

COURSE INFORMATION

Course title:	Multinational Strategic Management		
Course code:	BASM 530	Credits:	1.5
Session:	2021W Period 5	Classroom:	HA 254
Section(s):	001	Class times:	Mon/Wed 08:00-10:00
Course duration:	Nov 1-Dec 11, 2021	Pre-requisites:	N/A
Division:	SBE	Co-requisites:	n/a
Program:	Full-time MBA		

INSTRUCTOR INFORMATION

Instructor:	Dr. Werner Antweiler		
Phone:	604-822-8484	Office location:	HA275 / private Zoom room
Email:	werner.antweiler@ubc.ca	Office hours:	by appointment

COURSE DESCRIPTION

This module explores the business environment of multinational enterprises and exporters, the forces that determine where and how firms produce goods and services around the world, and how firms respond to international competition, law and institutions. In this module we focus on the strategic decisions that firms make in internationalizing their markets, and we analyze how firms adapt to an ever-changing economic and political international landscape that poses unique challenges and risks.

Multinational strategic management builds on the foundation that students have acquired in their strategic management course, but develops a new framework to analyze the international dimension of decision-making. For this purpose, the module introduces additional economic concepts and tools that explore the horizontal and vertical boundaries of multinationals and their effective organizational structure. We develop tools to manage currency risk, international taxation, intellectual property rights, marketing plans, and all the challenges that are unique to cross-border business transactions.

Locating production effectively requires understanding country differences in productivity, factor endowment, and production scale. We will formulate business strategy by identifying the specific opportunities and risks that multinational corporations face. Michael Porter's model of competitiveness in the international business environment provides a unifying perspective on these issues. This module also explores how location advantages may be offset by higher transaction costs or location-specific risks. We will also identify the instruments of government involvement and assess their impact on the multinational corporations.

COURSE FORMAT

In-class time will be spent on lectures and discussions. Students will do readings outside of the classroom. There will also be group-based essay and presentation project to be completed outside of class time.

LEARNING OBJECTIVES

At the end of the course, students will be able to:

- *Identify the types of risks inherent in international business and apply mitigating strategies;*
- *Identify the factors underlying the location choice of an international business with respect to comparative and competitive advantage, scale economies, and proximity advantages;*
- *Design tools to adapt to foreign markets and deal with exchange rate risk and regulatory risk;*
- *Understand the role of institutions and international law in international business operations;*
- *Develop an export (or multinational expansion) plan.*

ASSESSMENTS

Summary

<u>Component</u>	<u>Weight</u>
Export Plan	40%
- own team's written report 20%	
- own team's presentation 15%	
- evaluation of other team's report 5%	
Final exam	40%
Class participation	<u>20%</u>
Total	<u>100%</u>

Details of Assessments

Participation

It is important to attend all sessions and fully engage in classroom discussions of the pertinent topics. Please keep your class notes up-to-date. The final exam will cover everything discussed in class in addition to what is covered in presentation slides and articles.

Export (Multinational Expansion) Plan Team Project

A self-directed team project is part of this course. Students are asked to form teams of four (3–5) students in order to research, prepare, write, present, and evaluate an export plan. The export (or multinational expansion) plan for a business should: (1) profile the company briefly; (2) describe the products and/or services which the company proposes to market abroad; (3) identify a suitable target country; (4) estimate the potential market size for your product; (5) assess the challenge posed by competitors; (6) consider a suitable marketing and pricing strategy; (7) discuss the necessary transportation logistics; (8) describe possible constraints to export success such as domestic and foreign competition, tariff and non-tariff barriers, consumer preferences, and economic and financial market factors; (9) discuss the need for partnering in the foreign country to ensure distribution; (10) assess the need for export financing or insurance; (11) consider exchange rate risk; and (12) evaluate the overall potential for success. The topic of your export plan must be discussed with and approved by your instructor by the end of the second week. Helpful information and pointers to resources will be posted on the course web site.

The export plan should not exceed about 12 pages of text and may contain additional appendix material such as charts, figures, tables, and references. Given the space constraint, you will have to be very selective in what you include. Demonstrate that you can apply theory taught in class and that you can conduct thorough factual research (document your sources in a reference section at the end of the paper). When using information from web sites, make sure that you identify the credibility and timeliness of the source.

A summary of the export plan should be presented in session 10 (and session 9 if enrolment numbers require extra presentation slots) so that other students can learn from your ideas and comment on them. The purpose of the 10-15 minute presentation is to convince the audience that the export plan is profitable—a reasonable match of risk and return. The written export plan must be turned in to the instructor on the day of the presentation. All export plans will be posted as PDFs in the course management system to share with the other students in this course.

The instructor will grade the written export plans on three criteria: (a) quality and depth of research; (b) comprehensiveness and breadth of coverage; and (c) effectiveness of communication and consistency of arguments. The entire audience will grade the presentations through peer evaluations.

Lastly, each team will write a 1-2 page evaluation of another team's report, to be shared with both the instructor and the other team. This evaluation report is due on the day of the final exam. The purpose of this evaluation report is to mimic the process of approving an export plan for funding (e.g., a loan, EDC funding).

Final Exam

A final two-hour written exam will be held during the exam week for the MBA period. The final exam consists of two parts: a true-false quiz with 52 statements bundled into 11-12 topics (which should take about 30 minutes) and three essay-style questions worth 16 points each (which should take about 30 minutes per question). One of the questions will be based on the in-class discussions of a pertinent topic or case. The exam will be marked out of 100 points, with 52 points for the true-false quiz and 48 points for the essay part. Further details will be announced in cooperation with the RHL Office.

LEARNING MATERIALS

Recommended textbook: *Elements of Multinational Strategy* by Keith Head, Springer 2008. The book is available in the UBC bookstore and can be found free online at <http://link.springer.com/book/10.1007%2F978-3-540-44766-5>.

Additional readings will be provided through an on-line reading list of articles from suitable newspapers, journals, and business magazines. Material will be posted on UBC's Canvas platform

OBTAIN THE COURSE PACKAGE THROUGH THE FOLLOWING SOURCE

<https://www.iveypublishing.ca/s/ivey-coursepack/a1R5c00000F1cf6EAB/basm-530-sec-001-p5-nov-01-to-dec-01-2021-multinational-strategic-mana>

This package contains two case studies that we will discuss in class: the Volkswagen “Dieselgate” case, and the Ford/Geely case. Please purchase the case package through Ivey Publishing.

COURSE-SPECIFIC POLICIES AND RESOURCES

Missed or late assignments, and regrading of assessments

Late submissions will not be accepted and will receive a grade of zero.

Academic Concessions

If extenuating circumstances arise, please contact the RHL Graduate School program office as early as reasonably possible, and submit an [Academic Concession Request & Declaration Form](https://webforms.sauder.ubc.ca/academic-concession-rhlee) <https://webforms.sauder.ubc.ca/academic-concession-rhlee>. If an academic concession is granted during the course, the student will be provided options by RHL, or by the instructor in consultation with RHL, per [UBC’s policy on Academic Concession](#).

POLICIES APPLICABLE TO COURSES IN THE ROBERT H. LEE GRADUATE SCHOOL

Attendance

Excepting extenuating circumstances, students are expected to attend 100% of their scheduled class hours. Absent students limit their own academic potential, and that of their classmates, and cause unnecessary disruption to the learning environment. Students missing more than 20% of the total scheduled class hours for a course (including classes held during the add/drop period) without having received an academic concession will be withdrawn from that course. Withdrawals, depending on timing, could result in a “W” or an “F” standing on the transcript.

COVID-19 Policies for Attendance & Academic Concessions:

If a student feels unwell, they should stay home and send a courtesy email to each impacted instructor and cc their program manager. The student should also submit an [Academic Concession Request & Declaration Form](#).

If a student suspects possible COVID-19 infection, they should use the BC Ministry of Health’s [self-assessment tool](#), to help determine whether further assessment or testing for COVID-19 is recommended.

If a student is required to self-isolate (e.g., while waiting for test results), they should follow the steps above (stay home, email instructor(s) and program manager, submit an [Academic Concession Request & Declaration Form](#), and follow BC Health Guidance.

Students who are required to quarantine, should get in touch with their Program Manager to discuss the possibility of academic concessions for each impacted course. The Program Manager will work closely with your instructors to explore options for you to make up the missed learning.

COVID-19 Safety in the Classroom:

Masks: Masks are **required** for all indoor classes, as per the BC Public Health Officer orders. For our in-person meetings in this class, it is important that all of us feel as comfortable as possible engaging in class activities while sharing an indoor space. For the purposes of this order, the term “masks” refers to

medical and non-medical masks that cover our noses and mouths. Masks are a primary tool to make it harder for COVID-19 to find a new host. You will need to wear a medical or non-medical mask for the duration of our class meetings, for your own protection, and the safety and comfort of everyone else in the class. You may be asked to remove your mask briefly for an ID check for an exam, but otherwise, your mask should cover your nose and mouth. Please do not eat in class. If you need to drink water/coffee/tea/etc, please keep your mask on between sips. Students who need special accommodation are asked to discuss this with the program office.

Seating in class: To reduce the risk of COVID-19 transmission, please sit in a consistent area of the classroom each day. This will minimize your contacts and will still allow for the pedagogical methods planned for this class to help your learning.

Visit the following website for the most recent updates regarding COVID-19 protocol on campus:
<https://students.ubc.ca/campus-life/returning-to-campus>

Punctuality

Students are expected to arrive for classes and activities on time and fully prepared to engage. Late arrivals may be refused entry at the discretion of the instructor or activity lead. Students arriving later than halfway through a scheduled class will be treated as absent for that class.

Electronic Devices

Devices such as laptops, tablets, and cell phones are not permitted to be used in class unless directed by the instructor for in-class activities. Students who do not follow the School's policy in this regard may be required to leave the room for the remainder of the class, so that they do not distract others. Research shows that students' use of laptops in class has negative implications for the learning environment, including reducing their own grades and the grades of those sitting around them.

Citation Style

Please use the American Psychological Association (APA) reference style to cite your sources.

Details of the above policies and other RHL Policies are available at:

<http://www.calendar.ubc.ca/vancouver/index.cfm?tree=12,199,506,1625>

UNIVERSITY POLICIES AND RESOURCES

UBC provides resources to support student learning and to maintain healthy lifestyles but recognizes that sometimes crises arise and so there are additional resources to access including those for survivors of sexual violence. UBC values respect for the person and ideas of all members of the academic community. Harassment and discrimination are not tolerated nor is suppression of academic freedom. UBC provides appropriate accommodation for students with disabilities and for religious observances. UBC values academic honesty and students are expected to acknowledge the ideas generated by others and to uphold the highest academic standards in all of their actions. Details of the policies and how to access support are available on the UBC Senate website at <https://senate.ubc.ca/policies-resources-support-student-success>.

Respect for Equity, Diversity, and Inclusion

The UBC Sauder School of Business strives to promote an intellectual community that is enhanced by diversity along various dimensions including status as a First Nation, Metis, Inuit, or Indigenous person, race, ethnicity, gender identity, sexual orientation, religion, political beliefs, social class, and/or disability. It is critical that students from diverse backgrounds and perspectives be valued in and well-served by their courses. Furthermore, the diversity that students bring to the classroom should be viewed as a resource, benefit, and source of strength for your learning experience. It is expected that all students and members of our community conduct themselves with empathy and respect for others.

Academic Integrity

The academic enterprise is founded on honesty, civility, and integrity. As members of this enterprise, all students are expected to know, understand, and follow the codes of conduct regarding academic integrity. At the most basic level, this means submitting only original work done by you and acknowledging all sources of information or ideas and attributing them to others as required. This also means you should not cheat, copy, or mislead others about what is your work. Violations of academic integrity (i.e., misconduct) lead to the breakdown of the academic enterprise, and therefore serious consequences arise and harsh sanctions are imposed. For example, incidences of plagiarism or cheating may result in a mark of zero on the assignment or exam and more serious consequences may apply if the matter is referred to the President’s Advisory Committee on Student Discipline. Careful records are kept in order to monitor and prevent recurrences.

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All materials of this course (course handouts, lecture slides, assessments, course readings, etc.) are the intellectual property of the instructor or licensed to be used in this course by the copyright owner. Redistribution of these materials by any means without permission of the copyright holder(s) constitutes a breach of copyright and may lead to academic discipline and could be subject to legal action. Any lecture recordings are for the sole use of the instructor and students enrolled in the class. In no case may the lecture recording or part of the recording be used by students for any other purpose, either personal or commercial. Further, audio or video recording of classes are not permitted without the prior consent of the instructor. Students may not share class Zoom links or invite others who are not registered to view sessions.

ACKNOWLEDGEMENT

UBC’s Point Grey Campus is located on the traditional, ancestral, and unceded territory of the x^wməθk^wəyəm (Musqueam) people, who for millennia have passed on their culture, history, and traditions from one generation to the next on this site.

COURSE SCHEDULE (subject to change with class consultation)

Class	CLASS TOPICS
Mon, Nov. 1	Session 1.1: Introduction / Canada in the Global Economy Session 1.2: Which markets are evolving where? The quest for opportunities and resilience.
Wed, Nov.3	Session 2.1: Where shall we produce? Insights from international economics Session 2.2: What could possibly go wrong? From market entry to market exit.

Mon, Nov. 8	Session 3.1: How can we gain and defend competitiveness internationally? Session 3.2: Case Study: LEGO defends its core competence in a changing world
Wed, Nov. 10	Session 4.1: Multinational organizational structure, strategic alliances Session 4.2: Managing Adversity and Recovery: how VW survived its “Dieselgate” scandal
Mon, Nov. 15	Session 5.1: International Price Discrimination and Market Segmentation Session 5.2: Managing Exchange Rate Risk
Wed, Nov. 17	Session 6.1: Global Energy Markets: fundamental transformations Session 6.2: Climate Change and the Multinational Business
Mon, Nov. 22	Session 7.1: International Trade Law Session 7.2: Competition Law Across Countries
Wed, Nov. 24	Session 8.1: Intellectual property rights – Protection and Patent Wars Session 8.2: Case Study: Alphabet/Amazon/Facebook and international corporate taxation
Mon, Nov. 29	Session 9.1: International Marketing; Case Study: GEELY Session 9.2: Team Presentations A, B,C
Wed, Dec. 1	Session 10.1: Team Presentations D,E,F Session 10.2: Team Presentations G,H,I
T.B.A.	Final Exam (2 hours)

Enrolment figures will determine the number of team presentations.