

Course title: International Business and Globalization

Language of instruction: English

Professor: Francisco J. Granados

Professor's contact and office hours: fgranados@ibei.org; by appointment.

Recommended credit: 3 US credits - 6 ECTS credits

Course prerequisites: There are no prerequisites for this course

Course focus and approach: The course focuses on main socioeconomic and political aspects of globalization associated to firms that operate internationally as well as on key international management topics. The course emphasizes historical, political, sociological, and managerial perspectives.

Course description: How does international business drive economic globalization and affect people across countries? How do international business and current domestic and international political issues affect each other? What challenges and opportunities do firms face operating internationally? How corporate social responsibility can contribute to sustainable development? The course starts with an overview of economic globalization from a historical, political and sociological perspective, focusing on its most relevant aspects associated to international business: the role of states and international institutions (e.g., World Bank, IMF, EU); socioeconomic development; inequalities within and across countries; international migration; domestic political debates referred to globalization. The second part of the course examines some key management topics associated to globalization: global corporate social responsibility; diverse national political environments; internationalization and alliance strategies; global marketing; global human resources management.

Learning objectives: At the end of the course, students should have learned (a) the main concepts and debates around globalization and international business management, (b) the role of international business as a globalization driver that affects people and politics across countries, and (c) the challenges and opportunities that firms face operating internationally.

Course workload: Students should read in advance the readings presented and discussed in the class sessions and do a class presentation of one of the instructional case-studies on international management considered in the course. At the end of the course, students will submit an essay on a fictitious international business case that considers most of the main course topics (submission of an initial draft of the essay is also required).

Teaching methodology: The class sessions are structured around an introductory lecture by the professor, class discussions on the arguments explained in class and the readings, and student presentations of instructional case studies. Course handouts will be distributed to help in following the lectures.

Assessment criteria:

Active class participation: 20%

Class presentation: 15%

Term essay paper: initial draft 15%; final version 50%

Absence policy

After the add/drop, all registrations are considered final and **HESP Absence Policy** begins to apply. For the academic year 2016-2017, such policy is as follows:

Attending class is mandatory and will be monitored daily by professors. Missing classes will impact on the student's final grade as follows:

| Absences | Penalization |
|----------------------------------|---|
| <i>Up to two (2) absences</i> | <i>No penalization</i> |
| <i>Three (3) absences</i> | <i>1 point subtracted from final grade (on a 10 point scale)</i> |
| <i>Four (4) absences</i> | <i>2 points subtracted from final grade (on a 10 point scale)</i> |
| <i>Five (5) absences or more</i> | <i>The student receives an INCOMPLETE ("NO PRESENTAT") for the course</i> |

The PEHE/HESP attendance policy does not distinguish between justified or unjustified absences. The student is deemed responsible to manage his/her absences. Emergency situations (hospitalization, family emergency...) will be analyzed on a case by case basis by the Academic Director of the HESP.

Classroom norms: No food, drink, or checking devices is allowed in class.

Weekly schedule (subject to possible changes):

Week 1: Globalization: Concept and Key Debates

- Syllabus, organization of the course, and overview of course readings
- Introduction to the concept of globalization
- Reading presentation and class discussion
Readings: Rodrik (Introduction and Ch. 9)

Week 2: Globalization: International Institutions and Socioeconomic Development

- Reading presentation and class discussion
Reading: Rodrik (Ch. 3)
Reading: Rodrik (Ch. 4)

Week 3: Globalization: Global Governance

- Reading presentation and class discussion
Reading: Rodrik (Ch. 10)

Week 4: Globalization: Inequalities and Immigration

- Reading presentation and class discussion
Reading: Milanovic 2012

Week 5: International Management: Global Corporate Social Responsibility

- Reading presentation and class discussion
Reading: Shenkar & Luo (Ch. 19)
Reading: UN Global Compact
Case: Starbuks and Conservation International
Case: Danimal in South Africa. Management Innovation at the Bottom of the Pyramid

Week 6: International Management: The Political and Legal Environment of International Business

- Reading presentation and class discussion
Reading: Shenkar & Luo (Ch. 7)
Reading: Economy & Lieberthal (2007)

Week 7: International Management: Internationalization Strategies

- Reading presentation and class discussion
Reading: Shenkar & Luo (Ch. 10)

Week 8: International Management: International Strategic Alliances and Global R&D Management

- Reading presentation and class discussion
Reading: Shenkar & Luo (Ch. 12-13)
Case: Nora-Sakari A Proposed JV in Malaysia
Case: Gold Peak Electronics Limited. R&D Globalisation from East to West

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Week 9: International Management: Global Marketing

- Reading presentation and class discussion
Reading: Shenkar & Luo (Ch. 16)
Case: Henkel KGaA Detergents Division
Case: Mad About Plaid

Week 10: International Management: Global Human Resource Management

- Reading presentation and class discussion
Reading: Shenkar & Luo (Ch. 17)
Case: Toivonen Paper in the US: Human Resources Implications of Foreign Corporate Ownership
Case: Colgate-Palmolive: Managing International Careers

COURSE READINGS:

- **Books:**

RODRIK, Dani. 2011. *The Globalization Paradox: Why Global Markets, States and Democracy Can't Coexist* (Oxford University Press) (*Several chapters only*)

SHENKAR, Oded, Yadong LUO, Tailan CHI. 2014. *International Business* (Routledge, 3rd Ed.) (*Several chapters only*)

○ **Articles:**

ECONOMY, Elisabeth and Kenneth LIEBERTHAL. 2007. "Scorched Earth: Will Environmental Risks in China Overwhelm Its Opportunities?" *Harvard Business Review* (June)

GUILLÉN, Mauro F. 2001. "Is Globalization Civilizing, Destructive, or Feeble? A Critique of Five Key Debates in the Social Science Literature." *Annual Review of Sociology* 27:335-260.

MILANOVIC, Branko. 2012. "Global Income Inequality by the Numbers: in History and Now—An Overview." *The World Bank Policy Research Working Paper Series* (6259)

United Nations Global Compact. 2017. *Making Global Goals Local Business. A New Era for Responsible Business*. United Nations.

○ **Case Studies**

- ✓ Starbucks and Conservation International
- ✓ Danimal in South Africa. Management Innovation at the Bottom of the Pyramid
- ✓ Gold Peak Electronics Limited. R&D Globalisation from East to West
- ✓ Henkel KGaA Detergents Division
- ✓ Nora-Sakari A Proposed JV in Malaysia
- ✓ Colgate-Palmolive: Managing International Careers
- ✓ Toivonen Paper in the US: Human Resources Implications of Foreign Corporate Ownership

Recommended bibliography:

AGUILERA, Ruth V., Deborah E. RUPP, Cynthia A. WILLIAMS, and Jyoti GANAPATHI. 2007. "Putting the S Back in Corporate Social Responsibility: A Multilevel Theory of Social Change in Organizations." *Academy of Management Review*, 32:836-863

BARON, David P. 1995. "Integrated Strategy: Market and Nonmarket Components" *California Management Review*, 37:47-65

DICKEN, Peter. 2015. *Global Shift: Mapping the Changing Contours of the World Economy* (Sage Publications, 7th Ed.)

PRAHALAD, C. K. and Allan HAMMOND. 2002. "Serving the World's Poor, Profitably" *Harvard Business Review* (September: 48-57)

RODRIK, Dani. 2007. *One Economics Many Recipes: Globalization, Institutions and Economic Growth* (Princeton University Press)

(Last revision of syllabus: October 2018)