

GEORGE MASON UNIVERSITY
SCHOOL OF PUBLIC POLICY

SUMMER 2008
JUNE 2-JULY 24

INTERNATIONAL BUSINESS OPERATIONS
AND MULTINATIONAL CORPORATIONS

ITRN 612-B01
T-TH: 7:20-10:00 PM

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SCOPE: This course focuses on issues which American businesses face in their global marketing operations. It examines how to formulate and implement marketing strategies in real world settings. The syllabus describes the major themes the course covers. International marketing cases will be used to illustrate the themes discussed. Instead of a textbook, I have developed a course pack which is available for purchase on line from Harvard Business School. The articles and cases in the course pack are reader friendly. They represent solid frameworks which help to foster effective decision making, both formal and intuitive. Instructions for purchasing the course material are given on p. 7 of the syllabus.

The course addresses the following themes:

WEEK ONE (JUNE 3, 5)

SELECTING FOREIGN MARKETS AND FOREIGN DIRECT INVESTMENT SITES
(FDIs)

- a] Porter's Five Forces and Diamond Models
- b] Rules-Based vs. Relationships-Based Marketing
- c] The Sebenius Framework
- d] The SLEPT/PEST Factors

MAJOR CASES

- i] Intel in Costa Rica
- ii] U.S. FDI in the Russian Oil Industry
- iii] FDI in South Africa
- iv] U.S. Stone Container in Honduras
- iv] Wal-Mart in Germany

Readings: Porter and Ketelhohn (Case 9-703-422; Porter (Article 90211); Spar, Janosz and Kou (Case 795022); Abdelal, Spar and Cousins (Case 9-702-035); Sebenius and Riley (Cases 9-897-172, 9-897-173, 9-897-174); Shaomin Li (Article BH 125); Class Hand-out on Wal-Mart in Germany

WEEK TWO (JUNE 10, 12)

- o Corporate Social Responsibility (CSR) in the conduct of international business: Investigates types of CSR programming; the link between competitive advantage and corporate social responsibility; and how far CSR programmings should extend.

MAJOR CASES

- i] The Pharmaceutical Industry and the AIDS Crisis
- ii] Nike and International Labor Practices
- iii] Nestle in India; AMEX's global operations

Readings: Porter and Kramer (Article R0612D); Kennedy (Article 702010); Burns and Spar (Article 700047)

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- o The Government and International Business: Assesses the policy consequences of requiring developing exporting countries to meet environmental and labor standards as a precondition for accessing developed country markets. The issue is examined in the context of the WTO's "Social Clauses."

MAJOR CASES

- i] U.S.-Vietnam Catfish Trade Dispute
- ii] U.S.-Cambodia Bilateral Textile Trade Agreement

Readings: Abrami (Cases 9-703-034; 9-706-003; and 9-706-006)

WEEK THREE (JUNE 17, 19)

- o U.S.-EU RELATIONS: Examines current and past U.S.-EU disputes; reasons for specific EU regulations; and their impact on the global operations of U.S. companies

MAJOR CASES

- i] U.S.-EU Foreign Sales Corporation Dispute
- ii] Boeing-Airbus Dispute
- iii] EU-GM Dispute
- iv] EU-Microsoft Dispute
- v] U.S.-EU Banana Trade Dispute
- vi] U.S.-EU Dispute over Hormone-Treated Beef

Readings: Moss, Bartlett (Article 9-703-016); Yoffie and Slind (Article 9-706-503)

FIRST EXAM: JUNE 24

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WEEK FOUR (JUNE 24, 26)

o Operations Management: Breaking Open the Japanese Market. Examines two major but different approaches used by the U.S. Health Industry Manufacturers Association (HIMA) over a five-year period to influence the Japanese government to open its door wider to American exports.

MAJOR CASE

i] HIMA in Japan

Readings: Watkins (Case 9-904-018; 9-904-019)

WEEK FIVE (JULY 1, 3)

o Operations Management: Structuring strategic alliances in global markets

MAJOR CASES

- i] Palliser Furniture of Canada
- ii] Sourcing Strategies at Sun Microsystems
- iii] GM in China
- iv] IBM in Taiwan
- v] Motorola in Japan

Readings: Beamish and Tang (Case 904M05); Holloway and Higuera (Case OIT34)

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- o Operations Management: Managing branding strategies in global markets. Examines the dynamics which go into developing a global brand.

MAJOR CASES:

- i] The Body Shop
- ii] Nestle's Buitoni Pasta
- iii] Cadbury Chocolates
- iv] Allstate Insurance and the Chinese Consumer
- v] IBM and the Afro American Consumer

Readings: Holt (Article R0303B; Joachimsthaler and Aaker (Article 97107)

WEEK SIX (JULY 8, 10)

- o Operations Management: New Product Development - Generating Demand in the Mainstream Market for the Toyota Prius

MAJOR CASES

- i] The Toyota Prius

Readings: Saperstein and Nelson (Article 904A03); students also are required to study the following Toyota website: <http://www.toyota.com/endurance>

SECOND EXAM: JULY 10

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WEEK 6 (JULY 15, 17)

- o Operations Management: Customer Relations Management -Achieving Customer Loyalty

MAJOR CASES

- i] Starbucks: Delivering Customer Service
- ii] Comparing Customer Service Policies at American and Southwest Airlines, Nucor Steel, IBM, Granite Rock, W.L Gore & Associates, Square D, and The New York Times

Reading: Moon and Quelch (Article 504016)

- o Operations Management: Maintaining Competitiveness in the Face of Changing Technological Frontiers

MAJOR CASE: General Electric Medical Systems

Reading: Khanna and Weber (Case 702428)

WEEK 7 (JULY 22)

- o REVIEW

FINAL EXAMINATION: JULY 24

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There will be three examinations--including the final. All exams will consist of essay questions. The exams will carry equal weight. See p. 9 of the syllabus for details on grading. The first two examinations will be held on June 24 and July 10. The final is scheduled for July 24.

Inasmuch as lectures go beyond the assigned readings, class attendance becomes an important determinant in final grades.

Class lectures will be supplemented by study guides. These will be e-mailed to students on a regular basis to assist them in their review of the material covered in class and in their preparation for the exams. The study guides will be sent as COLLECTIVE EMAILS to the students' email addresses registered with patriotweb. Under no circumstance will the study guides or other communications be emailed to students other than through the collective email list attached to the class roster on patriotweb.

Thus, students are responsible for ensuring that 1) their active e-mail addresses are registered with patriotweb; 2) their mailboxes always have enough space to receive incoming study guides and other class communications. Students are responsible for the contents of the study guides, material covered in class, and assigned readings.

TEXT: In lieu of a textbook, I have compiled a selection of business cases and journal articles from the Harvard Business School and other universities. The link to download this packet directly from Harvard at a reduced price is the following:
<http://harvardbusinessonline.hbsp.harvard.edu/relay.jhtml?name=cp&c=c65811>

As I have several course packs on the Harvard site, please ensure that you purchase the right one, as Harvard does not have a refund policy

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SPP STATEMENT ON ACADEMIC INTEGRITY. The University requires that the following statement be included in all syllabi:

"The profession of scholarship and the intellectual life of a university as well as the field of public policy inquiry depend fundamentally on a foundation of trust. Thus any act of plagiarism strikes at the heart of the meaning of the university and the purpose of the School of Public Policy. It constitutes a serious breach of professional ethics and it is unacceptable.

Plagiarism is the use of another's words or ideas presented as one's own. It includes, among other things, the use of specific words, ideas, or frameworks that are the product of another's work. Honesty and thoroughness in citing sources is essential to professional accountability and personal responsibility. Appropriate citation is necessary so that arguments, evidence, and claims can be critically examined.

Plagiarism is wrong because of the injustice it does to the person whose ideas are stolen. But it is also wrong because it constitutes lying to one's professional colleagues. From a prudential perspective, it is shortsighted and self-defeating and it can ruin a professional career.

The faculty of the School of Public Policy takes plagiarism seriously and has adopted a zero tolerance policy. Any plagiarized assignment will receive an automatic grade of "F." This may lead to failure for the course, resulting in dismissal from the University. This dismissal will be noted on the student's transcript. For foreign students who are on a university-sponsored visa (eg F-1, J-1 or J-2), dismissal also results in the revocation of their visa.

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To help enforce the SPP policy on plagiarism, all written work submitted in partial fulfillment of course or degree requirements must be available in electronic form so that it can be compared with electronic databases, as well as submitted to commercial services to which the School subscribes. Faculty may at any time submit student's work without prior permission from the student. Individual instructors may require that written work be submitted in electronic as well as printed form. The SPP policy on plagiarism is supplementary to the George Mason University Honor Code. It is not intended to replace it or substitute for it."

SPECIAL NEEDS. Any student with special needs should bring this to my attention not later than the second week of class. The student also should contact the Disability Resource Center (DRC) at 703-993-2474. All academic accommodations must be arranged through the DRC.

Grading is based on the following numerical score achievements:

95-100:	A
91-94:	A-
85-90:	B+
80-84:	B
75-79:	B-
70-74:	C+
65-69:	C

This syllabus consists of nine pages.