

School of Marketing & International Business

IBUS 406 ADVANCED INTERNATIONAL STRATEGY

Trimester Two 2008

COURSE OUTLINE

Contact Details

Professor Peter Dowling (Course Co-ordinator)

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Office hours: Thursdays 11.00-12.00 and Fridays 16.00-17.00, and by appointment

Class Times and Room Numbers

Wednesdays, 10.30 – 13.20 (RH G02)

The two-hour final examination for IBUS 406 will be held during the Trimester 2 2008 examination period (13 October to 9 November, 2008); the precise date and time will be advised during the trimester.

Course Objectives

The objectives of the course are to explore some of the key issues associated with the strategic and structural decisions of enterprises involved in international business, and to apply critical thinking to these issues. The issues will lend themselves to the application of theories and concepts of international business covered in earlier courses.

Sessions will generally be conducted in a seminar format, with all students expected to take active roles in the discussion. Students should plan on attending **each** session, and on being thoroughly prepared to discuss and critique the week's assigned readings.

Expected Workload

You should expect to devote about 15 hours per week of independent study to this course.

Readings

There is no textbook for IBUS 406. A coursebook of required readings will be provided.

Students who feel they would like to update their knowledge of strategic management may wish to consult a copy of the following text:

Hanson, D., Dowling, P., Hitt, M., Ireland, R. & Hoskisson, R. 2008, *Strategic Management: Competitiveness and Globalization*, (Asia Pacific 3rd Edition). Melbourne: Thomson Learning Australia (or another strategic management text of your choice).

Materials and Equipment

No additional equipment will be required for this course.

Assessment Requirements

The course will be assessed on the basis of 60% coursework and 40% final examination (two hours). All pieces of assessment will contribute to and test the course objectives.

Class discussion and participation	20%
Individual assignment	25%
Group assignment	15%
Final examination	40%
Total	100%

Class discussion and participation: Active and thoughtful participation is expected during the class meetings. Active and thoughtful participation does not require preparation of a lecture or powerpoints but does require commenting on issues raised in the various readings, along with strengths and weaknesses.

Individual assignment: Each student will prepare a short lecture and powerpoint presentation based on their selection of 4-6 cover stories from *The Economist* during the period January 2006 to date. Each cover story should be relevant to one or more of the issues covered in IBUS406.

Outcomes from the assignment are as follows:

1. A brief handout for the class on your presentation (up to 5 pages)
2. A lecture and powerpoint presentation on your topic (maximum of 25 minutes presentation in class including a Q&A session)

Each student must submit a hard or electronic copy of their presentation materials (handout and powerpoints) to the Course Co-ordinator on the presentation date which is **Wednesday, 10 September 2008**. Your assessment for this assignment will be based on both the written materials and the presentation given to the class.

Group assignment: Depending on numbers, it is expected that there will be no more than two groups. The task for each group will be to read and review any New Zealand Institute Discussion Paper published from August 2006. You will find the Discussion Papers listed at www.nzinstitute.org. It is obviously important for groups to decide which discussion paper they will be reviewing as soon as possible and notify the Course Co-ordinator via email and other members of the class.

Outcomes from the assignment are as follows:

1. A brief handout for the class on your presentation (up to 5 pages)
2. A lecture and powerpoint presentation to the class on your chosen NZI discussion paper on **Wednesday, 1 October 2008** (approximately 50 minutes presentation in class including a Q&A session). Each group must submit a hard or electronic copy of their presentation materials (handout and powerpoints) to the Course Co-ordinator on the presentation date.
3. A group report evaluating your chosen NZI discussion paper. This report should be a maximum of 2000 words, *including references and any tables and figures* (using at least 1.5 spacing and no smaller than 11 point font). Up to 4 additional pages of

appendices may be attached to the assignment. Your assessment for this group assignment will be based on all written materials and the presentation given to the class.

Final examination: The final examination accounts for 40% of the assessment weighting for this course, and students will be expected to draw on what they have learned from the readings, lectures and assignments. The examination will be comprehensive and closed-book. The date and time of the two-hour final will be notified on official university exam timetables.

Penalties

Late work will be accepted without penalty with good reason (e.g., a medical certificate) and prior permission. In other cases, five marks will be deducted (out of 100) for each day, or part day, the assignment is late.

Mandatory Course Requirements

Students must obtain at least 50% in the final exam, and 50% overall, to obtain a pass grade for this course.

Course Content

<i>Week</i>	<i>Date/ Time</i>	<i>Topics and Assigned Reading</i>
1	Wed 9 July 10:30-13:20	<p>1. Introduction to IBUS406</p> <p>2. Some big picture ideas relevant to International Strategy</p> <p>* Stern, N. 2006. What is the Economics of Climate Change? <i>World Economics</i>. 7(2): 1-10.</p> <p>* Huntington, S. 1996. The west: Unique, not universal. <i>Foreign Affairs</i>, Nov-Dec. 28-46.</p> <p>* Responses to Huntington. 1997. <i>Foreign Affairs</i>, Mar-Apr. 162-165.</p>
2	Wed 16 July 10:30-13:20	<p>Context, culture and business strategy</p> <p>* <i>The Economist</i> Sept 16, 2006. The new titans: A survey of the world economy. 1-36.</p> <p>* Kuran, T. 2005. The logic of financial westernization in the Middle East. <i>Journal of Economic Behavior & Organization</i>, 56: 593-615.</p> <p>* Morck, R., Yeung, B., & Zhao, M. 2008. Perspectives on China's outward foreign direct investment. <i>Journal of International Business Studies</i>, 39: 337-350.</p>
		<p>Early approaches to global strategic thinking</p> <p>* Perlmutter, H. 1969. The tortuous evolution of the multinational corporation. <i>Columbia Journal of World Business</i>, 4:9-18.</p>

Week	Date/ Time	Topics and Assigned Reading
3	Wed 23 July 10:30-13:20	<p>* Levitt, T. 1983. The globalization of markets. <i>Harvard Business Review</i>, May-June, 92-102.</p> <p>* Hedlund, G. 1986. The modern MNC – A heterarchy? <i>Human Resource Management</i>. 25 (1): 9-35.</p> <p>* Drucker, P. 1997. The global economy and the nation state. <i>Foreign Affairs</i>, Sept-Oct: 159-171.</p>
4	Wed 30 July 10:30-13:20	<p>Current global strategy research</p> <p>* Furrer, O., Thomas, H. & Goussevskaia, A. 2008. The structure and evolution of the strategic management field: A content analysis of 26 years of strategic management research. <i>International Journal of Management Reviews</i>, 10(1): 1-23.</p> <p>* Hitt, M., Bierman, L., Uhlenbruck, K. & Shimizu, K. 2006. The importance of resources in the internationalisation of professional service firms: The good, the bad, and the ugly. <i>Academy of Management Journal</i>, 49(6): 1137-1157.</p> <p>* Cummings, S. 2007. Shifting foundations: Redrawing strategic management's military heritage. <i>Critical Perspectives on International Business</i>, 3(1):41-62.</p>
5	Wed 6 Aug 10:30-13:20	<p>Current global strategy research continued</p> <p>* Brouthers, K., Brouthers, L. & Werner, S. 2008. Resource-based advantages in an international context. <i>Journal of Management</i>, 34(2): 189-217.</p> <p>* Cuervo-Cazurra, A. 2008. The effectiveness of bribery abroad. <i>Journal of International Business Studies</i>, 39:634-651.</p> <p>* Lambell, R., Ramia, G., Nyland, C. & Michelotti, M. 2008. NGOs and international business research: Progress, prospects and problems. <i>International Journal of Management Reviews</i>, 10(1): 75-92.</p>
6	Wed 13 Aug 10:30-13:20	<p>China</p> <p>* Mathews, J. 2006. Dragon multinationals: New players in 21st century globalization. <i>Asia Pacific Journal of Management</i>, 23:5-27.</p> <p>* Buckley, P. et al. 2007. The determinants of Chinese outward foreign direct investment. <i>Journal of International Business Studies</i>, 38:499-518.</p> <p>* Buckley, P. 2007. The strategy of multinational enterprises in the light of the rise of China. <i>Scandinavian Journal of Management</i>, 23: 107-126.</p>

Week	Date/ Time	Topics and Assigned Reading
		* Zweig, D. & Jianhai, B. 2005. China's global hunt for energy. <i>Foreign Affairs</i> , Sept-Oct. 25-38.
7	Wed 3 Sept 10:30-13:20	<p>India</p> <p>* Das, G. 2006. The India Model. <i>Foreign Affairs</i>, July-Aug. 2-16.</p> <p>* <i>The Economist</i> June 3, 2006. Now for the hard part: A survey of business in India. 1-18.</p> <p>* Gaur. AS. & Kumar, V 2008. International diversification, business group affiliation and firm performance: Empirical evidence from India. <i>British Journal of Management</i>. 1-15.</p> <p>* Elango. B. & Pattnaik, C. 2007. Building capabilities for international operations through networks: a study of Indian firms. <i>Journal of International Business Studies</i>. 38:541-555.</p>
8	Wed 10 Sept	Individual assignment presentations
9	Wed 17 Sept 10:30-13:20	<p>The impact of terrorism on global business strategy</p> <p>* McIntyre, J. & Travis, E. Global supply chain under conditions of uncertainty: economic impacts, corporate responses, strategic lessons. In Suder, G. (Ed.) 2006. <i>Corporate Strategies Under International Terrorism and Adversity</i>. Edward Elgar: Cheltenham, UK.</p> <p>* MacPherson, A. R. 2008. The impact of the U.S. Bio-Terrorism Act upon Canadian exporters of food products to the United States. <i>The International Trade Journal</i>. XXII(1): 17-38.</p> <p>* Liou, D-Y & Lin, Chin-Huang. 2008. Human resources planning on terrorism and crises in the Asia Pacific region: Cross-national challenge' reconsideration and proposition from Western experiences. <i>Human Resource Management</i>, 47 (1): 49-72.</p>
10	Wed 24 Sept 10:30-13:20	<p>Issues influencing future global strategy</p> <p>* Svendsen, A. 2008. The globalization of intelligence since 9/11: frameworks and operational parameters. <i>Cambridge Review of International Affairs</i>, 21 (1): 129-144.</p> <p>* Jones. G. & Khanna, T. 2006. Bringing history (back) into international business. <i>Journal of International Business Studies</i>. 37:453-468.</p>

Week	Date/ Time	Topics and Assigned Reading
		* Bell, C. 2007. <i>The end of the Vasco da Gama era: The next landscape of world politics</i> . Lowy Institute for International Policy. Sydney.
11	Wed 1 Oct 10:30-13:20	Group assignment presentations
12	Wed 8 Oct 10:30-13:20	<p>Issues influencing future global strategy continued</p> <p>* Tan, W. & Enderwick, P. 2006. Managing threats in the global era: The impact and response to SARS. <i>Thunderbird International Business Review</i>, 48 (4): 515-536.</p> <p>* <i>The Economist</i> Jan 19, 2008. Just good business: A special report on corporate social responsibility. 3-22.</p> <p style="text-align: center;">Course review</p>

Communication of Additional Information

Announcements regarding assignment due dates will be made in class and via e-mail. Please make sure that the Course Co-ordinator has your up-to-date e-mail address and that your account has sufficient space available to receive messages.

Additional Details

Return of assignments: Assignments will be returned in class. Uncollected assignments will be held by the SMIB office (RH 1121) for three months following the end of term, and disposed of after that time.

Guidelines for referencing: All of your referencing should follow the format of the Journal of International Business Studies. See: <http://www.jibs.net/> ('Style Guide'). For example:

Journal/periodical articles

Cosset, J., & Suret, J. 1995. Political risk and benefits of international portfolio diversification. *Journal of International Business Studies*, 26(2): 301-318.

Financial Times. 1996. Survey - Czech Republic: Message from the people. December 6: 3.

Books

Donahoe, J. D. 1989. *The privatization decision*. New York: Basic Books.

Papers

Harley, N. H. 1981. Radon risk models. In A. R. Knight & B. Harrad (Eds), *Indoor air and human health*, Proceedings of the Seventh Life Sciences Symposium, 29-31 October 1981, Knoxville, USA: 69-78. Amsterdam: Elsevier.

Chapters in edited books

Caves, R. E., & Mehra, S. K. 1986. Entry of foreign multinationals into the US manufacturing industries. In M. E. Porter (Ed.), *Competition and global industries*: 449-481. Boston, MA: Harvard Business School Press.

Dissertations or theses

Salk, J. E. 1992. *Shared management joint ventures: Their developmental patterns, challenges and possibilities*. Unpublished PhD Dissertation, Sloan School of Management, Massachusetts Institute of Technology, Cambridge, MA.

Online documents

The Investment Company Institute. 2004. Worldwide mutual fund assets and flows, third quarter 2003. <http://www.ici.org>. Accessed 4 February 2004.

Online journal articles

Van de Vliert, E. 2002. Thermoclimate, culture, and poverty as country-level roots of workers' wages. *Journal of International Business Studies*, doi: 10.1057/palgrave.jibs.8400007.

Some Considerations for Writing

As a postgraduate student, you will be spending a considerable portion of your time writing. Your written work should always be clear and direct. Writing that is sloppy and imprecise conveys an image of cloudy thinking, and you should be working toward clarity in both your thinking and your writing. The following points are intended to assist you in communicating more effectively.

1. Spell-checking and proof-reading are crucial, despite the fact that they are extremely annoying to do. Be careful to leave yourself sufficient time to complete these important tasks prior to submitting your work. While the Word grammar-check is certainly not infallible, it is generally a good idea to have a second look at wording that the software has identified as problematic.
2. Make sure that you are writing to the proper audience. Your work in IBUS 406 should be written for an academic audience.
3. Avoid using contractions in formal writing. Reports and papers that you submit in postgraduate classes should be considered formal writing.
4. The use of complete sentences is extremely important. It is often the case that phrases beginning with gerunds (e.g., 'Meaning that...') are difficult to make into complete sentences.
5. Proper punctuation makes your writing much easier to read. Remember to use commas to separate logical thoughts, and that the semicolon (;) should be used to separate two phrases that are each standalone sentences.
6. The typical convention is to spell out integers less than 10 (e.g., 'two', rather than '2'), and to use digits for integers greater than or equal to 10. In addition, it is best to avoid starting a sentence with digits (e.g., '59 percent of the respondents...').
7. Be sure that you have agreement with respect to numbers and verb tenses throughout your writing.

8. The proper use of possessives is not complicated. Simply remember that the apostrophe (inverted comma), followed by the letter 's', generally replaces 'belonging to'. Thus:
 - company's = belonging to the company
 - companies = more than one company
 - companies' = belonging to more than one company
 - MNE's = belonging to the MNE
 - MNEs = more than one MNE
 - MNEs' = belonging to more than one MNE.

9. English, of course, has its grammatical oddities. One that is the source of many errors is 'it's' vs. 'its':
 - it's = it is (see note 3, above)
 - its = belonging to it.

10. When choosing between 'which' and 'that', a useful rule of thumb is that 'which' generally follows a comma (e.g., 'the results, which were...').

11. Many words assume rather specific meanings in particular contexts. When writing about the results of empirical analyses, you should be aware of the following:
 - 'Variance' is a specific measure of variation. Variance and variation are not equivalent concepts. To make things even more confusing, 'variance' has different specific meanings in the finance and accounting literatures.
 - 'Significant' should be saved for the situation in which you have conducted statistical testing and found a statistically significant result. Avoid using 'significant' as a synonym for 'important'.
 - 'Correlate' has a particular meaning in empirical analysis. It refers to a linear relationship between two variables, not a generic relationship.

12. Information taken from other sources should be properly cited and referenced. Failure to do so represents intellectual dishonesty, which is taken very seriously in the academic community. Cited references should be listed at the end of the paper, in a format that provides complete information, allowing the interested and motivated reader to delve into the finer details of your argument. Please note that this pertains to specific information. Obviously, you do not need to reference the Field book every time you refer to statistical analysis. However, if you are using a particular section of a book as the justification for an argument, then you should point the reader to that part of the book.

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.

Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building on the ground floor (EA005). This counter is the first point of contact for :

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.

- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Use of Turnitin

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 your tutor or 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.victoria.ac.nz/home/about/policy/students.aspx

For information on the following topics, go to the Faculty's website www.victoria.ac.nz/fca under Important Information for Students:

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

Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means *no cheating*. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. The University defines plagiarism as follows:

The presentation of the work of another person or other persons as if it were one's own, whether intended or not. This includes published or unpublished work, material on the Internet and the work of other students or staff.

It is still plagiarism even if you re-structure the material or present it in your own style or words.

Note: including the work of others will not be considered plagiarism as long as the work is acknowledged by appropriate referencing.

Plagiarism is prohibited at Victoria and is not worth the risk. Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct and may be penalised severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- cancellation of your mark for an assessment or a fail grade for the course
- suspension from the course or the University.

Find out more about plagiarism, and how to avoid it, on the University's website:

www.victoria.ac.nz/home/studying/plagiarism.html

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 or phone (04) 463 6015. To contact the Pacific Support Coordinator, email pacific-support-coord@vuw.ac.nz or phone (04) 463 5842.