

School of Marketing and International Business

## **IBUS 201 PRINCIPLES OF INTERNATIONAL BUSINESS**

Trimester One 2009

### **COURSE OUTLINE**

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#### **Contact Details**

**Lecturer:** Dr. Joanna Scott-Kennel, Victoria University of Wellington  
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Office Hours: Monday, Wednesday 14.30-15.30

**Trimester Dates** Monday 2 March to Wednesday 1 July 2009

#### **Class Times and Room Numbers**

**Lectures:** Wednesday 13.40-14.30 and Friday 13.40-15.30 in RHLT1

**Tutorials** Six tutorials starting week 3 (see schedule below)

**Final examination period:** Monday 8<sup>th</sup> June – Wednesday 1<sup>st</sup> July

Please note that students who enrol in courses with examinations are obliged to attend an examination at the University at any time during the formal examination period.

**Withdrawal dates:** Information available via  
<http://www.victoria.ac.nz/home/admisenrol/payments/withdrawalsrefunds.aspx>

#### **Course Content**

This is an introductory course in international business, designed to provide you with the foundations necessary to continue your degree in international business and a comprehensive understanding of the issues facing firms in international markets. The course broadly covers all facets of international business and is divided into the following topics:

**Introduction**

An introduction to the principles of international business  
Globalisation of markets, production and capital

**The External Environment of International Business**

Socio-cultural environment  
Technological environment  
Economic and financial environment  
Political environment

**International Business Strategy and Operations**

Multinational enterprises (MNEs), trade and investment  
Introduction to international strategic management

**Review of the course****Course Learning Objectives**

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

- Apply the concepts and terminology commonly used in international business (assessed by STEP portfolio reports);
- Explain the drivers of globalisation and international business (assessed by the mid-term test);
- Identify economic, political, legal, and other environmental factors to compare national and regional economies throughout the world (assessed by the tutorials);
- Compare and contrast the structures and strategies of international organisations including foreign market entry strategies and methods of operation (assessed by the final examination).

**Expected Workload**

You should expect to spend 14 hours per week on independent study for this course.

Attendance at classes (including tutorials):	3-4 hours per week
Reading and reviewing:	4-5 hours per week
Assignments:	5-6 hours per week

It is very important that you keep up with the course readings, as this is a fast-paced course, covering much material.

**Readings**

The required text for this paper is Charles W.L. Hill. (2007). *International Business: Competing in the Global Marketplace: Asia-Pacific or International Edition*, 7<sup>th</sup> Edition, McGraw Hill Irwin. Earlier copies of the textbook are acceptable, but please ensure you read the correct chapters as given below:

- Chapter 1 Globalization
- Chapter 2 National differences in political economy
- Chapter 3 Differences in culture

- Chapter 4 Ethics in international business
- Chapter 5 International trade theory
- Chapter 6 The political economy of international trade
- Chapter 7 Foreign direct investment
- Chapter 8 Regional economic integration
- Chapter 9 The foreign exchange market
- Chapter 10 The international monetary system (recommended, not required reading)
- Chapter 11 The global capital market (recommended, not required reading)
- Chapter 12 The strategy of international business
- Chapter 13 The organisation of international business (recommended, not required reading)

Additional readings (including a chapter from another textbook on managing technology) will also be assigned at the discretion of the course lecturer. The assigned textbook comes with web-site support (see materials and equipment below). Chapters are assigned for each topic (see schedule below).

## Materials and Equipment

The textbook provides the starting point for reading. This should NOT be considered the minimum necessary to complete assignments. Students are encouraged to make use of printed media (newspapers, magazines), academic material (journals and books), and resources available on the web (library databases, web pages of universities, companies, and international organisations, and media-related sites) as additional sources of reading and reference material. Additional references and reading material can be obtained from:

- the bibliography of the textbook,
- library electronic databases such as Proquest or Expanded Academic ASAP,
- the ibresources website at [www.vuw.ac.nz/ibresources](http://www.vuw.ac.nz/ibresources), McGraw-Hill On-Line Learning Center (see your textbook for details), [www.globaledge.com](http://www.globaledge.com), or [www.scholar.google.com](http://www.scholar.google.com) or
- the lecturer of this course.

## Assessment Requirements

A breakdown of the final mark and description of each piece of assessment follows.

STEP Portfolio Reports	40%
Tutorials (4 assignments)	20%
Final examination	40%
<b>Total</b>	<b>100%</b>

## STEP Portfolio

The STEP Portfolio assignment is designed to make you aware of the big wide world around you and its influence on international business. The purpose of the portfolio reports is to apply the principles, concepts, key ideas and theories of international business given in lectures and the textbook to real world examples of companies, strategies, countries, and current events that influence the IB environment. It is also intended to help you remember the ideas about international business you will learn in this course - the key is to be able to apply these principles or concepts to your own real world examples!

You are encouraged to start collecting relevant examples from the first week of the trimester. The choice of which IB principles to apply, and which examples to use, is up to you, but there should be no repetition of principles or examples. Examples given in the lectures, textbook, or tutorials should NOT be used in this assignment - I want you to come up with your own. By the end of this assignment you should be able to read/watch/surf the news and media and be able to comment on why and how this relates to international business.

The STEP Portfolio consists of FOUR individual reports on the international business environment - one report for each of the four S.T.E.P environments; ie. socio-cultural, technological, economic/financial and political/legal. Each report will be worth 10 per cent of your final mark.

The first of these, the socio-cultural environment report **is due on the 1<sup>st</sup> April 2009**. You will be given a grade and feedback on this report to help with your preparation of the remaining three reports.

**Marking criteria.** The highest grades will be given to Portfolios which:

- focus on one principle or concept and one example per report;
- demonstrate a clear definitions and solid understanding of each IB principle or concept chosen;
- apply and explain the relevance of an interesting, up-to-date, and non-trivial example with regard to each principle or concept;
- critically evaluate the examples in light of the principle/concept chosen;
- are presented using a clear and concise structure and writing style; and
- provide multiple references to sources of information from lectures, the textbook and other reference materials found on-line or elsewhere (demonstrating research capability).

**Principle or concept.** Each report should start with a clear definition and explanation of the IB principle or concept chosen and a reference to where this concept is found in the lecture notes or textbook (ie. indicate where the principle has been taken from by citing the source: ie. (Scott-Kennel, 2008, topic 3) or (Hill, 2008, p. 307). Your chosen principle can include any model, theory, concept, or idea that has been discussed during the lectures or in the assigned chapters of the textbook relating to topics 2-5.

**Example.** The next section of the report should introduce your example. It can be a company, country, event or even a trend, as long as it has some relevance to international business.

**Application.** This section is the most important and should be devoted to applying your chosen example specifically to the principle you have chosen. The objective is to use the example to illustrate the concept – the reader should be able to understand the concept by reading the explanation and details of the example provided in this section. A good way to start is to write, ‘The example of company X demonstrates the principle of XXX... etc.’.

**Implications.** The final section should briefly discuss the implications or insights for companies, business strategy, managers, consumers, country welfare, or non-government organisations (NGOs) etc. were appropriate.

Each report should include a **reference list** of all material used in your research on the concept and the example. The **length** of each individual report is expected to be approximately 600 words or the equivalent of two pages (1.5 line-spacing) plus references. Students should follow the style and referencing guidelines given in this course outline. Main and secondary headings should be numbered, as shown below.

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Example: IBP REPORT 1. CULTURE IN BUSINESS NEGOTIATIONS

1.1 Concept: How culture influences business negotiations

...A definition of 'cultural time' is given here...

1.2 Example: Sony & Universal Pictures Negotiations

...Introduce Sony and Universal Pictures – brief corporate profile and reason for the negotiations...

1.3 Application

...The example of Sony & Universal illustrates the differences in Japanese and Western perceptions of time, and how this affects business negotiations...

1.4 Implications:

...The implications for the outcome of the negotiations and the subsequent relationship between the two partners of different approaches to 'time' during negotiations between Sony and Universal Pictures are likely to be...

References (reference to the lecture notes, textbook, other sources of information)

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**STEP REPORT 1 (socio-cultural environment) DUE**

**1 APRIL**

**STEP PORTFOLIO REPORTS 2-4 (technological, economic/financial and political/legal)  
DUE**

**5 JUNE**

*Please submit your reports to the course lecturer via email - before class on the due date.*

## Tutorials

Tutorial groups will meet from week 3 onwards for one hour per week, except when assignments are due. Tutorial sign-ups will begin during Week 1 and you must have signed up for your tutorial by the end of Week 2. You will be informed about how to sign-up for tutorials during the first day of classes. Please choose your tutorial times carefully and select a time that does not interfere with your other courses. Attendance at least 4 out of 6 tutorials is expected and you will be given marks for attendance, participation and tutorial assignments.

During the tutorials, you will have a chance to interact with your tutor and peers, review lecture materials and gain a deeper understanding of the concepts and theories of international business, by applying them in your assignments. More information about assignments for each tutorial will be provided on blackboard.

## Examination

The final **examination** will be a written 2-hour examination and will cover the contents of the entire course (lectures, tutorials, videos, course textbook and readings).

Students who enrol in courses with examinations are obliged to attend an examination at the University at any time during the formal examination period.

Examination dates for trimester one: Friday 12 June to Wednesday 1 July 2009 (inclusive).

## Penalties

Late assignment submissions will not be accepted. Missing a tutorial because of non-attendance will result in a mark of zero (0) for that tutorial. Exceptions will be made only for special circumstances (bereavement, illness, etc.) where documentation is provided.

Any student caught cheating on an assignment or examination will receive an automatic mark of zero (0) and/or disciplinary actions may be taken under the Statute on Student Conduct. This includes plagiarism. You are strongly advised to consult the **Academic Integrity and Plagiarism** policy website at: [www.vuw.ac.nz/home/studying/plagiarism.html](http://www.vuw.ac.nz/home/studying/plagiarism.html).

## Mandatory Course Requirements

You are required to obtain an overall mark of at least 50%, and obtain a minimum mark of 40% in the final examination to pass this course.

## Communication of Additional Material

Any additional information or changes will be posted on the IBUS 201 Blackboard website: ([www.blackboard.scs.vuw.ac.nz](http://www.blackboard.scs.vuw.ac.nz)).

## Course Lecturer

Dr Scott-Kennel has been teaching and researching in the area of international business for over ten years. In addition, she has published several book chapters, articles and conference papers in the areas of foreign investment, inter-firm linkages and development, privatisation, emerging markets, investment policy issues in New Zealand, business networks, and the internationalisation of small to medium sized firms. In 2005 she co-authored a book entitled *International Business Strategy - a New Zealand perspective*. She has been involved in course development and teaching at the Open University of Hong Kong, the University of Waikato, Victoria University of Wellington, Helsinki School of Economics, Finland and Ritsumeikan University, Kyoto, Japan.

## Notes on Referencing

**Any reference you use in writing your assignments must be cited** both in the text of your work and in a separate reference list. More information on referencing can be found under course resources on Blackboard.

## DETAILED COURSE SCHEDULE, 2009 TRIMESTER 1

Week	Date	Topic	Due	Readings
<b>1</b>	4 Mar	Introduction to the course and the principles of international business		
	6 Mar	<b>Topic 1:</b> Globalisation of markets, production & capital		Chap 1
<b>2</b>	11 Mar	<i>(Cont.)</i>		<i>Chap 10 (opt)</i>
	13 Mar	<b>Topic 2:</b> The socio-cultural environment		Chap 3, 4
<b>3</b>	18 Mar	<i>(Cont.)</i>	Tutorial 1	
	20 Mar	<i>(Cont.)</i>		
<b>4</b>	25 Mar	<b>Topic 3:</b> The technological environment	Tutorial 2	Chap 11*
	27 Mar	<i>(Cont.)</i>		
<b>5</b>	1 April	<b>Topic 4: The economic and financial environment</b>	<b>Socio-cultural Report</b>	Chap 2, 9
	3 April	<i>(Cont.)</i>		<i>Chap 11 (opt)</i>
<b>6</b>	8 April	<i>(Cont.)</i>	Tutorial 3	
	10 Apr	<b>Easter Friday – no class</b>		
13-24 April		<b>Study Break – no classes</b>		
<b>7</b>	29 Apr	<i>(Cont.)</i>	Tutorial 4	
	1 May	<b>Topic 5:</b> The political environment		Chap 6, 8
<b>8</b>	6 May	<i>(Cont.)</i>	Tutorial 5	
	8 May	<i>(Cont.)</i>		
<b>9</b>	13 May	<b>Topic 6:</b> MNEs, trade and investment	Tutorial 6	Chap 5, 7
	15 May	<i>(Cont.)</i>		
<b>10</b>	20 May	<i>(Cont.)</i>		
	22 May	<i>(Cont.)</i>		
<b>11</b>	27 May	<b>Topic 7:</b> International strategic management		Chap 12
	29 May	<i>(Cont.)</i>		<i>Chap 13 (opt)</i>
<b>12</b>	3 June	<i>(Cont.)</i>		
	5 June	Review of the course	<b>(S)TEP Reports</b>	

\* a chapter from an alternative textbook, this reading will be made available in class.