BUSI 4708 (Section A)

International Expansion and Operations

Fall 2013

INSTRUCTOR: David J. PEIPPO
OFFICE: by appointment
EMAIL: david.peippo@sympatico.ca; david.peippo@pwgsc.gc.ca
CLASS HOURS: Tuesdays 18:05-20:55
CLASSROOM:

GENERAL COURSE INFORMATION

This advanced course in international business focuses on international expansion and operation. It covers international market selection and the factors influencing the choice and management of different international expansion or entry modes such as exporting, licensing, franchising, joint venture, green-field investment (wholly-owned subsidiaries), mergers and acquisitions.

PREREQUISITES
Fourth-year standing in B.Com. or B.I.B., and BUSI 3703 or BUSI 2702.

The School of Business enforces all prerequisites. Students are responsible to ensure that they meet the course’s prerequisite requirements. Lack of prerequisite knowledge may lead to failure in the course. If you think you have taken courses, possibly in another institution, which are equivalent to the prerequisites specified for this course, you must show proof to the Undergraduate Adviser. Please bring in your transcript and course description(s). Failure to document this requirement can lead to deregistration from this course any time before the last day of classes. Only the Undergraduate Program Supervisor of the School can waive prerequisite requirements.

REQUIRED TEXT

Daniels, Radebaugh, Sullivan, “International Business, Environments and Operations”, 14th edition, Prentice Hall, 2013. The course is using a cheaper, custom version that is available at Carleton University Bookstore only.
EVALUATION AND GRAADING

1. Class Participation 15%

Class participation is MANDATORY. Effective participation means (a) active, (b) substantive, and (c) continuous contribution. Students will be assessed on their contribution in class which may include: raising or answering questions, offering comments, introducing relevant items of interest from the media or personal experiences, participating in in-class and/or take-home quizzes, cases, or other exercises, and overall effort throughout the term. Attendance will affect the class participation evaluation.

2. Individual Cases 20% (each case is worth 5%)

During the term, students must complete 4 assigned cases (see course schedule for list of cases and due dates). The report is no more than 3 pages, excluding the appendix.

3. Mid-term Exam 25%

A 2-hour mid-term exam will assess what has been learned from the assigned textbook chapters as well as from in-class lectures, presentations and discussions. Its format may include multiple-choice questions, short essay questions, and a case analysis.

4. Team Project 40%

4.a. Annotated Bibliography (AB) and
4.b. Comprehensive Project (COMP)

The team project consists of two distinct components - Part One: annotated bibliography (or literature review); and Part Two: comprehensive project (or market entry plan)

The AB consists of a review of current and recent published research on one specific market entry mode (exporting, FDI, licensing etc.), whereas, the COMP describes the choice of a foreign market and the development and implementation of an expansion or market entry plan for introducing a selected product or service to that market.

Each team will consist of 4-5 members (to be determined, based on class size). The AB and COMP each require a written proposal and final report. Each team will make a brief presentation of its report in class. Reports and presentation decks must be submitted in hard copy. Oral presentations are worth 5%; and written reports are worth 15%.

Please see the Appendix for detailed guidelines on these two assignments.
Summary of Assignments and Evaluation

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Date</th>
<th>% of Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-term exam</td>
<td>Oct. 08</td>
<td>25</td>
</tr>
<tr>
<td>Individual cases (4)</td>
<td>Throughout</td>
<td>20</td>
</tr>
<tr>
<td>Annotated Bibliography</td>
<td>Presentation</td>
<td>Oct. 15</td>
</tr>
<tr>
<td></td>
<td>Written report</td>
<td>Oct. 15</td>
</tr>
<tr>
<td>Comprehensive Project</td>
<td>Presentation</td>
<td>Nov. 26 &amp; Dec. 03</td>
</tr>
<tr>
<td></td>
<td>Written report</td>
<td>Dec. 03</td>
</tr>
<tr>
<td>Class Participation</td>
<td>Throughout</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

There is no final examination in this course

**Important Notes on Evaluation**

a. All page limits specified in this outline are “hard” and non-negotiable. Material exceeding the stated limit will not be read. For fairness and comparability, all written work must be submitted typed, double-spaced, on letter-size paper, with 2.5 cm margins all-round, in Times-Roman 12, Arial 11, or equivalent font. Include page numbers.
b. All written work will be graded for grammar, spelling, writing style, and organization and presentation of the material.
c. Cheating, plagiarism, and other instructional offences are not tolerated. Please see the University's statement on plagiarism in the attached sheet. Additional useful information is provided on the Library website (Library home page → How do I...? → Avoid Plagiarism). For more info, see “Paper Formatting & Documentation Guidelines”, on the Sprott website at Academic Programs → Useful Links → Paper Writing Guidelines.
d. The instructor will evaluate in-class presentations.
f. For team assignments, please comply with the statement from the Sprott School of Business concerning “group work”, in the attached page”.
g. At the final class, each student must submit, an independent evaluation of each team member’s (including self) contribution to the COMP. If the mean mark given a student by his/her colleagues is at considerable variance (lower or higher) from his/her marks for other class work (test, CP, AB), then his/her COMP mark will be adjusted accordingly.
h. All assignments are normally marked and returned in-class one week after submission. Assignments submitted at the last class will be available to be picked up two weeks after their submission.
i. Supplemental and grade raising examinations are not available.
j. Deadline extensions will not be granted, late assignments will not be accepted, and missed tests will not be rescheduled except for university-approved reasons (e.g., on medical grounds and with appropriate documentation).
k. The above evaluation plan may vary if changing class conditions warrant.
# COURSE SCHEDULE

<table>
<thead>
<tr>
<th>Date</th>
<th>Theme</th>
<th>Ch.</th>
<th>Case &amp; Assignments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep. 10</td>
<td>Globalization and International Business</td>
<td>1 p. 1</td>
<td>Introduction, course objectives, form teams</td>
</tr>
<tr>
<td>Sep. 17</td>
<td>Cultural Environments Facing Business</td>
<td>2 &amp; 3</td>
<td>Charles Martin in Uganda (p.79)</td>
</tr>
<tr>
<td></td>
<td>Political, Legal and Economic</td>
<td></td>
<td>It's a Knockoff World (p.124)</td>
</tr>
<tr>
<td>Sep. 24</td>
<td>Environments Facing Business Globalization and Society</td>
<td>4 &amp; 5</td>
<td>Causes and Consequences of the Global Credit Crisis (p.171)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Anglo American in South Africa (p.207)</td>
</tr>
<tr>
<td>Oct. 01</td>
<td>Government Influence on Trade; Cross-National Cooperation and Agreements</td>
<td>6 &amp; 7</td>
<td>US-Cuban Trade (p.238)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Walmart Goes South (p.277)</td>
</tr>
<tr>
<td>Oct. 08</td>
<td><strong>Mid-term exam</strong></td>
<td>1 to 7</td>
<td>2 hour in-class exam</td>
</tr>
<tr>
<td>Oct. 15</td>
<td>In-class presentations of papers on market-entry modes</td>
<td></td>
<td>Market-entry mode paper due</td>
</tr>
<tr>
<td>Oct. 29</td>
<td>Study Week – no classes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nov. 05</td>
<td>Country Evaluation and Selection</td>
<td>9</td>
<td>Burger King (p.359)</td>
</tr>
<tr>
<td>Nov. 12</td>
<td>Export and Import Strategies</td>
<td>10</td>
<td>Alibaba.com (p.401)</td>
</tr>
<tr>
<td>Nov. 19</td>
<td>Direct Investment and Collaborative Strategies</td>
<td>11</td>
<td>Connecting within oneworld (p.434)</td>
</tr>
<tr>
<td>Nov. 26</td>
<td>COMP Project</td>
<td></td>
<td>Group Presentations</td>
</tr>
<tr>
<td>Dec .03</td>
<td>COMP Project</td>
<td></td>
<td>Group Presentations</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Project report due</td>
</tr>
</tbody>
</table>

**Required calculator in BUSI course examinations**

If you are purchasing a calculator, we recommend any one of the following options:

- Texas Instruments BA II Plus (including Pro Model)
- Hewlett Packard HP 12C (including Platinum model)
- Staples Financial Calculator
- Sharp EL-738C & Hewlett Packard HP 10bII
Group work
The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, followership and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

Medical certificate
Please note that in all occasions that call for a medical certificate you must use or furnish the information demanded in the standard university form.
http://www1.carleton.ca/registrar/forms/

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

<table>
<thead>
<tr>
<th>Letter Grade</th>
<th>Percentage Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>A+</td>
<td>90-100</td>
</tr>
<tr>
<td>A</td>
<td>85-89</td>
</tr>
<tr>
<td>A -</td>
<td>80-84</td>
</tr>
<tr>
<td>B+</td>
<td>77-79</td>
</tr>
<tr>
<td>B</td>
<td>73-76</td>
</tr>
<tr>
<td>B -</td>
<td>70-72</td>
</tr>
<tr>
<td>C+</td>
<td>67-69</td>
</tr>
<tr>
<td>C</td>
<td>63-66</td>
</tr>
<tr>
<td>C -</td>
<td>60-62</td>
</tr>
<tr>
<td>D+</td>
<td>57-59</td>
</tr>
<tr>
<td>D</td>
<td>53-56</td>
</tr>
<tr>
<td>D -</td>
<td>50-52</td>
</tr>
<tr>
<td>F</td>
<td>Below 50</td>
</tr>
<tr>
<td>WDN</td>
<td>Withdrawn from the course</td>
</tr>
<tr>
<td>ABS</td>
<td>Student absent from final exam</td>
</tr>
<tr>
<td>DEF</td>
<td>Deferred (See above)</td>
</tr>
<tr>
<td>FND</td>
<td>(Failed, no Deferred) = Student could not pass the course even with 100% on final exam</td>
</tr>
</tbody>
</table>

Academic Regulations, Accommodations, Plagiarism, Etc.
University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university’s website, here:
http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/

Requests for Academic Accommodations

Academic Accommodations for Students with Disabilities

The Paul Menton Centre for Students with Disabilities (PMC) provides services to students with Learning Disabilities (LD), psychiatric/mental health disabilities, Attention Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders (ASD), chronic medical conditions, and impairments in mobility, hearing, and vision. If you have a disability requiring academic accommodations in this course, please contact PMC at 613-520-6608 or pmc@carleton.ca for a formal evaluation. If you are already registered with the PMC, contact your PMC coordinator to send me your Letter of Accommodation at the beginning of the term, and no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet
with me to ensure accommodation arrangements are made. Please consult the PMC website for the deadline to request accommodations for the formally-scheduled exam (*if applicable*).

- The deadlines for contacting the Paul Menton Centre regarding accommodation for final exams for the December 2013 exam period is November 8, 2013 and for the April 2014 exam period is March 7, 2014.

*For Religious Obligations:*

Students requesting academic accommodation on the basis of religious obligation should make a formal, written request to their instructors for alternate dates and/or means of satisfying academic requirements. Such requests should be made during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist, but no later than two weeks before the compulsory event.

Accommodation is to be worked out directly and on an individual basis between the student and the instructor(s) involved. Instructors will make accommodations in a way that avoids academic disadvantage to the student.

Students or instructors who have questions or want to confirm accommodation eligibility of a religious event or practice may refer to the Equity Services website for a list of holy days and Carleton's Academic Accommodation policies, or may contact an Equity Services Advisor in the Equity Services Department for assistance.

*For Pregnancy:*

Pregnant students requiring academic accommodations are encouraged to contact an Equity Advisor in Equity Services to complete a letter of accommodation. The student must then make an appointment to discuss her needs with the instructor at least two weeks prior to the first academic event in which it is anticipated the accommodation will be required.

**Academic Integrity**

Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another’s ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized co-operation or collaboration or completing work for another student – weaken the quality of the degree and will not be tolerated. Penalties may include expulsion; suspension from all studies at Carleton; suspension from full-time studies; a refusal of permission to continue or to register in a specific degree program; academic probation; and a grade of Failure in the course, amongst others. Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at http://www2.carleton.ca/sasc/advisingcentre/academic-integrity/.

**Assistance for Students:**

Student Academic Success Centre (SASC): www.carleton.ca/sasc
Writing Tutorial Services: http://www1.carleton.ca/sasc/writing-tutorial-service/
Peer Assisted Study Sessions (PASS): www.carleton.ca/sasc/peer-assisted-study-sessions
Important Information:
- Students must always retain a hard copy of all work that is submitted.
- All final grades are subject to the Dean’s approval.
- Please note that you will be able to link your CONNECT (MyCarleton) account to other non-CONNECT accounts and receive emails from us. However, for us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CONNECT address. Therefore, it would be easier to respond to your inquiries if you would send all email from your connect account. If you do not have or have yet to activate this account, you may wish to do so by visiting https://portal.carleton.ca/

A FINAL NOTE
In addition to the above-mentioned tasks, there will be take home assignments and in-class group exercises. These will include in-class discussions of case studies and research papers.

APPENDIX: International Expansions and Operations – BUSI 4708

I. ANNOTATED BIBLIOGRAPHY GUIDELINES

Purpose

This assignment focuses on the theory and research side of the course theme using articles in academic journals. An AB goes beyond a simple listing of references – it also summarizes the main points of each article, to allow researchers to assess specific aspects of those that appear to be interesting and decide which may be worth reading in full. Developing an AB is one of the best ways to familiarize one's self with current knowledge in a selected area.

Research Topics

The group research paper should reflect a research, conceptual, or theoretical perspective on one of the following market-entry modes, or strategies: exporting, licensing, franchising, contract manufacturing (outsourcing), joint ventures, wholly-owned subsidiaries, and strategic alliances that is applied to one specific country.

Content

1. The AB proposal must include the following information:
   a. Team member names and division of work.
   b. Proposed topic (country and entry mode) and rationale.
   c. A specific outline of information sources to be used. Check the library to ensure that there are enough suitable articles on your topic. Specify a few sample articles to indicate that (a) you have understood the type of articles your topic requires and (b) there are enough articles of the kind you will need.

2. The AB report must include a set of article annotations and a brief commentary.
a. Articles. Each AB must include three (3) academic articles per team member. Lengthy works such as books, and short journalistic-type articles from magazines, newspapers, the Web, etc., are not eligible. The articles must be top-notch and represent current thinking, published within the last 10 years unless they are "classics". To secure good entries you must identify a fair number of candidates, since some will not meet the quality criterion. Each annotation must include the purpose, method, and main findings/conclusions of the study being reported. A photocopy of the 1st page of each submitted article must be appended to your report.

b. Commentary. The commentary should offer a brief critical overview of the research in the chosen field, based on the articles the team reviewed. You may address questions such as, but not limited to: How easy/difficult was it to locate (quality) articles? Why? Why is this topic attracting research interest? What main issues seem to be of interest within it? What is the topic’s importance to academics or practitioners? What methodological approaches do researchers favour? If one wants to research this topic more, which sources should one consult?

c. Suggested Sources for Articles

- Conference proceedings: Admin. Sciences Association of Canada (International Business and Marketing divisions), Decision Science Institute, Academy of Management.
- Chapters in edited books: These are academic/research books that consist of chapters contributed by various different authors (i.e., each chapter authored by a different person[s]).

Note: Articles from newspapers and magazines (e.g., Canadian Business, Report on Business, Marketing, National Post, Business Week, Fortune, Newsweek, Time, Advertising Age, South Asia Trade Review), the Web (except e-versions of journals such as those listed above), and other such sources are not eligible.

Format

This assignment has very specific and strict format guidelines intended to familiarize you with the reporting requirements of the kind that is the rule in business. Specifically:

1. AB proposal should be no more than 2 pages.

2. AB report:
   a. The write-up for each article must include:
The full reference (author's name, title, source, date, page numbers) in proper bibliographic form. Any style is acceptable (e.g., Turabian, Chicago, APA) provided it is used consistently for all articles. See the “Paper Writing Guidelines” in item (a) of “Important Notes on Evaluation”, in course outline.

An annotation must not exceed 2 paragraphs. Each paragraph is from 5 to 10 lines.

Append a photocopy of each article’s front page to the hard copy of the report.

b. The commentary must be from 3 to 5 pages.

c. Paragraphs, annotations, and commentaries shorter than the minimum specified in (a) and (b) above will be considered as “not submitted” and will not be read. Content exceeding the maximum page limit will not be read and assessed.

d. The AB report must be submitted in hard copy.

3. AB in-class presentations should be 10 to 15 minutes, in a PowerPoint format.
II. COMPREHENSIVE PROJECT GUIDELINES

Purpose

This project applies concepts and strategies learned in the course. It illustrates how managers use information sources to research foreign markets to support strategic planning and decision-making in international expansions and operations.

Research

This project requires considerable effort, creativity, and know-how. A good understanding of the chosen company, product and market is essential, and effective teamwork is a must. Assign specific duties to each team member beforehand, and specify deadlines for various stages. Unlike the AB, the research for the COMP will focus on how the chosen company can enter the chosen market with its products/services.

Sources of secondary research information include: standard library sources (e.g. magazines, books, UN, EU, IMF, WTO, etc. publications); government departments (e.g. DFAIT, Industry Canada); and embassies, international and trade organizations, and think tanks. If you use information from the Web, do not let the medium obscure the message (posted information often is of dubious quality, and you are responsible for assessing the credibility of what you use); and, do not drown your reader in useless information (a list of a thousand Web “hits” does not prove that one has done “research”!).

Content, Organization, and Approach

1. As with the AB, the COMP proposal must include enough information to enable the reader to assess the merits of the proposed project. It should specify the team members' names and duties, the company your team represents, product-market choice and rationale, relationship to the associated AB project, and timetable, and include an outline of the intended market-entry mode, or strategy, specific information sources (in addition to AB), and expected results.

2. The COMP project should begin with gathering and analyzing information and proceed to setting objectives, establishing criteria and evaluating alternatives, and recommendations. The final report should include an Executive Summary, Table of Contents, References, and the following main sections (not necessarily in this order – the exact topics, and the sequence, should be chosen depending on the nature of the project):
   a. Introduction (product description, company background, problem statement, etc.)
   b. Rationale for selecting the chosen country/region
   c. Objectives, limitations, criteria
   d. Selection of and rationale for chosen mode of entry into the target country
   e. Action plan, timetable, budget (how/when/at what cost/etc. will strategy be implemented)
Format

Unlike the AB, the formatting requirements for the COMP proposal and project are simple: The proposal should be no more than 3 pages. The final project has a maximum limit of 30 pages, exclusive of its appendix (please avoid excessively long appendices with information of marginal value).

Presentations

Each in-class presentation should be about 20 minutes (length depends on class size), with an additional 5 to 10 minutes for questions and discussion. The presentation should highlight the elements of the project and does not have to follow the structure of the written report. AV aids may be used to enhance the effectiveness of presentations. Multi-media presentations are encouraged. Each team is responsible for providing its own equipment.