

School of Marketing and International Business

**IBUS 402**  
**MULTINATIONAL CORPORATIONS IN THE GLOBAL**  
**BUSINESS ENVIRONMENT**

Trimester Two 2007

**COURSE OUTLINE**

**Contact Details**

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Office hours:           Tuesday                   11.30 am – 12.30 pm  
                                  Thursday                   11.30 am – 12.30 pm

**Class Times and Room Numbers**

Tuesday 2 .40pm – 5.30pm RLWY 414

**Prerequisite**

The prerequisite for this paper is IBUS 312.

**Course Objectives**

This course examines the role, scope and impact of multinational enterprises (MNEs) in the global economy, with particular emphasis on current issues and impact in the global business environment. Critique and extension of existing theories of the MNE are developed in light of these issues.

The course further serves to provide a dynamic perspective on the globalisation process of firms and thus to complement the traditional functional and more static view in international management. Globalisation is conceptualised as a historical process of increasing social and economic differentiation and integration, self-reinforcing and fuelled by this underlying evolutionary motor. Students are urged to actively explore different conceptual and case-related approaches to the globalisation process of firms, thus developing both a differentiated and holistic perspective on this complex phenomenon.

The course is structured along the three basic globalisation capabilities of firms: internationalisation, networking, and global firm evolution. Firstly, it deals with the internationalisation perspective – that is, issues and factors influencing changes in the worldwide level and dispersion of the firm's activities and structure. Internationalisation can

be conceived as a process of entrepreneurship and will be approached as such. Traditional incremental 'internationalisers', 'born globals' and MNEs will be examined from this perspective. The second perspective is on the integration of new activities, which are differentiated within processes of internationalisation. Globally dispersed activities have to be integrated internally within the MNE and embedded in globally nested external networks. Hence, global networks are examined both from an intra- and an interorganisational perspective. The basic dynamic perspective conveyed in this course is complemented by the third perspective, which illuminates the evolutionary characteristics and capabilities of firms in their globalisation process.

### **Learning Outcomes**

While reading materials are provided and guidance is given on learning resources, students are expected to apply self-directed learning during the course. Key to learning at this level is the application of critical inquiry to students' reading, to discussions, and to situations and experiences that students encounter in regard to international business, both inside and outside the class setting.

The course will use a mixture of lectures, case studies, student-led discussions, seminars, and reviews of the literature. Students who complete this course should:

- be able to think critically about the issues relating to the dynamics in international businesses, drawing on existing knowledge and theories and concepts to help understand the issues and underlying phenomena;
- be able to critically evaluate others' research based on wider acquired knowledge in the area;
- have an in-depth knowledge and understanding of at least one key area in the course through preparing a case-based seminar, with an accompanying annotated bibliography;
- develop independent research capability, and be able to pursue an area of research from setting initial research questions to making conclusions;
- develop an analysis of an organisation or an organisational network, based on secondary and/or primary research, providing links to key literatures and recommendations for development of the organisation/s;
- develop skills for leading class discussion on topics of interest, and to stimulate and answer questions from a knowledgeable audience;
- participate meaningfully in class discussion and debate and be able to draw on existing ideas as well as those presented in the course to support your arguments;
- develop reasoning ability in order to ascertain the important issues in today's international business environment; and
- be able to deal with new information critically and systematically and be able to use it to develop ideas and projects.

### **Course Structure**

The three hours per week are typically divided into two parts. In the first two weeks, the selected readings are discussed and the underlying topic will be analysed. From the week three, the first part will be devoted to a discussion and critique of the reading assigned for that week. Student(s) will lead this discussion in the form of an interactive seminar. The second part will be used to apply the conceptual knowledge conveyed by the reading to a case study. Within the course, students have to present one reading and one case study, including the moderation of the following discussion. In week one you will be assigned a topic and date for your respective presentations.

## Course Content

The course provides you with comprehensive knowledge about the dynamics that multinational corporations encounter in the international business environment. It comprises four basic parts:

### Part 1: Theories of international production

- 10<sup>th</sup> July Motives & Theories (pt 1)
- 17<sup>th</sup> July Theories continued (pt 2)

### Part 2: Internationalisation

- 24<sup>th</sup> July International entrepreneurship: born globals and international new ventures  
Case: YAHOO! and EXCITE
- 31<sup>st</sup> July International entrepreneurship: entrepreneurship in MNEs  
Case: Proctor & Gamble Japan: SK-II globalisation project
- 7<sup>th</sup> August Internationalisation strategies  
Case: ESAB and GKN
- 14<sup>th</sup> August Internationalisation theory  
Case: ACER

### Part 3: Global and local networks

- 4<sup>th</sup> Sept Interorganisational level: local networks  
Case: Industrial districts: Prato, Ruhr Area
- 11<sup>th</sup> Sept. Intraorganisational level: MNEs  
Case: DaimlerChrysler AG
- 18<sup>th</sup> Sept Intraorganisational roles in MNEs  
Case: VW in North America

### Part 4: Global evolutionary dynamics

- 25<sup>th</sup> Sept. The MNE as an organisation  
Case: Citibank
- 2<sup>nd</sup> Oct Knowledge in MNEs  
Case: Toyota
- 9<sup>th</sup> Oct. Knowledge in the globalisation process  
Case: HeidelbergCement

## Expected Workload

You should expect to spend up to 14 hours per week on this paper (including class contact hours).

## Group Work

Group work is not a formal component of the course. However, students are encouraged to meet informally to prepare for the lectures and to discuss the contents of the course.

## Readings

Readings for this course will be distributed two weeks prior to the material being covered in class. If you are unable to collect the readings in class, they may be collected from the course lecturer during office hours, or from Margaret Boon in RH1121, from 9am - 1pm daily.

Generally, there will be two prescribed readings each week – one article and one case study. These readings should be considered as the starting point for wider reading in preparation for

seminars and other work in the course. To this end, a number of additional references are included with the readings each week, although you are expected to undertake your own search for wider reading as well. Students are thus encouraged to make use of the library databases, books and periodicals, as well as web resources (below) to obtain further reading material relevant to this course.

### **Web Resources**

**Blackboard.** Students should consider the Blackboard site for IBUS 402 as a first point of call for answers to questions about course dates, times, announcements, assignments, and grades. You need to be enrolled to be able to access this site.

**IBUS Website:** The website for international business resources can be found at [www.vuw.ac.nz/ibresources](http://www.vuw.ac.nz/ibresources)

This site will suggest resources and web links to help you prepare your assignments.

Comments, suggestions and additions for the website should be sent to the course co-ordinator at [thomas.borghoff@vuw.ac.nz](mailto:thomas.borghoff@vuw.ac.nz).

**Preparing for the Each Session** In preparation for each session, you need to read each of the assigned readings.

### **Articles**

For the articles, you should critique each reading and try to understand it in terms of:

- the key messages,
- the main theories/concepts and underlying literature that are used,
- the research approach applied,
- the strengths and weaknesses of the article,
- the research gaps that are signalled – either explicitly or implicitly.

You should also be prepared to comment on the group of articles as a whole, recognising any patterns or themes, contrasts etc that may be apparent.

### **Case Studies**

You should analyse the case study. The following is a guideline on how to read and analyse case material:

- Start by reading the case thoroughly.
- Identify key themes and issues exposed in the case.
- Look for significant events, decisions, influences that appear in the case.
- Consider a range of perspectives from the various actors in the case.
- Construct themes and patterns of behaviour, performance, activity etc that might help to identify the key underlying issues.
- Continually question the assumptions made in the case and by yourself and/or colleagues.
- Construct links between the themes identified in the case with the various strands of the relevant literature with which you are familiar (with reference to the week's assigned readings).
- Construct an explanation for the situation described in the case, and make recommendations based on your assessment of the case and the integration of themes, concepts, and theories from the literature.

## **Materials and Equipment**

There are no other materials or equipment, which students should obtain.

## **Assessment Requirements**

The paper will be assessed on the basis of 60% coursework and 40 % final examination.

The coursework comprises two class **seminars**, leading class discussion on an article and a case study selected from the course outline, and including a 2-page summary of additional material on the article's topic and the case organisation/s, respectively (15% each). The first **individual assignment** comprises two weekly critiques of articles (details below) (5% of final grade). The second **individual assignment**, each student has to develop an essay on a conceptual topic or a case study (25%). The individual assignment should comprise approximately 3000 words. In summary:

### ***Course work (60% of final grade):***

- two weekly critiques (5%)
- class seminar/leading discussion of one article and one case, including a summary of additional material (individually or in pairs) (30%),
- individual assignment in form of an essay on a conceptual topic or a case study researched and written by the student (25%).

### ***Final examination (40% of final grade)***

Details of each of the coursework assessments are given below.

**NOTE:** The topics of the individual essays and case research organisation/s should be different from those listed in the course outline.

## **Weekly Critiques**

In the first two weeks, you have to prepare weekly critiques. In preparation for each session, you are required to read and critique the readings that have been assigned for that week. To do your weekly critique, you should first read and try to understand the assigned readings. You might like to prepare a brief summary of each one for your own use, including purpose and research gap, seminal or theoretical literature, methodology, key findings, limitations and future areas for research.

The critique itself should not include your summaries, but should comment on the group of papers as a whole. What are the similarities/differences of the papers? Do they have a common purpose, for instance, looking at a similar issue but from different perspectives? What issues do these papers raise, and how successfully do you think they address them? What limitations, in terms of scope, methodology or research design, and results, are apparent?

### **Due dates for weekly critiques**

Tue 2.40 pm

The length of your critique should be one page, single-spaced, and it should be typed in Times New Roman 12 point font.

## **Seminar/leading class discussion on readings and cases**

In week one you will be assigned one case study, one reading, and dates for your two seminars. Seminars will take the form of presenting a conceptual paper or a case study and include the leading of the class discussion on this topic. The seminars start in week three.

You should aim for the seminars to take approximately 1 to 1½ hours, including class discussion time.

The purpose of the seminars is twofold. First, they encourage you to read, understand and analyse the conceptual papers and case studies fully. Second, they help to develop skills in facilitating research- and case-based discussion, and aligning real-life information and situations with theoretical and conceptual research, as well as other reported findings in related areas. In linking the readings and case studies to other literature, you will be expected to not only cover the assigned reading for that week, but also to read more widely into the topic. Your seminars should attempt to address the aspects noted above (see ‘Preparing for Each Session’) for each case or for the assigned article. You may also like to develop your own line of enquiry, and are encouraged to do so. The objective is for you to facilitate the discussion and provide the class with an in-depth perspective, in terms of links with the week’s topic and assigned readings. The seminars should also enable to develop your own research, reporting and presentation skills.

The way you present the seminars is over to you, but it should include the following:

- a brief summary of your assigned reading or case in relation to the week’s topic;
- facilitation of class discussion on the case (see ‘Preparing for Each Session’),
- a review of the article or case in the context of links to the literature and any additional areas that it reveals,
- for case studies, a summary of material on the case organisation/s additional to that provided in the case study, and discussion of its relevance to the arguments, issues etc.,
- a summary of recommendations derived from the class discussion and your own assessment of the assigned article or case, emphasising the contribution drawn from the literature in making these recommendations.

You might like to be creative with your class discussion, for example assigning activities or a ‘quiz’ to draw out key points, stimulate debate, or facilitate small group discussion around specific questions.

**NOTE:** In the week prior to the seminar, the student(s) presenting should make a time to meet with the course lecturer to discuss how they will lead the session.

### **Due dates for Seminars**

**tba**

The marking schedule for the seminars and is given below.

## Seminar Marking Criteria

Name:

Date:

Topic:

Grade:

### Delivery

Audible/speed, continuity and confidence, clarity of communication of ideas /5

Effective use of visuals, class interaction and interest and understanding, style and effective presentation skills, provision of notes to class /5

### Presentation and Content

1. Identification of objectives of seminar/issues/key facts /5
  2. Stimulation and facilitation of class discussion on points of interest or contention in the material, and /15
  3. Demonstration of ability to ask and address questions informatively /15
  4. Addressing of the issues and arguments, in-depth discussion and reasoning, ability to stick to the topic /20
  5. Extent of additional supporting material, depth and breath of ideas or concepts in the relevant areas, /10
  5. Logical presentation of the material/argument, structured around key points or academic arguments from the literature /20
  6. Acknowledgement of limitations, future research issues, complexities within the argument(s) /5
- Mark out of 100 /100

### Comments

#### Individual assignment (essays *or* case study)

Within the individual assignment, each student has to prepare a text of about approximately 3000 words. The student can either write an essay or a case study report. Essays include the exploration of a conceptual topic. Case studies focus on individual organisations or co-operative forms of organisation (e.g. interorganisational networks). Each student has to develop a proposal for the individual assignment. Within the individual assignment, the student should explore the topic independently and provide an in-depth and comprehensive analysis. The student should develop and convey comprehensive knowledge of the underlying literature.

### Alternative 1: Essay

The purpose of the essay is to make you think critically about an issue in the international business environment. You are to construct and support arguments and perspectives throughout your essay, using illustrative examples and references where appropriate.

All submitted essays will be graded, and feedback will be provided, within two weeks of submission.

Essays should be approximately 3000 words, clearly written and structured. They should include references to material you have quoted or used to write the essay and contain a reference list.

\* You should provide at least 15 references to external sources (e.g. journal articles, books, other scholarly work) used in your essay.

The marking criteria for the essay are as follows:

<i>Criteria</i>	<b>Good</b>	<b>Satisfactory</b>	<b>Poor</b>
Provides clear, concise background and introduction to the topic			
Highlights the key aspects to be discussed i.e. demonstrates focus			
Explains these aspects clearly			
Utilizes relevant research literature and general information to support assertions			
Demonstrates a sound understanding of the topic and the issues			
Provides concluding remarks and recommendations that highlight the implications for managers			
Demonstrates creative and original thinking			
Writes clearly and presents the report professionally			

### Alternative 2: Case Study Report

The purpose of this assignment is to provide an opportunity to independently research an assigned case organisation, and to investigate the way that it deals with some of the issues and challenges involved in international business. The case study is taken from your textbook, and you will be required to write a report, as outlined below. You will be required to undertake some independent research on the organisation from secondary sources available (e.g. Internet, book, articles etc).

Reports should be approximately 3000 words, clearly written and structured. They should include references to material you have quoted or used to write the essay and contain a reference list.



The marking criteria for the case study report are as follows:

<i>Criteria</i>	<b>Good</b>	<b>Satisfactory</b>	<b>Poor</b>
Provides clear, concise background and introduction to the topic			
Demonstrates sound analyses, and justifies assertions and conclusions			
Uses appropriate frameworks/ concepts/theories			
Identifies and explains key issues			
Integrates ideas and findings			
Demonstrates research beyond the case, and makes relevant use of this in the report			
Discusses implications and shows their relationship to the analyses			
Provides relevant conclusions and recommendations			
Demonstrates creative and original thinking			
Writes clearly and presents the report professionally			

The essay or case study report is due on the following date and has an assessment weighting of 25%.

**Due Date for Essay or Case Study Report**                      **Start of lecture 2<sup>nd</sup> October**

Feedback and grades will be provided within two weeks of submission.

#### **GUIDELINES FOR WRITTEN ASSIGNMENTS:**

Students are encouraged to use the ‘SMIB Guidelines for Written Material and Referencing’ for information as to how to present, submit, organize and reference their work. These guidelines, including examples, of appropriate essay, report, and academic research formats are available on-line at [www.vuw.ac.nz/ibproject/referencing](http://www.vuw.ac.nz/ibproject/referencing). In addition, students at Honours level are encouraged to use ENDNOTES software for referencing.

#### **GRADING OF ASSIGNMENTS:**

As a general guide the grading of assignments follows the criteria set out below:

**A** A well written, logically structured piece of work. Makes an original contribution or develops new relationships between existing ideas. Demonstrates breadth of knowledge. Generally free from error and well written.

**B** Competent. Well structured. Understands the issues and shows evidence of reasoning ability. Generally free from error.

**C** Generally weak piece of work. Below Part 4 standard.

### SUBMISSION OF ASSIGNMENTS:

- a) All assignments must be handed in by the specified dates.
- b) All work handed in must have the course name, title and topic of the assignment, and your name and ID number.
- c) Extensions **must be applied for in advance** - they will only be considered if a written application is made at least 24 hours prior to the due date, except where the student has a medical certificate, a note from the student counsellor, or some exceptional circumstance exists. Application for an extension must be made to the course coordinator.

### Lecture Outline

The course conveys a perspective on the dynamics of globalisation and resulting demands to the management of firms. Sessions will be based on exploring issues and recent developments associated with knowledge in these areas. It is assumed that students have a sound knowledge of the basic foundations of the topic areas from the earlier studies, which will provide a platform for more advanced study and discussion.

### IBUS 402 Course Outline 2007

DATE	WEEK	TOPIC	CASE	SEMINAR/ DISCUSSION LEADER	WORK DUE
	<b>Part 1</b>	<b>Theories of international production</b>			
10 <sup>th</sup> July	1	Motives & Theories (pt 1)		Thomas Borghoff	
17 <sup>th</sup> July	2	Theories continued (pt 2)		Thomas Borghoff	
	<b>Part 2</b>	<b>Internationalisation</b>			
24 <sup>th</sup> July	3	International entrepreneurship: born globals and international new ventures	YAHOO! And EXCITE		
31 <sup>st</sup> July	4	International entrepreneurship: entrepreneurship in MNEs	Proctor & Gamble Japan: SK-II globalisation project		
7 <sup>th</sup> August	5	Internationalisation strategies	ESAB and GKN		
14 <sup>th</sup> August	6	Internationalisation theory	ACER		Individual assignment proposal
	<b>Part 3</b>	<b>Global and local networks</b>			
4 <sup>th</sup> Sept.	7	Interorganisational	Industrial districts:		

		level: local networks	Prato, Ruhr Area		
11 <sup>th</sup> Sept.	8	Intraorganisational level: MNEs	DaimlerChrysler AG		
18 <sup>th</sup> Sept.	9	Intraorganisational roles in MNEs	VW in North America		
	<b>Part 4</b>	<b>Global evolutionary dynamics</b>			
25 <sup>th</sup> Sept.	10	The MNE as an organisation	Citibank		
2 <sup>nd</sup> Oct.	11	Knowledge in MNEs	Toyota		Individual assignment
9 <sup>th</sup> Oct.	12	Knowledge in the globalisation process	HeidelbergCement		

### Penalties

The individual assignments have to be handed in at the due dates. A delay leads to a penalty of 10% per day. After three days, the assignment will not be accepted without a granted extension.

### Mandatory Course Requirements

In order to pass successfully, the student must achieve a mark of at least 50% of the total in the final examination.

### Communication of Additional Information

Additional information will be conveyed on the Blackboard. This includes the course outline, student notes, and other course materials.

### Faculty of Commerce and Administration Offices

#### Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

### Notice of Turnitin Use

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <<http://www.turnitin.com>>. Turnitin is an on-line plagiarism prevention tool which identifies material that may have been copied from other sources including the Internet, books, journals, periodicals or the work of other students. Turnitin is used to assist academic staff in detecting misreferencing, misquotation, and the inclusion of unattributed material, which may be forms of cheating or plagiarism. At the discretion of the Head of School, handwritten work may be copy typed by the School and subject to checking by Turnitin. You are strongly advised to check with the course coordinator if you are uncertain about how to use and cite material from other sources. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

### **General University Policies and Statutes**

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar or go to [www.vuw.ac.nz/policy](http://www.vuw.ac.nz/policy).

For information on the following topics, go to the Faculty's website [www.vuw.ac.nz/fca](http://www.vuw.ac.nz/fca) under Important Information for Students:

- Academic Grievances
- Academic Integrity and Plagiarism
- Student and Staff Conduct
- Meeting the Needs of Students with Impairments
- Student Support

### **Manaaki Pihipihinga Programme**

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus.

For further information, or to register with the programme, email [manaaki-pihipihinga-programme@vuw.ac.nz](mailto:manaaki-pihipihinga-programme@vuw.ac.nz) or phone (04) 463 5233 ext. 8977. To contact the Pacific Support Coordinator, email [pacific-support-coord@vuw.ac.nz](mailto:pacific-support-coord@vuw.ac.nz) or phone (04) 463 5842.