

# Standard Course Outline

## *Title: Globalization and Global Business*

### I. General Information

<b>Course Number:</b>	GBA 602-603
<b>Title:</b>	Globalization and Global Business
<b>Units:</b>	6-8
<b>Prerequisites:</b>	MBA standing and completion of first year core
<b>Course Coordinator:</b>	TBD
<b>SCO Prepared by:</b>	Sabine Reddy, TianjiaoQiu, Terry Witkowski
<b>Date prepared:</b>	January, 2011

### II. Catalog Description

GBA 602-603 examines globalization and global business from both societal and managerial perspectives. The course includes lectures, case studies, projects, exercises, reports, and presentations. Letter grade only (A-F).

### III. Curriculum Justifications

“Globalization and global business” explores the most powerful ideas and managerial practices shaping today’s international business environment. The course is built around two major themes:

- The first theme addresses the battle of ideas between global business interests on the one hand, and the anti-globalization movement – an international coalition of labor, environmental, and anti-corporate interests – on the other. The outcomes of these political debates have consequences for the domestic and international governance of global business.
- The second theme stresses doing business with emerging economies, not just as export markets for commercial products and services, but as localities that can benefit

from the direct investments and best managerial standards brought in by global corporations. Today, over half of U.S. exports go to developing countries and, according to *The Economist* (April 17, 2010), 70% of future world growth will come from emerging markets. Few companies anywhere will remain unaffected by this important trend.

In addition, the course stresses both societal and managerial perspectives on global business. A well-educated MBA needs to be a global citizen as well as individual with some international managerial training and skills. International education means that students understand the world from a variety of perspectives, and that they are fully cognizant of the political ideologies supporting and criticizing global business.

#### IV. Curriculum and Course Goals and Objectives

The MBA curriculum is designed to provide students with the opportunity to develop knowledge and skills in local and global business practices. The program of study is intended to engage learners in integrative learning experiences across professional personal, content, and skill areas. Courses within the MBA curriculum should include at least one and up to two of the following:

- **Critical Thinking Skills**- students will be able to demonstrate conceptual learning, critical thinking, and problem solving skills.
- **Interpersonal, Leadership, and Team Skills** - students will be able to demonstrate interpersonal communication and leadership skills to work in a dynamic and diverse world, both independently and in a team environment.
- **Social Responsibility Skills** - students will be able to demonstrate awareness and knowledge of social responsibility, ethical leadership, and corporate citizenship in the domestic and global environment.
- **Business functions Skills** - students will be able to demonstrate knowledge of today's dynamic business environment through an understanding of all business functions, practices, and related theories and be able to integrate this functional knowledge in order to address business problems.
- **Quantitative & Technical Skills** - students will possess quantitative and technical skills enabling them to analyze, interpret, and communicate business data effectively and to improve business performance.
- **Knowledge of the Domestic & Global Environment** – students will be able to demonstrate knowledge of today's dynamic business environment (e.g. legal, regulatory, political, cultural, and economic) especially the links between our region and the global business world.

#### Course Goal

The goal of GBA 602-603 is to develop integrative international knowledge and skills among MBA.

## Course Learning Outcomes

- Know the various political, economic, and technological forces driving and opposing globalization.
- Know the economic fundamentals of the world financial system and how global organizations deal with risk, source equity and debt.
- Know the importance of emerging markets and how marketing management can serve them both commercially and through social marketing campaigns.
- Know the options for entering global markets and organizing multinational enterprises.
- Know the management of a global workforce and the challenges in managing global business across different cultures.

## Curriculum Learning Outcomes

### *Critical Thinking as evidenced by:*

- The ability to research and present both supportive and opposing arguments for issues related to globalization and global business.
- A well-developed global mindset (e.g., intercultural communication skills, cross-cultural awareness, integrating diverse perspectives).

### *Social Responsibility as evidenced by:*

- Knowing how globalization and global business affects local cultures, producers, and the natural environment, both positively and negatively.
- Having an ability to formulate social marketing campaigns in emerging markets and to engage in social entrepreneurship.

### *Business Functions as evidenced by:*

- Knowing the fundamentals of how to manage financial exposure, source equity and debt globally, and cope with multinational taxation and accounting.
- Understanding market segmentation in a global context and how to standardize and adapt the marketing mix across countries and segments.
- Knowing different market entry strategies and alternate forms of multinational business organization.
- Basic knowledge and skills of human resource management in a global context.

### *Domestic & Global Environment as evidenced by:*

- Familiarity with some of the basic concepts related to human development and with the impediments facing poor countries.
- Understanding of major international institutions that govern globalization and global business

## V. Preparation for Course

To be well prepared for the course, students should review the following course material and Toolboxes:

- FIN 615 and finance section of Toolboxes
- MGMT 615
- MKTG 615

## VI. Outline of Subject Matter

This course is divided into four segments. The morning segments (in tan) are Globalization (8 weeks) and Global Markets and Marketing (8 weeks). The afternoon segments (olive green) include Global Economics and Finance and Global Management and HRM.

<b>Globalization</b>	<b>Global Economics and Finance</b>
Any CBA faculty	Faculty from Economics and/or Finance
<b>Global Markets and Marketing</b>	<b>Global Management and HRM</b>
Faculty from Marketing and/or Management	Faculty from Management and/or HRM

The listing below consists of the subject matter that will be covered in this course. It does not preclude other topics that comprise Globalization, Global Economics and Finance, Global Markets and Marketing, and Global Management and HRM. As this class is a seminar class, all the materials used are case studies for class participation, experiential exercises, documentary films, class discussions of related current events as well as examples/simulations from the chosen texts and readings.

<b>Week</b>	<b>Concept</b>	<b>Possible Active Learning Tools</b>
1	Globalization v. anti-globalization: forces, interests, and ideology	Documentary Film
	Economic theories of trade	Documentary Film
2	Global institutions (UN, World Bank, IMF, WTO, regional trade agreements)	Current event article discussions
	World monetary system; Trade flows and foreign direct investment	Current event article discussions
3	Globalization and local culture	Documentary Film
	Foreign exchange rates and markets	Case discussion

4	Globalization and intellectual property	Documentary Film
	Managing financial exposure	Case discussion
5	Globalization and labor	Documentary Film
	Sourcing equity and debt globally	Case discussion
6	Globalization and environmental sustainability	Documentary Film
	Multinational taxation and accounting	Case discussion
7	Corporate social responsibility in emerging markets	Documentary Film
	Microfinance	Case discussion
8	Presentations and/or exams	Debates over globalization and global business
	Presentations and/or exams	Projects on the financial management in the developing world.
9	Researching local markets	Market research exercise
	Entry strategies and risk assessment	Case discussion
10	Big emerging markets	
	Organizational design for global business, corporate governance	Simulation: i.e. CESIM (Practice) Case discussion
11	Bottom of the pyramid markets	Documentary Film
	Global supply chains and manufacturing	Simulation (Round 1) Case discussion
12	Exporting and importing	
	International competitive strategy	Simulation (Round 2) Case discussion
13	Adaptation v. Standardization of the marketing mix Segmenting global markets	
	Developing global strategies: scale, flexibility and learning, managing negotiations	Simulation (Round 3) Case discussion
14	The marketing mix in developing countries	
	Global staffing decisions: recruiting, selecting, promoting, retaining, turnover, expatriate failure	Documentary Film Simulation (Round 4)
15	Social marketing and entrepreneurship for developing countries	Documentary Film

	Training, performance management, compensation, and industrial relations	Simulation (Round 5) Case discussion
16	Presentations and/or exams	Social marketing or social entrepreneurship project
	Presentations and/or exams	Simulation project presentations, business plan project, or debates based on team papers on controversial IHRM issues

**Outside Learning Activities**

Learning takes place in and outside of the classroom. Learning all the concepts, principles, and integrative knowledge required to understand globalization and global business will include the following active learning efforts outside of the time spent in the class each Saturday.

- Readings provided by faculty as well as other students, guests speakers, etc.
- Continuous reading of current events, etc. related to topics of globalization and global business.
- Listening to podcasts on iTunes U and blogs, etc. which encourage the student to think about how global issues affect all stakeholders.

**VII. Methods of Instruction**

When reading texts, articles, and other materials in preparation for class it is essential that students anticipate taking an *active* approach to their learning via lectures, case analyses, simulations, and other types of experiential exercises and games. *The best-prepared students are often the ones who come to class with questions about how the concepts and methods can be applied.* Finally, students should expect to return to the book after class or while reviewing, in order to refine and consolidate their knowledge.

A recommendation for a pedagogical tool to apply the concepts that have been taught in GBA 602/603 could be integrative HBS (or similar types) cases. This type of learning tool provides the student with opportunities to apply and practice the skills and concepts that they have learned in the first part of the course. **At the MBA level of instruction, students must have some type of pedagogical tools for active learning that are beyond the undergraduate level of lecture and multiple choice examinations.**

Instructors in planning the exams, and other grading procedures, should adhere to the relevant [University Policy on “Grades, Grading Procedures, and Final Assessments, Final Course.”](#)

The readings for this course should be chosen in accordance with the [University Policy on textbooks](#). Many different types of readings are appropriate for this course and

instructors are strongly encouraged to augment textbooks (if they are used at all) with 1) more specialized books, 2) articles in scholarly journals and reputable business magazines and newspapers, 3) reports from governmental bodies and non-governmental organizations, and 4) additional credible sources.

The following suggestions are based on the special nature of this MBA course:

- Students will arrive at this course with a strong foundation in Accounting, Finance, MIS, Statistics, Marketing, Human Resource Management, and Strategy.
- Students will have a level of maturity that will enable them to look at a broader picture via more advanced cases, simulations, group projects.
- Any textbook used for this course **must** be an MBA-level, graduate textbook and any readings that are assigned must be MBA-level readings and cases.
- Examinations **must** be essay-type and/or problem solving questions. The use of multiple-choice questions is not acceptable.
- Group projects must demonstrate the ability to integrate the tools from a variety of business functional areas in the context of global business decision-making.

### **Potential Readings:**

*Globalization, Global Business, and Emerging Markets:*

Bornstein, David and Susan Davis (2010), *Social Entrepreneurship: What Everyone Needs to Know*, Oxford University Press.

Karnani, Aneel (2007), "The Mirage of Marketing to the Bottom of the Pyramid: How the Private Sector Can Help Alleviate Poverty," *California Management Review*, 49 (4), 90-111. (Available from CSULB Library)

Nestlé *Creating Shared Value Report* (2009). (Available at [http://www2.nestle.com/Common/NestleDocuments/Documents/Reports/CSV%20reports/Global%20report%202009/Global\\_report\\_2009\\_GB.pdf](http://www2.nestle.com/Common/NestleDocuments/Documents/Reports/CSV%20reports/Global%20report%202009/Global_report_2009_GB.pdf)).

Pennington, Julia A., A. Dwayne Ball, Ronald D. Hampton, Julia N. Soulakova (2009), "The Cross-National Market in Human Beings," *Journal of Macromarketing* 29 (2), 119-134. (Available from CSULB Library via Sage Premier)

Prahalad, C. K. (2010), *The Fortune at the Bottom of the Pyramid: Eradicating Poverty Through Profits* (5<sup>th</sup> Anniversary Edition, Hardcover), Upper Saddle River, NJ: Wharton School Publishing.

United Nations Development Programme (2004), *Human Development Report 2004: Cultural Liberty in Today's Diverse World*, 1-25, 85-105. (Available at <http://hdr.undp.org/reports/global/2004/>)

Viswanathan, Madhu, José Antonio Rosa, & Julie A. Ruth (2010) "Exchanges in Marketing Systems: The Case of Subsistence Consumer–Merchants in Chennai, India," *Journal of Marketing*, 74 (May), 1-17. (Available from CSULB Library)

Witkowski, Terrence H. (2005a), "Anti-Global Challenges to Marketing in Developing Countries: Exploring the Ideological Divide," *Journal of Public Policy & Marketing*, 24 (Spring), 7-23. (Available from CSULB Library)

\_\_\_\_\_ (2005b), "Fair Trade Marketing: An Alternative System for Globalization and Development," *Journal of Marketing Theory and Practice*, 13 (Fall), 22-33. (Available from CSULB Library)

\_\_\_\_\_ (2007), "Food Marketing and Obesity in Developing Countries: Analysis, Ethics, and Public Policy," *Journal of Macromarketing*, 27 (June), 126-137. (Available from CSULB Library via Sage Premier)

*Economics and Global Finance:*

*Books:*

Bekaert, Geert and Hodrick, Robert J. (2009) *International Financial Management*. Prentice Hall.

Eiteman, David K., A.I. Stonehill and M.H. Moffett (2010), *Multinational Business Finance 12e*. Prentice Hall.

Marthinsen (2008) *Managing in a Global economy*. Cengage Learning.

*Articles:*

Akula, Vikram (2008), "Business Basics at the Base of the Pyramid," *Harvard Business Review* (Jun).

Bremmer, Ian (2005), "Managing Risk in an Unstable World," *Harvard Business Review* (Jun).

Eccles, Robert G., Kersten L. Lanes and Thomas C. Wilson (1999), "Are You Paying Too Much for That Acquisition?" *Harvard Business Review* (Jul).

Farrell, Diana (2008). "New Thinking for a New Financial Order," *Harvard Business Review* (Sept).

Kaplan, Robert S., David P. Norton and Bjarne Rugelsjoen (2010), "Managing Alliances with the Balanced Scorecard," *Harvard Business Review* (Jan).

Stulz, Ren M. (2009), "Six Ways Companies Mismanage Risk," *Harvard Business Review* (Mar).

*Global Strategy:*

*Books, Readings and Cases:*

Bartlett, Christopher and Beamish, P. (2011) *Transnational Management: Text, Cases and Readings in Cross-border Management*. Irwin.

Khanna, Tarun and Krishna G. Palepu (2010), *Winning in Emerging Markets: A Road Map for Strategy and Execution*, Harvard Business Press Books.

Williamson, Peter J. and Ming Zeng (2007) *Dragons at Your Door: How Chinese Cost Innovation Is Disrupting Global Competition*, Harvard Business Press Books.

*Articles:*

Abell, D. (1999) "Competing Today while Preparing for Tomorrow," *Sloan Management Review* (Spring), 73-81.

Barney, J. (1995) "Looking Inside for Competitive Advantage," *Academy of Management Executive*, 9(4), 49+.

Bartlett Christopher A. and S. Ghoshal (1987) "Managing Across Borders: New

- Organizational Responses," *Sloan Management Review* (Fall).
- Bartlett Christopher A. and S. Ghoshal (2000), "Going global: lessons from late movers," *Harvard Business Review*. Boston (Mar/Apr), 132-142.
- Birkinshaw, Julian and Neil Hood (2001), "Unleash Innovations in Foreign Subsidiaries," *Harvard Business Review* (Mar), 131-.
- Earley, P. Christopher, Elaine Mosakowski (2004), "Cultural Intelligence," *Harvard Business Review* (Oct).
- Farrell, Diana (2004) "Beyond Offshoring: Assess Your Company's Global Potential," *Harvard Business Review* (Dec), 82.
- Ghemawat, Pankaj (2003), "The Forgotten Strategy," *Harvard Business Review*, (Nov), 76-.
- Kim, W. C. and R. Mauborgne(2005), "Value Innovation: A Leap into the Blue Ocean. The Journal of Business Strategy, 26 (4), 22+.
- Kuemmerle, Walter (1997), "Building Effective R&D Capabilities Abroad," *Harvard Business Review* (Mar/Apr), 61-70.
- Markides, C. and P.A. Geroski(2004) "Racing To Be 2<sup>nd</sup>: Conquering The Industries of the Future," *Business Strategy Review*, 15 (4), 25-31.
- Porter, Michael E. and Mark R. Kramer (2006), "Strategy and Society: The Link Between Competitive Advantage and Corporate Social Responsibility," *Harvard Business Review* (Dec).
- Porter, Michael E. (1979). "How Competitive Forces Shape Strategy," *Harvard Business Review*(March-April), 2-10.
- Prahalad C. K. and Allen Hammond (2002), "Serving the World's Poor, Profitably," *Harvard Business Review* (Sep), 48-.
- Prahalad, C. and G. Hamel (1990) "The Core Competence of the Corporation," *Harvard Business Review* (May-June), 79-91.
- Tsai, Hueiting and Andreas B. Eisingerich (2010), "Internationalization Strategies of Emerging Markets Firms," *California Management Review* (Nov).
- Williamson, P.J. (2005), "Strategies for Asia's new competitive game," *The Journal of Business Strategy*, 26 (2): 37+.
- Yip, George S. (1989), "Global Strategy... in a World of Nations?" *MIT Sloan Management Review* (Fall), 29-32.

#### *Human Resource Management:*

- Caligiuri, P., Lepak, D. & Bonache, J. (2010). *Managing the Global Workforce*, Wiley-Blackwell.
- Mendenhall, M. & Oddou, G., Stahl, G. K. (Editors) (2006). *Readings and Cases in International Human Resource Management (4<sup>th</sup> Edition)*, South-Western, International Thomson Publishing Co. Toronto. (READINGS/CASES)
- Dowling, P.J., Festing, M., & Engle, Sr., A.D. (2009). *International Human Resource Management (5<sup>th</sup> Edition)*, Thomson South-Western, Mason, Ohio 45040 (ISBN 13: 978-0-324-58034-1). (TEXT with cases)
- Briscoe, D. R., & Schuler, R. S., Claus, L. (2010). *International Human Resource Management: Policy and Practice for Multinational Enterprises*, Taylor and Francis Group, Routledge, New York, NY. (TEXT with cases)

Harzig, A.W., & Ruysseveldt, J.V. (Editors). (2004). *International Human Resource Management, (2<sup>nd</sup> Edition)*, Sage Publications, Thousand Oaks, CA. (READINGS).

*Marketing:*

- Aspelund, A., Madsen, T. K., & Moen, Ø. (2007). A review of the foundation, international marketing strategies, and performance of international new ventures. *European Journal of Marketing*, 41(11), 1423-1448.
- Capon, N., & Senn, C. (2010). Global customer management programs: How to Make Them Really Work. *California Management Review*, 52(2), 32-55.
- Huei-Ting Tsai, & Eisingerich, A. B. (2010). Internationalization strategies of emerging markets firms. *California Management Review*, 53(1), 114-135.
- Lehrer, M., & Delaunay, C. (2009). Multinational enterprises and the promotion of civil society: The Challenge for 21<sup>st</sup> Century Capitalism. *California Management Review*, 51(4), 126-147.
- Johansson, Johnny K. (2009), *Global Marketing: Foreign Entry, Local Marketing, & Global Management*, 5<sup>th</sup> ed., New York: McGraw-Hill Irwin.
- Olsen, M., & Boxenbaum, E. (2009). Bottom-of-the-pyramid: Organizational Barriers to Implementation. *California Management Review*, 51(4), 100-125.
- Perez-Aleman, P., & Sandilands, M. (2008). Building value at the top and the bottom of the global supply chain: MNC-NGO partnerships. *California Management Review*, 51(1), 24-49.
- Prashantham, S. (2003). The internet and international marketing: A review. *Marketing Review*, 3(4), 403-418.
- Vrontis, D., Thrassou, A., & Lamprianou, I. (2009). International marketing adaptation versus standardisation of multinational companies. *International Marketing Review*, 26(4), 477-500.

*Suggested Cases:*

Harvard Business School cases, Ivey Business School cases, or other advanced level cases that focus on a business problem from multiple perspectives. The following are some examples of Harvard Business School integrative cases:

- Denmark: Globalization and the Welfare State
- Lenovo: Building a Global Brand
- L'Oreal and the Globalization of American Beauty
- BMG Entertainment
- Eli Lilly in India: Rethinking the Joint Venture Strategy
- McKinsey & Company: Managing Global Knowledge and Learning
- Renault/Nissan: The making of a Global Alliance
- Genzyme's Gaucher Initiative: Global Risk and Responsibility
- IKEA's Global sourcing Challenge: Indian Rugs and Child Labor

- Hitting the Wall: Nike and International Labor Practices
- Managing a Global Team: Greg James at Sun Microsystems, Inc. (A)
- Foreign Exchange Hedging Strategies at General Motors: Competitive Exposures
- Walt Disney Co.'s Yen Financing
- Offshoring at Global Information Systems, Inc.
- One South: Investing in Emerging Markets (A) and (B)

*Some Simulation/Experiential Games:*

- CESIM or other computer simulation with global focus
- Cross cultural negotiation exercise
- BAFA BAFA (a cross cultural experiential exercise)
- Design a hiring (or training or incentive) plan for a multinational firm going into a new country.

**Documentary Films:**

Black Gold (2007, 78 min.)  
Commanding Heights I (2002, 120 min.)  
The Dark Side of Chocolate (2010, 46 min.)  
Frontline World Segments on Social Entrepreneurship  
Illicit: The Dark Trade (2008, 54 min.)  
Life & Debt (2001, 86 min.)  
Mardi Gras: Made in China (2008, 74 min.)  
Outsourced (2006, 103 min.)  
The Take (2004, 87 min.)

## **VIII. Methods of Assessment/Evaluation**

### **Course Goal**

The goal of GBA 602-603 is to develop integrative international knowledge and skills among MBA.

### **Course Learning Outcomes**

Upon completion of this course students are expected to:

- Know the various political, economic, and technological forces driving and opposing globalization.
- Know the economic fundamentals of the world financial system and how global organizations deal with risk, source equity and debt.
- Know the importance of emerging markets and how marketing management can serve them both commercially and through social marketing campaigns.
- Know the options for entering global markets and organizing multinational enterprises.

- Know the management of a global workforce and the challenges in managing global business across different cultures.

*Assessments may include:* research reports, organizational and case analyses, presentations, global projects, or exams.

### **Curriculum Learning Outcomes**

Upon completion of this course students are expected to demonstrate the following:

*Critical Thinking as evidenced by:*

- The ability to research and present both supportive and opposing arguments for issues related to globalization and global business.
- A well-developed global mindset (e.g., intercultural communication skills, cross-cultural awareness, integrating diverse perspectives).

*Social Responsibility as evidenced by:*

- Knowing how globalization and global business affects local cultures, producers, and the natural environment, both positively and negatively.
- Having an ability to formulate social marketing campaigns in emerging markets and to engage in social entrepreneurship.

*Business Functions as evidenced by:*

- Knowing the fundamentals of how to manage financial exposure, source equity and debt globally, and cope with multinational taxation and accounting.
- Understanding market segmentation in a global context and how to standardize and adapt the marketing mix across countries and segments.
- Knowing different market entry strategies and alternate forms of multinational business organization.
- Basic knowledge and skills of human resource management in a global context.

*Domestic & Global Environment as evidenced by:*

- Familiarity with some of the basic concepts related to human development and with the impediments facing poor countries.
- Understanding of major international institutions that govern globalization and global business

*Assessments may include:* research reports, organizational and case analyses, presentations, global projects, or exams.

## **IX. Instructional Policy Requirements**

Students are expected to comply with the universally accepted norms of considerate and courteous behavior, and with all University rules and policies found in the current [University Catalog](#), including the [Withdrawal Policy](#) and [Policy on Cheating and Plagiarism](#). Students will adhere to the tenets of *academic integrity* as articulated in [Dean's Letter on Academic Integrity](#) throughout this course. Instructors may specify their

own policies with regard to plagiarism, withdrawal, absences, etc. as long as these policies are consistent with the above mentioned University policies.

All students are expected to attend classes regularly and to be responsible for all materials covered in class, regardless of their attendance. Make-up exams are strongly discouraged and will only be given with documented proof of an excused absence. Acceptability of the excuse will be determined based on the appropriateness of the documents. Students should provide all documentation without special prompting from the instructor and should give earliest possible notification of an anticipated excused absence. The students refer to [the specific university policy](#) on these issues.

Occasionally adjustments in the course assignments become necessary. The students should be notified about changes, if any, and, whenever possible, they should be consulted in advance about any changes.

**Students with Disabilities:** Students with disabilities are responsible for notifying their instructor as early as possible of their needs for an accommodation of a verified disability. A student with a disability is urged to consult with Disabled Student Services as soon as possible in order to identify possible accommodations to enhance academic success.