GLOBALIZATION: In today’s global economy, competition has become more intense, because falling trade, investment and institutional barriers have attracted an increasing number of companies to operate outside their home countries. Of course, companies expand abroad either in search of new markets for their goods and services or to seek lower-cost resources (labor, raw materials etc). Technology has also played a seminal role in making it easier for companies to internationalize their operations. The term “technology” here refers to advances in both communication technologies and transportation modalities. Whereas in the past going international was the sole province of the largest corporations, today even small companies can internationalize their operations, thanks to falling barriers and the lower costs—and ease—of access to markets overseas.

MANAGEMENT: Companies serving international markets or seeking to go global must manage and balance many competing demands. This course takes the perspective of multinational corporations—regardless of size, country of origin and the industry they operate in—to explore their foreign-expansion strategies, the challenges they face in managing the complexity of global operations and the structures and managerial systems they rely on to profit from globalization. Management, in this broad sense, therefore, refers both to navigating external pressures and to orchestrating multinational structure and organizational arrangements, in order to profit from cross-national opportunities.

EMERGING MARKETS: Another facet of this course is its emphasis on so-called Emerging Markets, a term that variously refers to developing economies that have begun to realize their promise in recent decades. During the lifespan of your career, unlike in decades past, the opportunities and managerial challenges you face will be shaped by what is happening today in emerging economies. Of these, Brazil, Russia, India and China, or (what the investment-bank Goldman Sachs first referred to as) the BRIC countries, have attracted the most attention and have now been joined by South Africa (or BRICS). Readings and cases cover these countries and others in emerging regions of the world.
OUTLINE: The Course introduces the notion of the “bottom of the pyramid,” a reference to the collective buying power not easily visible in and across emerging markets, and then turns to the literature on managing the multinational corporation. This section of the course helps us understand the challenges companies face and the solutions attempted over the years. The course later returns to the idea of an emerging market. To be sure multinational companies have operated in developing countries for more than a century now; so, in that sense, there’s nothing new. However, the dynamism and size of, ease-of-access to, and rising incomes in these economies have all contributed to changes with the potential to radically transform the global economy in the decades ahead. That’s why Emerging Markets take on special conceptual significance.

Learning Objectives

More specifically, the course seeks to help the student…

- Apply economic concepts and frameworks to the study of International Business
- Understand the global economy from the perspective of multinational corporations
- Develop strategies to create value in global markets—both developed and emerging
- Manage operations across culturally- and institutionally-diverse country environments
- Manage the organizational tensions inherent in coordinating worldwide operations
- Understand the implications for developed economies of the rise of emerging markets

Pedagogy

This course will be run as a graduate seminar and demands prior preparation for each class.

OPTIONAL Textbook

Transnational Management: Text, Cases and Readings in Cross-Border Management. Christopher Bartlett and Paul Beamish. McGraw-Hill-Irwin. 6th edition. I will be using this book as the basic theoretical framework for the initial part of this course, but am NOT requiring that you buy the book, unless you can get an inexpensive, used copy (ISBN 978-0-07813711-2) for this sixth edition or ANY EARLIER edition of this book. I posted all the PPT slides for this book on the class Blackboard site (under “Files”) and will, of course, cover the material in class in detail.

Copyright-Protected Cases and Readings Packet (RP)

You must purchase the course-pack from HBP, available at:

https://cb.hbsp.harvard.edu:443/cbmp/access/26189486

Free Readings and Other Materials (BB)

- All free articles will be made available on the class website on Blackboard.

Other Useful Resources

Yale Center for the Study of Globalization yaleglobal.yale.edu
McKinsey Quarterly www.mckinseyquarterly.com
The Economist www.economist.com
Financial Times www.ft.com
Wall Street Journal www.wsj.com
BusinessWeek www.businessweek.com
Strategy+Business (Booz & Co.) www.strategy-business.com
Assessment

Students will participate in all of the following activities. The assessment of student learning will be based on the weights and grading scheme mentioned below:

1. Active Part in Case Discussions and General Class Participation (200 points)

   - We will read articles and analyze cases throughout the semester. Read “Learning by the Case Method,” available on Blackboard (BB) to familiarize yourself with the case method and to understand my expectations. You should come fully prepared to be called upon to lead the discussion of ALL assigned material.
   - Your contribution to class discussion will be assessed based on the following:
     o Attendance (based on sign-up sheet)
     o Level of prior preparation and ability to answer questions
     o Interaction with others in class to foster a dialogue
     o Class participation should be insightful and contribute to improving our collective understanding of the concepts and the cases being discussed

2. Two Case Write-ups (2×250=500 points)

We will discuss five cases in this course. Each student must submit a written analysis for ANY TWO of these cases. Case write-ups, done in the narrative format explained below, should be no more than two typed pages long, single spaced, 12 point font, 1-inch margins (or no more than four pages long, double spaced) and are due at the beginning of the period in which we discuss the selected case. In addition, you may rely on up to four pages of supporting charts, graphs, graphics, tables etc (in a clearly-marked ANNEX), but NOT narrative text, qualitative analysis or similar material that should have been included in the main body of your case write-up. Each case-report should be uploaded into the corresponding SafeAssign folder in Blackboard PRIOR to the start of class AND in hard-copy format at the beginning of class. Do not submit a case-report if you know you’ll be absent from a particular class session; **you must be in class on the day you submitted a case write-up.** Late papers will not be accepted. There is no need to inform the instructor ahead of time which case will be submitted. You should spread out your case write-ups; in other words, choose a case each from the **first two and the last three.** The rubric used to assess your case write-up will be explained during the first class-session, which is your chance to fully understand both how to write effective case analyses and my (high) expectations of graduate-level work.

    TRADITIONAL FORMAT (not used here)
    (This is mentioned here for reference only and SOLELY as a point of departure.)

    NARRATIVE Write-up of Diagnosis—Analysis—Recommendations (D-A-R)

In the past, you will have typically reported your Diagnosis, Analysis and Recommendations relating to the case under whatever sectional headings that seemed appropriate or useful for each case.

   - Your write-up would have address the questions listed below.
In all cases, your full submission should be no more than two pages single spaced.

- Do not simply regurgitate the facts of the case. Assume that I have read the case carefully. Your paper should be entirely analysis. Include facts only as support for your analysis.
- The analysis and recommendations that you make must be yours and yours only. Do not do research beyond the scope of the case. I consider outside research about the case, including research about how others viewed the case, how the company ultimately resolved the issue of the case, etc. to be “cheating.” I am not interested in whether you arrived at the “right” answer; I just want to know what you would have decided, given the situation prevailing and the information available at the time of the case.
- Make sure you stay in the time frame of the case. If the case ends in 1998, your analysis should NOT assume it is 2014 and bring updates into the analysis. Again, the focus is on the process of analyzing vast amounts of information, diagnosing the key issues in the case and drawing recommendations based on your analysis.
- Be succinct. It is more difficult to write a short paper than a long one. In order to stay under the two page limit, consider using tables and bullet points which are included in the two page limit. (There must be text around these bullet points to frame the discussion.) Points will be deducted if your write-up exceeds the page limit.

**Suggested Discussion Questions** (feel free to draw on them in your work)

**The Globalization of CEMEX**

- What benefits to CEMEX and the other international competitors in the cement industry derive from globalization?
- What are CEMEX’s core (and distinctive) competencies? Do they fully explain CEMEX’s ability to outperform its competitors? Compare CEMEX with Holderbank (since the latter is the only other large, international company focused solely on cement)? What does that comparison and Exhibits 4-8 tell us about the competitive game being played out by the international competitors?
- How does CEMEX’s specific sequence of foreign-market entry more recently differ from its market-entry in earlier times? What recommendations would you make to CEMEX regarding its globalization strategy going forward? Which countries (or types of countries) should it enter? Why?

**P&G Japan – The SK-II Globalization Project**

- As Paolo DeCesare, what factors do you need to consider in your SK-II presentation to the global leadership team (GLT)? What kind of analyses do you need to do in preparing for that meeting?
- Does SK-II have the potential to become a global brand within P&G’s worldwide operations? Why or why not?
- Which of the three markets should Paolo DeCesare recommend to the GLT? What benefits do you expect P&G to gain? What risks do you envision?
- How should he implement your recommended option? What are the implications for P&G’s new post-O2005 organization? What support and/or resistance do you expect? How should Paolo DeCesare manage it?

**Emerging Nokia?**

- Describe Nokia’s core competencies.
- How much should Nokia focus on—and what strategy should it employ—in developing/emerging markets versus developed markets in the coming years?
- What lessons for Strategy and International Strategy does the Nokia story hold for dominant companies in this industry (e.g., Apple, Google-Android etc) or other industries?

**Lenovo: A Chinese Dragon in the Global Village**

- How could Lenovo establish and sustain a leadership role in an industry where competitive positions were increasingly unstable?
- How could the Chinese firm build a solid competitive position in an industry characterized by smaller and smaller margins?
- After the acquisition of IBM’s PC business and the subsequent accelerated international expansion, is Lenovo considered an entirely Chinese entity or is it a truly global enterprise of Chinese origin?
- **Hint:** Analyze the relationships among market-share and profitability and, especially, the factors that drive these outcome or performance indicators. Analyze any trends observed over time in the PC industry and examine causes and effects of these trends as well as their implications.

**Narayana Hrudayalaya Heart Hospital: Cardiac Care for the Poor (A)**

- Would you describe this heart hospital as successful? Explain why or why not?
- If successful, explain the elements that made it successful. If not yet successful, what (else) should NH be doing, or not doing?
- Is the insurance scheme successful? Explain why or why not? What are the challenges, going forward?
- How would you advise Dr. Shetty regarding the three lines of business: the heart hospital, the Health City and the insurance scheme for the poor? Which should he pursue? Which, if any, should he drop? Is there anything else he should be doing?

**REQUIRED FORMAT**

**Graphical Representation:** Diagnosis-Analysis-Recommendations (D-A-R) Format

Much of the preparatory work, including diagnosis, analysis and drawing up recommendations in this format, required in this Course, is the same as in the narrative format typically used in business-school courses that rely on the case method. The main difference is in the form in which your work is presented. You would typically use a graphics application like LucidChart (strongly recommended; free basic account or free-trial for a paid account) and use it to depict your D-A-R. The emphasis in this format is on tracing cause-effect relationships, clearer articulation of phenomena that have multiple causes and/or multiple effects and multi-stage cause-effect sequences.

There are many advantages to using this format: (1) There are no “page” limits, (2) it forces the student to think more and write less, which should be a welcome thing, (3) it results in honing one’s higher-order skills like critical thinking, systems thinking etc., (4) it more accurately reflects the real-world in which phenomena don’t come in neat, sequential packages, have intended (“solid lines”) and unintended (“dotted-line”) consequences etc. **Examples from past semesters will be shown (though not handed out) on Day One of the semester.**

You may use the Discussion Questions above as a guide to identifying key issues in the case, but your analysis and presentation in graphical format should be holistic, integrated and a synthesis rather than a mechanical answering of the questions provided.
3. Final Exam (300 points)

The final exam will be of the take-home, open-book format and will cover all materials assigned through the semester, including textbook chapters (PPT slides), readings and all cases (not just the ones for which you submitted a write-up). Answers will have page-limits, must be typed and will emphasize more thinking and planning, rather than voluminous writing.

Grading Guide

The letter grades reflecting your effort and success in class will be translated into a simple linear percentile scale where the grade cutoffs are as follows:

- A 94% or above
- A- 90% or above
- B+ 86% or above
- B 84% or above
- B- 80% or above
- C+ 78% or above
- C 74% or above
- C- 70% or above
- F 69% or less;

Grade Distribution

The School’s Office of Graduate Programs recommends that the grade distribution of the class have an average between 3.2 and 3.4 and that no more than 20% of a class receive an A or A-. I exceed these guidelines only if the class performed very well.

Academic Integrity

Academic dishonesty is defined as cheating of any kind, including misrepresenting one's work, taking credit for the work of others (without citation) and fabrication of information. For more information, visit: http://www.gwu.edu/~ntegrity/code.html. I take a zero-tolerance view of plagiarism and rely on Blackboard's SafeAssign facility to check for the originality of student work. Do check with me if you're unsure about this (or any other) aspect of your work.
# Course Schedule

<table>
<thead>
<tr>
<th>CLASS TOPIC</th>
<th>MANDATORY READING</th>
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<tbody>
<tr>
<td><strong>3/18</strong></td>
<td><strong>Overview of the Course</strong>&lt;br&gt;Going International: Dealing with Competing Imperatives&lt;br&gt;• Review Distance Still Matters -- On the Web at: <a href="http://bit.ly/1f9kJzd">http://bit.ly/1f9kJzd</a>&lt;br&gt; (Likely covered in your Global Perspectives course)&lt;br&gt;• Chapters 1-3 PPT Slides from Blackboard “Files”</td>
</tr>
<tr>
<td><strong>4/1</strong></td>
<td><strong>Fostering Global Learning and Innovation: Leveraging Cross-Border Knowledge Management</strong>&lt;br&gt;• Building Effective R&amp;D Capabilities Abroad (<a href="http://bit.ly/1j1nlt5">http://bit.ly/1j1nlt5</a>)&lt;br&gt;• Chapters 6-8&lt;br&gt;• <strong>CASE:</strong> P&amp;G Japan: The SK-II Globalization Project (RP) and Spreadsheet (Free, in RP)</td>
</tr>
<tr>
<td><strong>Take-Home Weekend of April 25-28</strong></td>
<td><strong>FINAL EXAM</strong>&lt;br&gt;• Open-book, open-notes, open-web, open-mind&lt;br&gt;• Complete coverage; all materials; weekend; page-limits, more thinking, less writing</td>
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Scroll down for Case Write-Up Rubric…
# Rubric to Assess Case-Analysis and Write-Up

<table>
<thead>
<tr>
<th>Overall Score = ___ / 250</th>
<th>Poor</th>
<th>Falls Short</th>
<th>Meets Expectation</th>
<th>Good</th>
<th>Exemplary</th>
</tr>
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<tbody>
<tr>
<td><strong>Identified Key Issues and Made Plausible Recommendations</strong></td>
<td>Did not identify the key issues of the case</td>
<td>Issues identified, but lack clarity; muddled thinking/ analysis</td>
<td>Identified issues, but weak recommendations</td>
<td>Recommendations relate to issues, but lack sophistication</td>
<td>Recommendations are strong, reasoned and address issues in a fundamentally new way.</td>
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<tr>
<td>40</td>
<td>55</td>
<td>70</td>
<td>85</td>
<td>100</td>
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<tr>
<td><strong>Critical Thinking and Depth of Analysis</strong></td>
<td>Analysis lacking or flawed. Displays a shallow grasp of key issues, dilemmas or problems facing decision-makers.</td>
<td>Some analysis, but largely uninspired. Case analyzed at face value, like a reading-comprehension exercise.</td>
<td>Attempts at analysis, but not granular enough. Assumptions or premises not identified or analyzed.</td>
<td>Assumptions or fundamental premises questioned, made explicit or considered and analyzed.</td>
<td>Brought fresh perspective to analysis; framed the questions/ issues/ debate/ analysis in novel ways and offered resolution.</td>
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<td>32</td>
<td>38</td>
<td>44</td>
<td>50</td>
<td></td>
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<tr>
<td><strong>Case Data or Information Utilized</strong></td>
<td>Not utilized at all. Answer/ analysis not based on case-data or presented in vague generalities.</td>
<td>Some use of the case-facts, but mostly based on generalities or leaps of logic; unsubstantiated.</td>
<td>Case data or information used, but not fully so.</td>
<td>Case data or information used appropriately in the analysis; arguments backed-up with data.</td>
<td>Analyses/ arguments not only rely on case data, but also draw on them in new and non-obvious ways.</td>
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<tr>
<td><strong>Demonstrates Understanding of and Applies Theory, Concepts, Frameworks (either Implicitly or Explicitly)</strong></td>
<td>Complete lack of grasp of theory, concepts or frameworks. Claims don’t make business/ economic sense.</td>
<td>Some theoretical concepts and terms mentioned, but doesn’t show true grasp of meaning etc.</td>
<td>Displays some knowledge of theory, concepts or frameworks, but does mechanically; uninspired.</td>
<td>Displays adequate understanding of theory, concepts or frameworks. Applies them to the case in ways that show how case proves/ negates theory or vice-versa.</td>
<td>Displays superior understanding of theory, concepts or frameworks. Able to look at facts of the case using multiple theoretical lenses and reconcile these views.</td>
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<td>44</td>
<td>50</td>
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**Note:** The low-end of the scores on this rubric may be lower than what you are used to; so, do plan accordingly.