



# BUS 804

## International Business Strategy

S1 External 2014

*Dept of Marketing and Management*

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## General Information

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Credit points

4

Prerequisites

4cp at 800 level and ((BUS651 or MKTG696) or (admission to MIntRel or admission to MCom or MIntBus or MEc or MActPrac prior to 2011))

Corequisites

Co-badged status

Unit description

This unit draws upon concepts and theoretical frameworks from interdisciplinary sources as well as practical industry and firm-level case studies and experiential exercises in order to examine various issues relevant to conducting business across national borders. The unit addresses not only the economic dimension of the international business environment, but also its political, cultural and technological dimensions, all of which interact in complex ways to generate opportunities and threats at the firm level. It will introduce students to vital matters in strategic decision making in the global markets to provide insights on the practices and policies used by competing businesses worldwide for developing strategies for competitive advantage. It explores the challenges, dynamics and processes involved in managing a multi-national company.

The underpinning of this unit is the practical real-life, real-time knowledge gained by students through experiential learning. This unit is taught through lectures, discussions and experiential exercises. This unit will examine critical issues from the perspective of senior executives and managers in charge of these operations. Concepts developed in the unit will be applied to the solution of 'real world' problems through the use of the latest case studies, and other learning strategies throughout the semester.

## Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

## Learning Outcomes

On successful completion of this unit, you will be able to:

Develop a deep understanding of the key theories and concepts in strategic management and their implications for international business

Critically apply relevant theories, concepts and techniques to analyse strategic issues in international business

Demonstrate the ability to work as part of a team in discussing and analysing international business issues

Develop capabilities to make effective recommendations for successful strategy implementation

Design new conceptual models and frameworks for strategy analysis and implementation based on the theoretical principles introduced in the course

## Assessment Tasks

Name	Weighting	Due
<a href="#">Individual assignment</a>	30%	Week 5
<a href="#">Individual assignment</a>	30%	Week 13
<a href="#">Group assignment</a>	30%	Week 10
<a href="#">Presentation and participation</a>	10%	Weeks 2-12

### Individual assignment

Due: **Week 5**

Weighting: **30%**

Each student will be expected to submit an individual assignment of 2,000 words. The format for the assignment is an **ESSAY**. First, read the following article (a copy of which is loaded up to iLearn):

Jones, G. 'The Growth Opportunity That Lies Next Door' *Harvard Business Review*, 90, nos. 7-8 (July–August 2012): 141–145

Students will be then required to write an **essay** that provides a **critical analysis** of the following question:

**Does the internationalisation process of emerging market multinationals differ from multinational enterprises from developed economies?**

In undertaking this assignment students' need to:

- Research the topic in an in-depth manner
- Provide a critical perspective of the literature on a topic
- Construct a sustained argument in response to the question

Remember, it is expected you will demonstrate strong analytical skills in your essay. Your analysis should incorporate at least 15 different references. These can be sourced from the following:

- Academic articles
- Relevant textbooks
- Periodicals
- Newspapers
- Relevant online sources

The 15 references should be evenly balanced between these five resource options.

Students are expected to maintain an appropriate standard in presenting their essay. Remember to acknowledge your sources throughout the paper using the Harvard referencing system. The report is to be typed and 1.5 spaced (a standard 12 point font should be used). Students are expected to maintain an appropriate standard in presenting their essay. It should be checked for spelling, consistency and clarity of expression.

Late submission of the assignment will incur a penalty of 10% of the value of the assignment for every day that it is late.

Your essay must be submitted to **Turnitin** at [www.turnitin.com](http://www.turnitin.com)

On successful completion you will be able to:

- Critically apply relevant theories, concepts and techniques to analyse strategic issues in international business
- Develop capabilities to make effective recommendations for successful strategy implementation

## Individual assignment

Due: **Week 13**

Weighting: **30%**

Each student will be expected to submit an individual assignment of 3,500 words. The format for the assignment is an **ESSAY**. You will be required to review and critique 2 major peer-reviewed research articles. Please note that PDFs of each article will be listed on iLearn.

The articles are listed below:

- Cuervo-Cazurra, A. 2007. Sequence of value-added activities in the multinationalization of developing country firms, *Journal of International Management*, 13, 3, 258-277

<http://www.sciencedirect.com/science/article/pii/S1075425307000518>

- Luo, Y., & Tung, R. 2007. International expansion of emerging market enterprises: springboard perspective, *Journal of International Business Studies*. 38, 4, 481-498

<http://www.palgrave-journals.com/jibs/journal/v38/n4/abs/8400275a.html>

These are considered 'seminal' articles that explain the internationalisation process of firms from emerging markets. In reviewing and critiquing these articles you need to demonstrate if they are still relevant – specifically, how has the research on emerging market multinational enterprises evolved since these articles were published?

In analysing these articles you will need to draw on the key concepts and theories used throughout this unit

Your review and critique should incorporate at least 20 different references. These can be sourced from the following:

- Academic articles
- Relevant textbooks

Students are expected to maintain an appropriate standard in presenting their essay. Remember to acknowledge your sources throughout the paper using the Harvard referencing system. The report is to be typed and 1.5 spaced (a standard 12 point font should be used). Students are expected to maintain an appropriate standard in presenting their essay. It should be checked for spelling, consistency and clarity of expression.

Late submission of the assignment will incur a penalty of 10% of the value of the assignment for every day that it is late.

Your essay must be submitted to **Turnitin** at [www.turnitin.com](http://www.turnitin.com)

On successful completion you will be able to:

- Develop capabilities to make effective recommendations for successful strategy implementation

## Group assignment

Due: **Week 10**

Weighting: **30%**

You will be required to join a group (of no more than four students, preferably three), and develop a 4000 word written **REPORT** based on the topic detailed below.

Student will be required to select a service company and prepare a case study which describes a particular issue concerning that's company's internationalisation strategy. The report should reflect a genuine strategy issue (not marketing, HRM etc though elements of these issues may emerge in your research). There should be an emphasis on analysing company data from the perspective of relevant course literature. Reports that are descriptive of company practices only will be penalized. The final report should outline how the organisation manages the strategic issue(s) in question and evaluate the practice by comparing it to the literature from relevant publications.

While writing your report, you should incorporate relevant theories and concepts to justify your arguments. Clear analysis which reflects integration of relevant literature with the organisation's practices will be rewarded – simply describing the practices will not be enough to pass this assessment task

As a guide your report should incorporate at **least 25 different references**. These can be sourced from the following:

- Academic articles
- Relevant textbooks
- Periodicals
- Newspapers
- Relevant online sources

Remember to acknowledge your sources throughout the paper using the Harvard referencing system (in text referencing).

The report is to be typed and 1.5 spaced (a standard 12 point font should be used). It should be checked for spelling, consistency and clarity of expression. As this is a group exercise all members of the group are expected to contribute actively and substantially. While it is understood that some members of the group may provide more input in the research, whereas others may do more of the actual written work, the group will be required to acknowledge that all group members have given quality time to the project.

Late submission of the assignment will incur a penalty of 10% of the value of the assignment for every day that it is late.

### **All group work is peer moderated**

In Week 11 each student will submit a peer evaluation assessment for each member in their group (including themselves). This will then allow a peer factor to be allocated to the Group's raw score for each individual student, allowing a dispersion of marks within the same group.

Your report must be submitted to **Turnitin** at [www.turnitin.com](http://www.turnitin.com)

In terms of the group report, each group is responsible for assessing its level of plagiarism. Although you can submit the report to Turnitin as many times as you like before the due date, only the final submission will count to Turnitin. Any Turnitin Report with 20%+ plagiarism will be carefully reviewed and marks deducted equivalent to the percentage plagiarised.

On successful completion you will be able to:

- Develop a deep understanding of the key theories and concepts in strategic management and their implications for international business
- Critically apply relevant theories, concepts and techniques to analyse strategic issues in international business
- Demonstrate the ability to work as part of a team in discussing and analysing

international business issues

- Design new conceptual models and frameworks for strategy analysis and implementation based on the theoretical principles introduced in the course

## Presentation and participation

Due: **Weeks 2-12**

Weighting: **10%**

Students will receive an individual mark for ongoing presentations and participation throughout the semester. For students undertaking the online offering of this unit - this grade will be determined by your weekly contributions/posts to the discussions and readings detailed each week.

For students undertaking the in-class offering of this unit, this grade will be determined by your presentation of key questions during the semester

On successful completion you will be able to:

- Develop capabilities to make effective recommendations for successful strategy implementation

## Delivery and Resources

This unit is taught using lectures and 'applications lectures' (whole-of-class tutorials). The course consists of 39 hours of instruction. Students are expected to read in advance of lectures, and actively participate in applications lectures. It is an expectation that students will attend at least 80% of classes. Students will be expected to attend lectures fully prepared to discuss assigned readings as per the course outline. If you have a recurring problem have the courtesy to discuss this with your lecturer/tutor. The timetable for classes can be found on the University web site at <http://www.timetables.mq.edu.au/>

Your lecturer will advise you of their consultation times and availability during the semester.

### **TECHNOLOGY USED AND REQUIRED**

Students are required to use information technology in this unit. Students will need to use: Library databases to source materials for the research reports, which are accessed electronically for conducting, research for assignments; Electronic (internet) access to iLearn to download unit learning resources and upload assignments or other materials required for class activities and assignments; Microsoft word and Power point (where applicable) for the research reports and presentations).



## UNIT WEB PAGE

Course material is available on the learning management system (iLearn). The web page for this unit can be found at: <https://ilearn.mq.edu.au/login/MQ/>

## USING iLEARN FORUMS

This practice exercise is mandatory for all students and must be completed by the end of week two. This is not an assessment. This will be the first step which will assist you to learn how to learn in an online environment and how to use the iLearn forums in online units.

A) Please post a message introducing yourself, your previous studies and what you do.

B) Using iLearn DIALOGUE Please email me telling me why you choose to study this unit and what do you expect to learn from this unit?

## WEEKLY READINGS

There is no allocated textbook for this unit. Your weekly set of readings is detailed in the lecture program and copies will be uploaded each week on iLearn

## WHAT HAS CHANGED IN THIS UNIT?

In contrast to previous semesters, this unit no longer has a final exam as part of its assessment

## Unit Schedule

Topic	Key readings
<b>1. Competitive advantage</b>	<ul style="list-style-type: none"><li>Porter, M. E., 2008. 'The five competitive forces that shape strategy', Harvard Business Review, January: 78-93.</li><li>Barney, J. B., 1995. 'Looking inside for competitive advantage', Academy of Management Executive, 9 (4): 49-61.</li><li>Chapters 2 &amp; 3 - Peng, M. (2009) Global Strategy 2e, South-Western Cengage Learning.</li></ul>

<p><b>2. The focal firm – MNEs, SMEs &amp; INV/BGs</b></p>	<ul style="list-style-type: none"> <li>· Chapter 2 &amp; 11 - Rugman, A &amp; Collinson, S (2012) <i>International Business</i> 6<sup>th</sup> edition, Pearson Education UK</li>   <li>· Chapter 1 - Dunning, J. H., &amp; Lundan, S., (2008) <i>Multinational enterprises and the global economy</i>, Cheltenham, UK: Edward Elgar</li> </ul>
<p><b>3. Understanding global markets – global market opportunity assessment</b></p>	<ul style="list-style-type: none"> <li>· Chapter 13 - Cavusgil, S. Tamer, Knight, G., &amp; Riesenberger, J. R., (2013) <i>International business: the new realities</i>, 3<sup>rd</sup> Edition, Upper saddle River, N.J.: Pearson Prentice Hall</li>   <li>· Brewer, P. (2007) Psychic distance and Australian export market selection, <i>Australian Journal of Management</i>, 32 (1): 73-94</li>   <li>· <u>Liesch, P.W.</u>, <u>Welch, L. S.</u>, &amp; <u>Buckley, P.J.</u> (2011) Risk and Uncertainty in Internationalisation and International Entrepreneurship Studies, <i>Management International Review</i>, 50 (6): 851-873</li> </ul>
<p><b>4. Organisational participants in the internationalisation process</b></p>	<ul style="list-style-type: none"> <li>· Chapter 3 - Cavusgil, S. Tamer, Knight, G., &amp; Riesenberger, J. R., (2013) <i>International business: the new realities</i>, 3<sup>rd</sup> Edition, Upper saddle River, N.J.: Pearson Prentice Hall</li> </ul>
<p><b>5. Firm boundary: export vs. FDI</b></p>	<ul style="list-style-type: none"> <li>· Chapter 3 – Besanko et al. (2013). <i>Economics of Strategy</i> 6th edition, Wiley.</li> </ul>
<p><b>6. Firm boundary: tapered integration and relational contracts</b></p>	<ul style="list-style-type: none"> <li>· Chapter 4 – Besanko et al. (2013). <i>Economics of Strategy</i> 6th edition, Wiley.</li>   <li>· Chapter 15 – Hill C. (2013). <i>International Business</i>, 9<sup>th</sup> edition, McGraw-Hill</li> </ul>

<p><b>7. IT and IB strategy</b></p>	<ul style="list-style-type: none"> <li>· Weigelt, C. (2013). ‘Leveraging supplier capabilities: the role of locus of capability deployment’, <i>Strategic Management Journal</i>, 34: 1-21.</li>   <li>· Kotabe, M., Mol, M. J., &amp; Murray, J. Y. (2008). ‘Outsourcing, performance, and the role of e-commerce: A dynamic perspective’, <i>Industrial Marketing Management</i>, 37: 37-45.</li>   <li>· Teo, T. S. H. &amp; Yu, Y. (2005). ‘Online buying behaviour: A transaction cost economics perspective’, <i>Omega</i>, 33: 451-465.</li> </ul>
<p><b>8. Alternative routes to internationalization</b></p>	<ul style="list-style-type: none"> <li>· Lessard, D., Lucea, R., &amp; Vives, L., 2012. ‘Building your company’s capabilities through global expansion’, <i>MIT Sloan Management Review</i>, Winter: 1-7.</li>   <li>· Sammartino, A. &amp; Van Ruth, F, 2007. ‘The Westfield group’, in Dick. H. and Merret, D. (eds.), <i>The internationalization strategies of small-country firms: the Australian experience of globalization</i>, Edward Elgar, Cheltenham, UK: 308 - 318.</li> </ul>
<p><b>9. MNE strategy, structure, and subsidiary roles</b></p>	<ul style="list-style-type: none"> <li>· Matusitz, J. 2011. ‘Disney’s successful adaptation in Hong Kong: A glocalization perspective’, <i>Asia Pacific Journal of Management</i>, 28: 667-681.</li>   <li>· Chapter 13 – Hill C. (2013). <i>International Business</i>, 9th edition, McGraw-Hill</li>   <li>· Chapter 14 – Hill C. (2013). <i>International Business</i>, 9th edition, McGraw-Hill</li> </ul>

<p><b>10. Global sourcing and operations management</b></p>	<ul style="list-style-type: none"> <li>· Chapter 17 - Griffin, R.W. &amp; Pustay, M.W, (2013) <i>International Business</i>, 7<sup>th</sup> edition, Pearson Education UK</li>   <li>· Chapter 17 - Cavusgil, S. Tamer, Knight, G., &amp; Riesenberger, J. R., (2013) <i>International business: the new realities</i>, 3<sup>rd</sup> Edition, Upper saddle River, N.J.: Pearson Prentice Hall</li> </ul>
<p><b>11. Emerging markets and The ‘new’ global players - emerging market MNEs</b></p>	<ul style="list-style-type: none"> <li>· Chapter 10 - Cavusgil, S. Tamer, Knight, G., &amp; Riesenberger, J. R., (2013) <i>International business: the new realities</i>, 3<sup>rd</sup> Edition, Upper saddle River, N.J.: Pearson Prentice Hall</li>   <li>· Cuervo-Cazurra A (2007) Sequence of value-added activities in the multinationalization of developing country firms. <i>Journal of International Management</i> 13(3): 258-277.</li>   <li>· Luo Y &amp; Tung R (2007) International expansion of emerging market enterprises: A springboard perspective. <i>Journal of International Business Studies</i> 38(4): 481-498.</li>   <li>· Mathews J (2006) Dragon multinationals: New players in 21<sup>st</sup> century globalization. <i>Asia-Pacific Journal of Management</i> 23(1): 5-27</li> </ul>
<p><b>12. Global services and service firm international strategies</b></p>	<ul style="list-style-type: none"> <li>· Chapter 17 – Fletcher, R (2013) <i>International Marketing: An Asian Pacific Perspective</i>, 6<sup>th</sup> edition, Pearson Education</li> </ul>
<p><b>13 Revision and review</b></p>	<ul style="list-style-type: none"> <li>· No readings</li> </ul>

## Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](#). Students should be aware of the following policies in particular with regard to Learning and Teaching:

Academic Honesty Policy [http://mq.edu.au/policy/docs/academic\\_honesty/policy.html](http://mq.edu.au/policy/docs/academic_honesty/policy.html)

Assessment Policy <http://mq.edu.au/policy/docs/assessment/policy.html>

Grading Policy <http://mq.edu.au/policy/docs/grading/policy.html>

Grade Appeal Policy <http://mq.edu.au/policy/docs/gradeappeal/policy.html>

Grievance Management Policy [http://mq.edu.au/policy/docs/grievance\\_management/policy.html](http://mq.edu.au/policy/docs/grievance_management/policy.html)

Disruption to Studies Policy [http://www.mq.edu.au/policy/docs/disruption\\_studies/policy.html](http://www.mq.edu.au/policy/docs/disruption_studies/policy.html) *The Disruption to Studies Policy is effective from March 3 2014 and replaces the Special Consideration Policy.*

In addition, a number of other policies can be found in the [Learning and Teaching Category](#) of Policy Central.

## Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: [https://students.mq.edu.au/support/student\\_conduct/](https://students.mq.edu.au/support/student_conduct/)

## Student Support

Macquarie University provides a range of support services for students. For details, visit <http://students.mq.edu.au/support/>

## Learning Skills

Learning Skills ([mq.edu.au/learningskills](http://mq.edu.au/learningskills)) provides academic writing resources and study strategies to improve your marks and take control of your study.

- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module for Students](#)
- [Ask a Learning Adviser](#)

## Student Services and Support

Students with a disability are encouraged to contact the [Disability Service](#) who can provide appropriate help with any issues that arise during their studies.

## Student Enquiries

For all student enquiries, visit Student Connect at [ask.mq.edu.au](http://ask.mq.edu.au)

## IT Help

For help with University computer systems and technology, visit <http://informatics.mq.edu.au/help/>.

When using the University's IT, you must adhere to the [Acceptable Use Policy](#). The policy applies to all who connect to the MQ network including students.

## **Graduate Capabilities**

### **PG - Discipline Knowledge and Skills**

Our postgraduates will be able to demonstrate a significantly enhanced depth and breadth of knowledge, scholarly understanding, and specific subject content knowledge in their chosen fields.

This graduate capability is supported by:

#### **Learning outcome**

- Develop a deep understanding of the key theories and concepts in strategic management and their implications for international business

#### **Assessment tasks**

- Individual assignment
- Group assignment

### **PG - Critical, Analytical and Integrative Thinking**

Our postgraduates will be capable of utilising and reflecting on prior knowledge and experience, of applying higher level critical thinking skills, and of integrating and synthesising learning and knowledge from a range of sources and environments. A characteristic of this form of thinking is the generation of new, professionally oriented knowledge through personal or group-based critique of practice and theory.

This graduate capability is supported by:

#### **Learning outcomes**

- Critically apply relevant theories, concepts and techniques to analyse strategic issues in international business
- Develop capabilities to make effective recommendations for successful strategy implementation
- Design new conceptual models and frameworks for strategy analysis and implementation based on the theoretical principles introduced in the course

#### **Assessment task**

- Individual assignment

### **PG - Effective Communication**

Our postgraduates will be able to communicate effectively and convey their views to different social, cultural, and professional audiences. They will be able to use a variety of technologically

supported media to communicate with empathy using a range of written, spoken or visual formats.

This graduate capability is supported by:

## **Learning outcome**

- Demonstrate the ability to work as part of a team in discussing and analysing international business issues

## **Assessment task**

- Presentation and participation

## **Research and Practice**

Useful resources are listed below:

### **ACADEMIC JOURNALS**

There is a range of journals in the fields of international business and strategy. The titles below are indicative only of such publications. **Most are available on the library databases:**

- *Academy of Management Review*
- *Asia Pacific Journal of Management*
- *Cross Cultural Management*
- *International Business Review*
- *Global Strategy*
- *Journal of International Business Studies*
- *Journal of International Management*
- *Journal of World Business*
- *Management International Review*
- *Strategic Management Journal*
- *Thunderbird International Business Review*

### **PERIODICALS**

There is a range of periodicals in the fields of international business and management. The titles below are indicative only of such publications:

- *Business Week (Asian edition)*
- *Harvard Business Review*
- *The Wall Street Journal*
- *The Economist*

## WEBSITES

- Australian Bureau of Statistics: <http://www.abs.gov.au/>
- Department of Foreign Affairs and Trade: <http://www.dfat.gov.au/>
- World Trade Organisation: <http://www.wto.org/>
- International Monetary Fund: <http://www.imf.org/>
- The World Bank: <http://www.worldbank.org/>
- UNCTAD-United Nations Conference on Trade and Development: <http://www.unctad.org>
- International Trade Centre: <http://www.intracen.org/>
- Australian Financial Review: <http://www.afr.com.au>
- International business news:
  - orthodox views:
    - The Economist - <http://www.economist.com> (some parts available only on subscription)
  - alternative views:
    - Green Left Weekly - <http://www.greenleft.org.au>
    - New Internationalist - <http://www.newint.org>

## Changes since First Published

Date	Description
28/02/2014	The Description was updated.