Managing the Multinational Enterprise
Fall 2016

Professor: Dr. Anu Phene, Professor of International Business
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Class meetings: Tuesday and Thursday 11:10 – 12:25 p.m. in Duques 251
Office hours: Tuesday and Thursday 1:00 - 2:30 p.m. and by appointment

Resources: 1. Required packet of cases (approximate cost $40) to be purchased at the following link
   http://cb.hbsp.harvard.edu/cbmp/access/50578667
   You will be required to login to the Harvard Business Publishing website using your GW student email address to avail of the discounted student rate.
   Additional charges may apply if you opt for the printed coursepack instead of the digital version.
   2. Required readings available on Blackboard. These are available through Gelman library for free and not included in the required packet to keep costs of required materials low.
   3. Class webpage: http://blackboard.gwu.edu

COURSE DESCRIPTION
Managing successfully in the global arena is the key to creating firm competitive advantage. A complex blend of contradictory factors related to growth potential, risk and dynamism requires managers to judiciously craft and implement global strategies. This course is designed to provide the conceptual tools and skills necessary for managers to make effective decisions, navigate a complex, international environment and lead with a global mindset.

The course examines the implications of globalization for strategy and focuses on the analysis of strategic challenges facing the business enterprise in the global environment. The class will explore how multinational corporations create competitive advantage and success in the complex global arena. It will cover the following areas:

- Motivation and process for overseas expansion
- Managing differences in the international context
- Creating effective transnational structure, strategy and capabilities
- Enabling and facilitating worldwide innovation
- Managing cross border acquisitions
- Exploring the role of the multinational corporation in the future
The course should be of interest to students who expect to work in organizations that seek to create value either through their international operations or by working with partners across national borders.

The specific objectives for the course are to gain:
(a) an understanding of formulating and implementing global strategy.
(b) an appreciation of how the different facets of the international environment create strategic challenges and opportunities for the firm.
(c) a competence in applying techniques and frameworks in the analysis of the multinational firm
(d) an understanding of how to create effective transnational capabilities and create competitive advantage.
(e) a sensitivity to social issues in global strategy.

COURSE FORMAT
This is a discussion based course and will cover readings, cases and class activities. In addition, articles in the business press may be used to supplement the required materials and facilitate discussion. The professor reserves the right to change assignments and cases as necessary to facilitate an improved learning experience.

COURSE COMPONENTS:
1. Written case analysis (team)
   (2 assignments @ 15 points each)  30

2. Case presentation (team)  5

3. Peer evaluation from team members  5

4. Exams (individual)
   (2 exams @ 25 points each)  50

5. Class participation (individual)  10
   100

1. CASE ANALYSIS
Written case analyses, to be done in a team, are required for two cases. Team analyses should be done in groups of four to five students. Students can self-select into groups and must email me of the group assignment by Tuesday, September 13th, 2016, 10 p.m. EST. Any students that do not indicate group assignments by September 13th, will be assigned to groups by the instructor. You may choose any two out of nine cases (indicated in bold in the syllabus) for your written analysis, however you cannot do a case presentation and written team analysis for the same case. This means, each group will evaluate three cases – two for written analyses and one for presentation (see guidelines under next point, titled Case Presentation). One written case analysis must be done on or before October 6th and the other after October 6th.
Grades for the written analysis will be assigned based on:

1. Application of reading concepts and frameworks to the case
2. Rigor of case analysis
3. Specific recommendations supported by well thought out arguments and financial evaluation
4. Quality, professionalism and clarity of writing

Please keep in mind the following suggestions when writing analyses for this class

1. Your analysis must address all three case questions (indicated in the outline of the readings) assigned for the specific case. Note that the questions that are to be addressed for the written analysis are different from those assigned for the team presentation. The questions for the written analysis vary across the cases.
2. Apply the theoretical concepts and frameworks from the readings associated with the session topic (for e.g. for YG Entertainment and Tiger Balm, please use the readings associated with the topic Expanding Abroad). You may also utilize concepts and frameworks from earlier sessions if relevant.
3. Cases should be evaluated based on the information in the case. Do not do research beyond the scope of the case. In particular, your assignment is to make recommendations at the time the case ends. In making recommendations do not consider any events that occurred after the end of the case.
4. These assignments are limited to three pages of discussion (essay style, double spaced, 12 pt font in a Word document) and a penalty will be applied for not following guidelines. In addition to the three pages of discussion, exhibits and tables are permitted. Consider using tables (for e.g. showing advantages and disadvantages) and number crunching (where applicable) to support your discussion. You may use as many exhibits and tables as necessary, but they should be referred to in your three page discussion. Exhibits should not be paragraphs of text. The case commentary should not be a summary of the case or a list of issues.
5. Provide strong support for your recommendations. Make sure that your logic is clear and that your recommendations address the issues raised by the questions. The purpose of cases is to understand issues. There are no right answers, only good arguments and weak arguments supporting recommendations.
7. All team members are expected to participate in the preparation of the analysis and will receive the same grade.
8. The case analysis is due by noon on the day the case is scheduled to be discussed in class (for e.g. if you do YG Entertainment it must be submitted by noon, on Tuesday, September 20th).

2. CASE PRESENTATION
One team presentation is required. You may choose any one out of nine cases (indicated in bold in the syllabus) for your presentation, however you cannot do a case presentation and written team analysis for the same case. Each group must email the instructor with their choice of a case for presentation by Tuesday, September 13th, 2016, 10 p.m. EST. An early choice is
recommended. Since each group will present on a separate case - depending on the number of groups in the class, there may be a couple of groups who will have to present on the same case - making an early choice is likely to give you your first choice case. Any groups that do not select a case by the date indicated above, will be assigned a case.

The team presentation requires you to address the following questions:
Qs 1. What additional information would help managers better evaluate the case situation and make appropriate decisions?
Qs 2. What are some of the sources for this information?

Grades for the team presentation will be assigned based on:
1. Rigor of evaluation and scope of research in addressing the two questions
2. Presentation style – clarity and persuasiveness
3. Creativity – quality and effectiveness of presentation materials, creative exercises
4. Cohesiveness of presentation

Please keep in mind the following suggestions when doing a team presentation for this class
1. Your presentation must address the two questions indicated above for the particular case that your group signed up to present. Note that the questions that are to be addressed for the written analysis are different from those assigned for the team presentation.
2. Review the case carefully. In order to determine additional information required, it is necessary to understand the information already provided in the case.
3. Research beyond the scope of the case is expected. This will help you identify sources for the additional information need.
4. The team presentation must include a powerpoint slide deck that reflects the responses to the two questions. Make sure that your slides represent in full the depth of your research and recommendations.
5. Time allocated for the team presentation is 10 minutes per group.
6. Provide strong support for your recommendations. Make sure that your logic is clear and that your recommendations address the issues raised by the questions. The purpose of cases is to understand issues. There are no right answers, only good arguments and weak arguments supporting recommendations.
8. All team members are expected to attend the session in order to receive the team presentation score. Absence at the session will lead to a score of zero, on the presentation, for the individual member. Attending team members will receive the same presentation grade.
9. The case presentation slides are due by noon on the day the case is scheduled to be discussed in class and the team members will present in class on that day (for e.g. if you do YG Entertainment the presentation slides must be submitted by noon, on Tuesday, September 20th and the team will present in the class session on Tuesday, September 20th).
Submitting case analyses and presentations
All case analyses and presentations must be submitted via:

a) Blackboard Safe Assignment - please click on the Submitting Case Analysis tab. Watch Blackboard video on submitting assignments here [http://ondemand.blackboard.com/r91/movies/bb91_student_submit_assignment.htm](http://ondemand.blackboard.com/r91/movies/bb91_student_submit_assignment.htm) which runs a plagiarism check and

b) Email to the instructor by noon on the day it is scheduled to be discussed in class. Please be sure to identify group member GWIDs or names on the assignments turned in. All case analyses and presentations are due at the times indicated. Late assignments will not be accepted in fairness to other students.

3. PEER EVALUATION OF TEAM MEMBERS
Each individual is required to complete a single peer evaluation form indicating the levels of contributions and commitment of each member of their team on the team case analyses and presentation. A copy of the peer evaluation form is available on Blackboard. Evaluations are confidential and will not be seen by your team members and should provide your frank and independent assessment. Completed peer evaluation forms in Excel format, saved using your name, e.g., KateSmithPeerEvalGP2016.xls are due by email to the instructor by 9:30 a.m. on December 9th, 2016.

4. EXAMS
There will be two closed book, closed notes exams that will cover the conceptual frameworks and cases discussed in class. Other material discussed in class (e.g., current news articles) not in the text will also be included in the exam. The format of the exam will include multiple choice and short answer questions. The exams must be taken at the date and time indicated in the syllabus.

5. CLASS ATTENDANCE & PARTICIPATION
A part of learning in this class comes from applying the concepts through discussion and active participation in the class. Therefore, you will be expected to be present and prepared at all class sessions. Everyone must be ready and willing to take part in this discussion. Students should anticipate being called on at random, and attendance at all classes is expected. If you are not present, you cannot participate.

Suggested preparation includes a quick reading of the assigned readings and case, review of specific questions and concerns relating to the case, and a careful re-reading. Some cases will require a certain amount of quantitative analysis based on the case materials. Please be prepared to go beyond mere recitation of the presented material. It is important to interpret the situation, evaluate the condition of the firm, develop alternative courses of action, and select a recommended strategy. Students will also be expected to intervene in the discussion to challenge the proposals of other strategists.

In assessing the quality of your participation, I consider the following:
* Do the points go beyond recitation of the case facts?
* Is there evidence of analysis and insight to back up statements?
* Are the implications of facts clearly drawn and stated?
* Do comments further the class understanding of issues discussed?
* Do comments raise interesting questions?
* Does the analysis make use of models and techniques from the readings?
* Are comments made in a professional and constructive manner?

To receive a high grade in participation, your participation must be frequent and of high quality making *substantive* contributions to our discussion. Simply being present does not warrant full credit, nor does frequent participation that does not advance the learning of the class.

**OTHER COURSE POLICIES**

**Academic honesty**

Dishonest behavior, as defined by University Policy, will not be tolerated in any form. The University's *Code of Academic Integrity* is designed to ensure that the principles of academic honesty and integrity are upheld. All students are expected to adhere to this Code. All acts of academic dishonesty will be dealt with in accordance with the provisions of this code. Please visit the following website for more information on the University's Code of Academic Integrity: http://www.gwu.edu/~ntegrity/code.html

**ANY ASSIGNMENT INCLUDING PLAGIARIZED MATERIAL** (see Academic Integrity Code for definition) **WILL RECEIVE A MINIMUM PENALTY OF AN F. NO EXCEPTIONS WILL BE MADE.**

**Group management:** A portion of your grade in this class comes from group work. Please allocate work and set early deadlines to avoid free rider situations. Each member is expected to contribute to the assignments. Please voice significant concerns regarding group member contributions early on, not at the end of the semester. A lack of contribution to the assignments or project can result in 0 points on the assignment.

**Disability services:** Please contact the Disability Support Services office at 202 994 8250 in the Marvin Center to establish eligibility and co-ordinate reasonable accommodation.

**Late Assignments**

No late case assignments will be accepted. Failure to turn in assignments by the due date and time will result in a zero for the assignment.

**Final Grades**

Final grades will reflect the student’s total points earned in the course. You will be able to track your points on the Blackboard gradebook. All grades are final. **THERE WILL BE NO EXTRA CREDIT OFFERED IN THIS COURSE.**

**Grading Disputes**

If you believe that an error has been made in the grading of your work, submit a **WRITTEN REQUEST** for a grade change to the teaching assistant and professor. This request should include a discussion of what you got wrong and why you believe you should have received credit for your work. Wherever possible, provide citations from the textbook or lectures. Attach this
request to the original copy of your assignment or exam and turn it in to the teaching assistant and professor. Your entire assignment will be re-graded which may result in a lower grade.

**Classroom Emergency Preparedness and Response Information**
Please consult the following link [http://gwired.gwu.edu/upd/](http://gwired.gwu.edu/upd/) for GWU emergency procedures

Campus police telephone numbers are: GW Campus Police (Emergency) Foggy Bottom – 202.994.6111 GW Campus Police (Non-Emergency) Foggy Bottom – 202.994.6110

GW Campus Advisories is the University’s principal method for communicating incident-related information, including class cancellations. Visit [www.CampusAdvisories.gwu.edu](http://www.CampusAdvisories.gwu.edu) to sign up for Alert DC (text message alerts) and download GW Alert(desktop notifications). In addition, the University posts recorded messages on the GW Info line 202.994.5050.

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**Schedule of readings, cases and assignments**

**Aug 30**  
Course Overview – Introduction to managing the multinational enterprise  
Tinker Toy activity, syllabus

**Sept 1**  
Expanding abroad – Managing differences  
Reading: Lessons learned from international expansion: Failures and successes, Business Horizons, 2016  

**Sept 6**  
Expanding abroad – The role of the state  

*Sign up into groups of 4-5 people*

**Sept 8**  
Expanding abroad – Identifying the opportunity  
The founder of Toms on reimagining the company’s vision, Harvard Business Review, 2016

**Sept 13**  
Expanding abroad – Pursuing and managing international opportunities  
The entrepreneur's path to global expansion, MIT Sloan Management Review, 2005

**Sept 15**  
Expanding abroad - Managing effectively  
Reading: Managing global expansion: A conceptual framework, Business Horizons, 2000
Sept 20  Expanding abroad
Case:  YG Entertainment: Inside the Korean pop music factory (B), 2016
Case Questions
Qs 1. Evaluate the reasons behind the previous successes and failures of YG’s artists in their international debuts
Qs 2. Examine YG’s path of international expansion to Japan, China and the U.S. Did these countries offer an optimal fit?
Qs 3. How should YG manage its global operations in the future? Please identify changes that need to be made to its existing approach and resources necessary to support them.

Sept 22  Expanding abroad
Case:  Tiger Balm: Internationalization and product extension, 2015
Case Questions
Qs 1. What are the key factors that have contributed to the success of Tiger Balm?
Qs 2. Evaluate the changes it made in managing operations (domestic and global) after the 1991 repositioning.
Qs 3. How should Tiger Balm manage its global operations in the future? Please be specific in identifying country markets and explain how operations should be strengthened or developed as well as identifying those markets it should exit and provide supporting evidence.

Exam format

Sept 27  Global strategy – building competitive advantage
Reading:  Building layers of competitive advantage (reading from Ghoshal book will be handed out in class)
           Class activity

Sept 29  Global strategy – addressing the competitive threat
           The future and how to survive it, Harvard Business Review, 2015

Oct 4  Global strategy
Case:  Apple in China, 2016
Case Questions
Qs 1. What is Apple’s strategy in China? Does it align with its strategy in the home market?
Qs 2. How has Apple managed the competitive threat in China?
Qs 3. What are the key challenges facing Apple in China? How should it address them?

Oct 6  Global strategy
Case:  Easepal: Transforming a Chinese OEM supplier, 2016
Case Questions
Qs 1. How has Easepal’s strategy and competitive advantage evolved over the years?
Qs 2. What are the major risks and opportunities that Easepal faces as the Chinese and global environments change?
Qs 3. What areas should Easepal focus on and which strategies should it adopt for the future?
Oct 11  Review session

Oct 13  **EXAM 1**

Oct 18  **Creating global flexibility - organizational structure**
Reading: Fighting the headquarters knows best syndrome, MIT Sloan Management Review, 2016

Oct 20  **Creating global flexibility - flexible footprints and divestment**
Reading: Flexible footprints, California Management Review, 2012

Exams returned

Oct 25  **No class, Fall break**

Oct 27  **Creating global flexibility**
Case: **Nestle Ice Cream in Cuba, 2015**
Case Questions
Qs 1. Examine Nestle’s decision to invest in Cuba. What were the pros and cons of entry?
Qs 2. Evaluate Nestle’s strategy and performance in Cuba. How has it managed its operations?
Qs 3. How should Nestle respond to the potential changes it faces in 2014 in Cuba?

Nov 1  **Creating global flexibility**
Case: **Gran Tierra Energy in Brazil, 2014**
Case Questions
Qs 1. What were the motivations for Gran Tierra to enter the different countries in South America? Did they align with its strategy?
Qs 2. What are the challenges in Brazil? Can they be managed by Gran Tierra?
Qs 3. How should Coffield manage and allocate resources across international operations in South America? Please make suggestions by considering the entire portfolio of operations, not just Brazil and Peru.

Nov 3  **Global innovation**
Reading: Is your innovation process global, Santos, Doz, Williamson, MIT Sloan Management Review, 2004

Nov 8  **Global innovation – focus on emerging markets**
       Developing new products in emerging markets, Business Horizons, 2016
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<tr>
<th>Date</th>
<th>Topic</th>
<th>Readings</th>
<th>Case</th>
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<tr>
<td>Nov 17</td>
<td>Global innovation</td>
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<td><strong>GE China Technology Center, 2015</strong></td>
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<td>Case Questions</td>
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<td>Qs 1. What were the key motivations for GE to establish a technology center in China?</td>
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<td>Qs 2. How has GE’s China Technology Center contributed to supporting GE’s strategy and performance in China and globally?</td>
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<td>Qs 3. How should Chen modify CTC’s future strategy to capitalize on opportunities and neutralize threats?</td>
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<td>Nov 22</td>
<td>No class, time allotted to review materials and begin exam preparation</td>
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<td>Nov 24</td>
<td>No class, Thanksgiving Break</td>
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<td>Nov 29</td>
<td>Global innovation</td>
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<td><strong>7 Eleven Indonesia innovating in emerging markets, 2015</strong></td>
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<td>Case Questions</td>
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<td>Qs 1. Evaluate how Honoris’ actions and 7 Eleven’s operations have attempted to navigate the Indonesian context so far?</td>
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<td>Qs 2. Examine the challenges for continued growth and expansion.</td>
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<td>Qs 3. What suggestions would you offer to Honoris for 7 Eleven’s future strategy in Indonesia?</td>
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<td>Dec 1</td>
<td>Acquisitions in the global context</td>
<td>M&amp;A: The one thing you need to get right, Harvard Business Review, 2016</td>
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<td>How emerging giants are rewriting the rules of M&amp;A, Harvard Business Review, 2009</td>
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<td>Dec 6</td>
<td>Acquisitions in the global context</td>
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<td><strong>Tata Communications’ acquisition of Tyco Global Network (A), 2015</strong></td>
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<td>Case Questions</td>
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<td>Qs 1. Considering TCL’s position and capabilities, does the expansion of TCL through the acquisition of TGN make strategic sense? Why or why not?</td>
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<td>Qs 2. What are the implications of the submarine cable industry for motivations for TCL to engage in the acquisition?</td>
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<td>Qs 3. What are the risks and challenges associated with this acquisition? Can TCL mitigate these risks?</td>
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Dec 8    International business roles for the future
Reading: Building resilience in a fragile world, Rotman Management, 2015
Review session

Exam 2 to be scheduled by GWSB during exam period Dec 14-22