of the Business Environment

Provide an assessment of any major change or potential change in the business environment in the host country that may give rise to opportunities and/or risks to the company's revenues, profits, assets, security etc. You should explain the potential impacts on the company from changes in the chosen variables i.e. it needs to be analytical rather than just descriptive. You should only analyze factors that are potentially relevant to the company and its products/services but may wish to consider the following factors:

Macro environment – e.g. PEST framework

Industry/competitive environment – e.g. Porter's five forces

Other relevant levels of analysis – e.g. supply chain, alliances, industry cluster, etc.

#### 3. Overall assessment –

From the perspective of the company, provide an overall assessment on whether the business environment in the host country will improve, worsen, or remain the same in the short-term (next 12 months) and in the long-term (over the coming decade). Also identify key factors to watch, such as the three key country or industry-level factors the company should closely monitor and explain why.

#### 4. Recommendations

Provide the CEO with strategy recommendations on:

4.1. What the company should do to capitalize on any positive changes in the business environment of the host country

4.2. How the company should mitigate or manage new risks that may threaten its operations in the host country

4.3. Whether the company's operations should be scaled up, down or remain the same in the near future

4.4. Any other recommendations that you think are important

5. References

Please list the references that you used in preparing your presentation.