

Course Title	International Business Environment				
Course Code	MBA551				
Course Type	Elective				
Level	MBA (Level 2)				
Year / Semester	1 st Year / Spring Semester				
Teacher's Name	Dr. Petia Tanova				
ECTS	10	Lectures / week	3 hours	Laboratories/week	
Course Purpose	<p>This course has as a goal the examination of international business environment in today's global economy through exploring cultural, social and political forces, and national and international regulations that affect strategies and profit.</p> <p>The international market is considered from the viewpoint of competition and emerging opportunities. Internal functional operations need to conform to international requirements with reference to marketing, finance, management, and labor.</p> <p>The course cannot encompass all the variety of problems and issues raised by real business practices but it provides students with a tool bag of basic analytical techniques, which they would need to effectively function as business managers in internationally diverse environments.</p> <p>A major objective of the course is to help students develop systematic, critical and independent thinking on current problems of the business environment.</p>				
Learning Outcomes	<p>Upon the successful completion of this course, students will be able to:</p> <ol style="list-style-type: none"> 1. Define globalization and international business and show how they affect each other. 2. Compare and contrast the rationale for trade versus direct foreign investment versus non-equity forms of foreign expansion in evaluating operational choices. 3. Analyze the factors companies with international operations should consider when setting overall international strategy. 4. Identify the dimensions of value orientation and recognize cultural guidelines for doing business in different cultural environment 5. Understand how political and legal systems affect the conduct of business and explain the approaches to managing political risk. 6. Demonstrate an understanding of the world financial environment in terms of currency convertibility, exchange rate exposure, and methods of securing funds. 7. Evaluate the methods, tools, and techniques used for identifying and selecting international market opportunities and the methods of entry into the international marketplace. 8. Develop skills for formulating international marketing strategies 				

Prerequisites	None	Corequisites	None
Course Content	<p>1. Nature and Scope of International Business</p> <p>Explore the nature and the driving forces and dimensions of globalization.</p> <p>Define the Multinational Enterprise and outline the trends of development of international companies from the perspective of technological revolutions.</p> <p>Define international business as a study of the activities of multinational companies and comprehend the higher complexity of international business decision making process as opposed to domestic business.</p> <p>Identify the operational and strategic reasons for international business expansion.</p> <p>Discuss driving forces and forms of foreign expansion: international trade, foreign investment, non-equity forms. Analyze the empirical evidence in cases studies.</p> <p>2. International Trade and Investment</p> <p>Evaluate the basis of international trade and the evolution of trade and investment theory.</p> <p>Compare and contrast absolute and comparative advantages of specialization and trade and assess the theory against empirical evidence.</p> <p>Familiarize with the New protectionism theories and evidence.</p> <p>Discuss the current trade policies and their impact on the world economy in team presentations and debates.</p> <p>Discuss theories of international factor movements from the perspective of motives and welfare effects.</p> <p>Analyze types of international investments and assess their determinants.</p> <p>Evaluate the centrifugal and centripetal forces in the world economy and assess the impact of institutional differences on international trade and international business.</p> <p>Compare and contrast the international market entry methods based on empirical evidence of trade-related investment and investment-related trade.</p> <p>Familiarize with M. Porter's theory of competitive advantages of nations and study the empirical evidence.</p> <p>Examine J. Dunning's contribution to the theory of international investment and multinational corporations.</p> <p>3. The International Environment of Business</p> <p>Examine the framework of rules, regulations, and conventions that govern international relations among nations.</p> <p>Examine the goals and functions of global and regional economic organizations constituting the backbone of the institutional structure of</p>		

the world economy and the world economic order.

Analyze the global positioning of international business as regard the institutional structure of the world economy.

Familiarize with the international monetary system and the balance of payments.

Explain the meaning of economic integration and classify its types.

Discuss the effectiveness of different trade blocs, based on empirical evidence and examine the impact of regional economic integration on international business

4. The Foreign Environment of Business

Identify and categorize the foreign environmental forces affecting international business: economic, societal and physical forces.

Classify economic and socio-economic forces and discuss their quantification and the assessment of their impact on international business.

Examine the theory of the cultural environment of international business: discuss the dimensions of value orientation.

Assess cultural differences of doing business in different cultures from the perspective of recognizing the differences and applying Trompenaars' theoretical approach to management "tips for doing business" in a culturally diverse environment.

Analyze the political and legal environment of international business: discuss different factors of political risk and their quantification; examine legal forces confronting international business and familiarize with the operational and strategic legal issues.

Assess the main factors determining the structure and competitive strength of a foreign labor market.

Analyze the sources of a firm's competitiveness and their impact on corporate strategy.

Debate the impact of foreign environment on business strategy, MNC's administrative structures, and corporate culture.

5. Dealing With the Environmental Forces: Marketing Internationally

Apply target market analysis for effective differentiation and positioning in international settings

Examine the principles of product adaptation for differentiation.

Familiarize with the theory and empirical evidence of importing, exporting and sourcing

Debate the importance of choosing the mode of entry in the international market place.

Analyze the specificity of product and brand decisions in international business.

Discuss factors affecting pricing for international markets

Familiarize with the logistics and the international distribution system.

Examine global marketing communications.

	<p>6. Dealing with Environmental Forces: International Management</p> <p>Apply the analytical techniques examined in the fundamental courses to the analysis of global operations management.</p> <p>Examine the international determinants of accounting and financial management: explain the crossroads of accounting and finance; identify the major factors affecting the development of accounting objectives, standards and practices and their international dimensions; familiarize with the accounts of foreign currency transactions, the translation of foreign currency financial statements, and the protection of foreign exchange risk.</p> <p>Analyze the environmental differences, strategic contingencies and organizational challenges as determinants of the international human resource management. Profile international human resource management and differentiate the staffing frameworks used by MNEs. Distinguish the perspective of expatriate and critically examine the determinants of expatriate assignments.</p> <p>7. Strategic planning and organizational design</p> <p>Apply the knowledge and skills build in the course in strategic management to discuss the impact of the international and foreign environment on the strategy of MNEs.</p> <p>Assess MNE strategy from the perspective of the role of resources, capabilities and competences.</p> <p>Apply Porter’s five forces model to compare and contrast the cost leadership strategy and differentiation strategy of MNEs; assess the risks of integrated cost leadership/differentiation strategy from the perspective of the MNEs.</p> <p>Examine factors determining the organization of the value chain in international environment.</p> <p>Discuss the interaction of global integration and local responsiveness.</p> <p>Compare and contrast international strategy to localization strategy to global strategy to transnational strategy.</p>
Teaching Methodology	<p>The taught part of course is delivered to the students by means of <i>ex cathedra</i> lectures and discussions in class, by means of traditional tools and using computer demonstrations. The instructor relates empirical evidence with the material presented in the lectures. During the lectures students are encouraged to participate in discussions.</p> <p>Faculty members are invited as visiting professors for lecturing some key issues like International Marketing, International Human resource Management, International Political and Legal Environment, International Operations Management.</p> <p>Some key issues are revealed on the basis of discussions of assigned required readings (articles, case studies).</p> <p>Auditory exercises, where examples regarding matter represented at the lectures, are solved, and further questions related to particular open-ended topic issues are compiled by the students and answered, during the lecture</p>

	<p>or assigned as homework.</p> <p>Topic notes are compiled by students, during the lecture. Lecture notes, slide shows and documentaries can also be downloaded from the lecturer's webpage. Tutorial problems are submitted as homework and these are solved during lectures or privately during lecturer's office hours.</p> <p>Further literature search is encouraged by assigning students to identify a specific problem related to some issue, gather relevant scientific information about how others have addressed the problem and report this information in written or orally.</p> <p>Students are expected to prepare a project with the following task:</p> <p>"Your company is expanding abroad and you are to identify the region and the form of foreign expansion. You must justify this decision from the perspective of corporate strategy."</p> <p>The company might be a simulative one but the analysis and the conclusions must be based on real world data.</p> <p>As you prepare your project, you will want to be mindful of the following guidelines:</p> <ul style="list-style-type: none"> • Your specific topic must be related to the course of study and must be approved by your instructor before presenting and submitting a final project. You will have greater success if you select a topic that interests you and can be applied to your professional/personal life. • Your project will be 5000 words (not longer!) long, using a minimum of 5 resources not older than 5 years. • You must cite the sources of all ideas, facts and information you use that are not your own, even if you have put the information into your own words. Failure to do so is <u>plagiarism</u>, even if the oversight is unintentional. • Supporting your thesis is central to the task of writing the project. In scholarly writing, you are not merely copying information from another author, but using evidence to support the contentions you have drawn from your findings and critical analysis of related literature. • After finishing your project, you will also give a 10-11 minute presentation on it. Without giving this presentation, your project will not be graded. • While the grade for the written project will be based on the submitted text, the assessment of project presentation will be determined by your performance in both presenting your thesis and answering the audience's questions. <p>The assignment is considered as a preparation for further research and for the final project. The project must be uploaded on the website of the course to be assessed against plagiarism.</p>
Bibliography	<ul style="list-style-type: none"> • <u>Textbooks:</u> Daniels J.D., L.H. Radebaugh, D.P. Sullivan (2019) International Business: Environments and Operations, 16th edition. Pearson

	<p><u>(b)References:</u></p> <ul style="list-style-type: none"> • Aiginger, K. and Vogel, J. (2015), “Competitiveness: from a misleading concept to a strategy supporting Beyond GDP goals”, <i>Competitiveness Review</i>, Vol. 25 No. 5 • Hofstede, G., (1991) <i>Culture’s Consequences: Comparing Values, Behaviors, Institutions, and Organizations across Nations</i>. Sage Publications Ltd. • Luthans, Fred; Doh, Jonathan P. (2012). <i>International management: culture, strategy, and behavior</i>. New York: McGraw-Hill • Martin, R., Florida, R., Pogue, M. and Mellander, C. (2015), “Creativity, clusters and the competitive advantage of cities”, <i>Competitiveness Review</i>, Vol. 25 No. 5 • Porter M. (1990) <i>The competitive advantage of nations</i>. Free press. • Porter, M. E., (1980) <i>Competitive Strategy: Techniques for Analyzing Industries and Competitors</i>. The Free Press • Porter, M. E., (2000) <i>Attitudes, Values, Beliefs, and the Microeconomics of Prosperity</i> in “Culture Matters – How Values Shape Human Progress”, edited by Lawrence E. Harrison and Samuel P. Huntington, Basic Books. • Trompenaars, A. and Hampden-Turner, C.,(1998) <i>Riding the Waves of Culture: Understanding Diversity in Global Business</i>. McGraw-Hill. • Van den Bosch, F.A. & Van Prooijen, A.A., (1992) <i>The Competitive Advantage of Nations: The Impact of National Culture – a Missing Element in Porter’s Analysis</i>. <i>European Management Journal</i>, Vol. 10, No. 2 .
Assessment	<p><u>(a) Methods:</u></p> <p>Students are assessed with coursework that involves homework assignments and class participation.</p> <p>Students are prepared for final exam, by revision on the matter taught, problem solving and concept testing and are trained to be able to deal with time constraints and revision timetable.</p> <p>The final assessment of the students is formative and cumulative and is assured to comply with the subject’s expected learning outcomes and the quality of the course.</p> <p><u>(b) Criteria:</u></p> <p>The assessment criteria can be generalized as follows concerning the area assessed:</p> <ul style="list-style-type: none"> • 86% or more – Excellent application of problem solving skills. • 76%-85% - Very good application of problem solving skills. • 66%-75% - Good application of problem solving skills. • 56%-65% - Satisfactory with some success in applying problem solving skills • 50%-55% -Satisfactory with limited success in applying problem solving skills • Below 50% -Little or no application of problem solving skills. <p>Assessment criteria are available in each written assignment, midterm or</p>

	<p>in the final exam.</p> <p><u>(c) Weights:</u></p> <p>Project 30%</p> <p>Participation and homework assignments 10%</p> <p>Final Exam (Open book) 60%</p>
Language	English language