

SYLLABUS

INTERNATIONAL STRATEGIC MANAGEMENT (ITRN 773)

**FALL 2006
Monday 7:20 – 9:50**

Professor Robert A. Rogowsky

ITRN 773 examines the foundations of business activity and strategic decision-making in a transnational environment. This course offers an intense introduction to international business and to the art and science of management. A primary objective of the course is to develop effective managerial and business leadership skills for dealing with the distinctive problems that arise when firms do business across national borders.

To accomplish this, we will review the institutions that set the foundation for the international marketplace. Students will examine the effects of national macro-policy environments on business and productivity. The next stage is to explore the theory and practice of strategic thinking. The final, and predominant, leg of the course applies this learning to the complex problem of managing in a dynamic global marketplace.

The course will be taught through lectures, class discussion, case studies, and guest lectures. The Socratic method will be employed heavily. This method assumes that students have read the material carefully and are ready to discuss analytically when called upon, even summarizing the issues to open discussion. Students unprepared in the material at least should be prepared to be embarrassed.

At least one short writing assignment will be made and explained in class. A mid-term test and an in-class final exam will be given. Grading will be based on class participation (20%), a writing assignment (20%), mid-term test (20%) and the final exam (40%).

The course requires three books:

William Lewis, *The Power of Productivity*, U. Chicago Press, 2004

Dixit & Nalebuff, *Thinking Strategically*, Norton Books, 1991

Christopher Hill, *International Business*, McGraw-Hill, 2005.

Other readings will be provided or posted on the website.

COURSE SCHEDULE

CLASS I (Aug. 28) *Introduction and Review of International Institutions*

No readings

SECTION I: International

CLASS II (Sept. 4) *Macro-Policy and Commerce I*

To Read: W. Lewis, *The Power of Productivity*, Findings and Part I

CLASS III (Sept. 11) *Macro-Policy and Commerce II*

To Read: W. Lewis, *The Power of Productivity*, Part II

CLASS III (Sept. 18) *Macro-Policy and Commerce III*

Guest Lecturer: Oliver Grawe, PhD
Senior Economist, Capital Analysis, Inc
To discuss Weyerhaeuser, Inc. Case Study

To Read: W. Lewis, *The Power of Productivity*, Part III

CLASS IV (Sept. 25) *International Financial Market*

To Read: C. Hill, *International Business*, Chapters 10 and 11.

SECTION II: Strategic

Class V (Oct. 2) *Strategic Decision-making I*

To Read: Dixit & Nalebuff, *Thinking Strategically*, Intro and Parts I and II

CLASS VI (Oct. 9) *Strategic Decision-making II*

To Read: Dixit & Nalebuff, *Thinking Strategically*, Part III

SECTION III: Management

Class VII (Oct. 16) *Theory/Nature of the Firm.*

To Read: Nicholson, *Intermediate MicroEconomics*, Chapter 7 and Appendix, [provided] J. Day & J. Wendler, “The new economics of organization,” McKinsey Quarterly 1998, Number 1, at http://www.mckinseyquarterly.com/article_print.aspx?L2=18&L3=30&ar=275.

CLASS VIII (Oct 23) *Strategy and Structure of International Business*

To Read: C. Hill, *International Business*, Chapter 12

CLASS IX (Oct 30) Guest Lecturer– Peter Ballinger/ OPIC

CLASS X (Nov. 6) *The Organization of International Business*

To Read: C. Hill, *International Business*, Chapter 13

CLASS XI (Nov. 13) *Entry Strategy and Strategic Alliances*

To Read: C. Hill, *International Business*, Chapter 14
Kotha, et al, “The Decision to Ally or Acquire, *HBR*, July, 2004

CLASS XII (Nov. 20) Thailand Chemicals exercise– negotiating an alliance

To Read: Case materials provided.

**CLASS XIII (Nov. 27) *Guest Lecturer*
Martin Coles, President, Starbucks Coffee International
*(Invited, and accepted in principle)***

CLASS IV (Dec. 4) *Global Production, Outsourcing and Logistics*

To Read: C. Hill, *International Business*, Chapter 16