

Global Strategy

Instructor	Prof. Dr. Marc Oliver Bettzüge University of Cologne bettzuege.marc@uni-koeln.de
Course	14:00 – 17:30 hrs on Sep 6 th , 7 th , 12 th , 13 th 09:00 – 11:00 hrs on Sep 14 th 09:00 – 12:30 hrs on Sep 19 th Room S25, Seminar Building 14:00 – 17:30 hrs on Sep 19 th Room HS XXI 14:00 – 19:00 hrs on Nov 21 st , 22 nd 09:00 – 14:00 hrs on Nov 24 th Room KFR 1 – ewi (Vogelsangerstr. 321 a)
Time (exam)	10:30-11:30 hrs October 18 th Room HS II
Admission	MIM and CEMS students only
Registration	All students are required to sign up for the examination in KLIPS 2 before October 4 th .
Credit points	6 ECTS (Incoming students can sign up for 1.5 additional ECTS)

Requirements

Students should have some familiarity with general concepts in business strategy.

Course description

This course provides the student with an understanding of how companies build and sustain competitive advantage in a global setting. In particular, the course examines the external conditions and challenges for multinational enterprises, including the current debate about the rise of Neo-Protectionism, and it discusses the strategic opportunities and needs arising from them. A particular emphasis is put on equipping students with the analytical capabilities to assess a corporation's global strategy, and to apply generic insights to specific strategic challenges for global corporations such as e.g. the impact of digital technology, or ethical implications for compliance and CSR (Corporate Social Responsibility).

Teaching will be based on textbooks, research literature, and case studies. Students are encouraged to actively, creatively, and critically engage with the instructor and the group during the entire course. In-class discussions will be used extensively to clarify concepts and to discuss insights and implications from an interdisciplinary perspective.

Course structure

The course will follow the detailed course outline described below. In general, the course will be organized in two phases:

Phase 1 (September) introduces the student to important *general concepts* from the global strategy literature. It is conducted in six 4-hour-time slots. In each of these slots, general concepts will be presented, followed by deep-dives, incl. more practice oriented discussions and guest lectures by practitioners.

Phase 2 (October - December) is devoted to students' research projects incl. optional in-class discussion sessions as well as, potentially, further guest lectures in November. Research projects will focus on *specific issues in global strategy* and on *practical applications*.

Expectations

Since it is impossible to benefit from in-class discussions when absent, attendance is strictly required. Moreover, students are strongly expected to have read the required texts, and to have prepared the case studies indicated *before coming to class*. Also, additional homework will be required from time to time.

Between the end of September and December, students are expected to conduct a research project, documented as a research paper. Students will get the opportunity to present their project in class before finalizing the paper such as to solicit feed-back and additional input from the instructor and the group.

Grading

Students' grades will be based on the results of a mid-term exam (max. 30 points attainable) and the quality of the research paper (max. 30 points attainable).

Quality of participation in class as well as of the presentation of the research project will also be evaluated and can serve to improve the overall grade (up to 10 bonus points attainable, i.e. up to 5 each for participation and presentation, respectively).

Exam

The exam will be a 60-minutes exam covering key concepts discussed during the first half of the course. No books, notes, or other material, and no consultations with other students will be allowed during the exam.

Answers to the questions will be graded according to the quality of the argument. In particular, this means that the richness, the depth, the clarity, and the style of the argument will be important criteria for its evaluation.

Research project

In delivering their research project, students are expected to clearly structure the research question, put it into the context of the existing literature, develop a method, generate the data (if needed),

conduct the analysis, and critically reflect upon the results. A particular emphasis should be given on a methodologically sound approach to the project.

MIM Students will be asked to conduct an individual research project within the context of an overall group assignment, and to deliver an *individual paper* (2,250 – 2,750 words). Incoming CEMS students will be required to work in groups, and to deliver a *group paper* (7,000 – 8,000 words). All Papers have to be handed in by Dec 10th, 2400 hrs.

Topics for research projects, as well as guidelines for the presentations, will be provided in the session on September 19th.

Additional ECTS

Incoming students can sign up for 1.5 additional ECTS by giving written notice to ZIB by Sep 30th, 2400 hrs. After signing up, they will receive an assignment for an essay comprising 1,000 – 1,500 words. Essays have to be handed in by Dec 10th, 2400 hrs.

Course material

Slides and other material will be provided via the ILIAS learning platform (within the limits set by copyright law). Apart from research papers and case studies, the course will rely on (parts of) two standard textbooks:

Collis, D., 2014, *International Strategy*, Wiley

Peng, M.W., 2014, *Global Strategic Management (international Edition)*, South Western/Cengage Learning

Course outline and reading material

Session 1 (Sep 6th) Introduction and context

Compulsory: Collis, Chapters 1, 3

Ghemawat, P., 2003, Semiglobalization and international business strategy, *Journal of International Business Studies*, 34 (2), 138-152

Further suggestions: Dicken, P., 2007, *Global Shift*, 5th edition, especially Chapter 1

Florida, R., 2005, The world is spiky, in: *The Atlantic*, 48-51

Friedman, T.L., 2005, *The World is Flat: A Brief History of the 21st Century*, Farrar, Straus and Giroux, New York.

Ghemawat, P., 2007, *Redefining Global Strategy: Crossing Borders in a World where Differences Still Matter*, Harvard Business Review Press, Boston

Prahalad, C.K., and S. Hart, 2002, The fortune at the bottom of the pyramid, *Strategy + Business*, 26 (1), 2-14

Rockström, J. et al., 2009, A safe operating space for humanity. *Nature* Vol. 461 472–475.

Smick, D.M., 2008, *The world is curved*, Penguin Portfolio, New York

United Nations Development Programme (UNDP), 2016, *Human Development for Everyone*, New York

Session 2 (Sep 7th)	Theory of the Multinational Enterprise (MNE)
Compulsory:	Collis, Chapter 2 Dunning, J.H., and Lundan, S. M., 2008, Institutions and the OLI paradigm of the multinational enterprise, <i>Asia Pacific Journal of Management</i> , 25, 573–593
Further suggestions:	Cantwell, J., 2009, Location and the Multinational Enterprise, <i>Journal of International Business Studies</i> , 40, 35-41 Cantwell, J., Dunning, J.H., and S.M. Lundan, 2010, An evolutionary approach to understanding international business activity: the co-evolution of MNEs and the institutional environment, <i>Journal of International Business Studies</i> , 41 (4), 567-586 Fahy, J., 2002, A resource-based analysis of sustainable competitive advantage in a global environment, <i>International Business Review</i> , 11 (1), 52-77 Hennart, J.F., 2009, Theories of the Multinational Enterprise, in: <i>The Oxford Handbook of International Business</i> , edited by A.M. Rugman, 2nd edition, Oxford Porter, M., 1990, The competitive advantage of nations, <i>Harvard Business Review</i> 68 (2), 73-93
Session 3 (Sep 12th)	Dynamic view on internationalization
Compulsory:	Peng, Chapter 3 Palakh J., 2013, Economics behind the internationalization of Biocon India Ltd, <i>Emerald Emerging Markets Case Studies</i>
Further Suggestions:	Lessard, D., Lucea, R., and L. Vives, 2012, Building your company’s capabilities through global expansion, <i>Sloan Management Review</i> , 54 (2), 61-67 Mudambi, R., and T. Swift, 2011, Leveraging knowledge and competencies across space: the next frontier in international business, <i>Journal of International Management</i> , 17 (3), 186-189 Werr, A., and T. Stjernberg, 2003, Exploring Management Consulting Firms as Knowledge Systems, <i>Organization Studies</i> , 24 (6), 881-908
Session 4 (Sep 13th)	Generic strategies for Multinational Enterprises (MNEs)
Compulsory:	Collis, Chapters 4, 5
Further suggestions:	Collis, Chapter 6 Gande, A., Schenzler, C., and L. Senbet, 2009, Valuation Effects of Global Diversification, <i>Journal of International Business Studies</i> , 40 (9), 1515-1532 Lessard, D.R., 2003, Frameworks for Global Strategic Analysis, <i>Journal of Strategic Management Education</i> , 1 (1) Rugman, A. M., 1993, Generic Strategies in Global Competition, <i>Research in Global Strategic Management</i> , Vol. 4, 3-15 Xu, D. and Shenkar, O., 2002, Institutional distance and the multinational enterprise. <i>Academy of Management Review</i> , 27, 608–618.
Session 5 (Sep 14th)	Initial discussion of students’ research projects
Session 6 (Sep 19th)	Market entry and strategic alliances

Compulsory: Peng, Chapters 5, 7

Al-Ali, H.A., and S.Z. Ahmad, 2014, Etihad Airlines: growth through successful strategic partnerships, Emerald Emerging Markets Case Studies

Further suggestions: Andersen, O., 1997, Internationalization and Market Entry Mode: A Review of Theories and Conceptual Frameworks, *Management International Review*, 37 (2), 27-42

Inkpen, A., 2003, Strategic Alliances, in: *The Oxford Handbook of International Business*, edited by Rugman, A.M., and T. Brewer, Oxford, 402-427

Kim, Ch., and P. Hwang, 1992, Global Strategies and Multinational Entry Mode Choice, *Journal of International Business Studies*, 23 (1), 29-53

Lasserre, Ph., 2012, *Global Strategic Management*, Palgrave MacMillan, Chapters 4, 7

Session 7a (Sep 19th) Global vs. Regional Strategies

Compulsory: Osegowitsch, T. and Sammartino, A., 2008, Reassessing (home-)regionalisation. *Journal of International Business Studies*, 39, 184–196.

Rugman, A.M. and Verbeke, A., 2008, The theory and practice of regional strategy: a response to Osegowitsch and Sammartino. *Journal of International Business Studies*, 39, 326–332.

Further suggestions: Dunning, J., Fujita, M. and Yakova, N., 2007, Some macro data on the regionalisation/globalisation debate, *Journal of International Business Studies* 38(1)

Ohmae, K., 1985, *Triad power: The coming shape of global competition*. New York: The Free Press.

Qian, G., Li, L., and A.M. Rugman, 2013, Liability of country foreignness and liability of regional foreignness: their effects on geographic diversification and firm performance, *Journal of International Business Studies*, 44 (7), 635-647

Rugman, A.M., and A. Verbeke, 2004, A perspective on regional and global strategies of multinational enterprises, *Journal of International Business Studies*, 35 (1), 3-18

Rugman, A.M. and Verbeke, A., 2007, Liabilities of foreignness and the use of firm-level versus country-level data: a response to Dunning et al. (2007). *Journal of International Business Studies*, 38, 200–205.

Wolf, J., Dunemann, T., and W.G. Egelhoff, 2012, Why MNCs tend to concentrate their activities on their home region, *Multinational Business Review*, 20 (1), 67-91

Session 7b (Sep 19th) Guest lecture: Hugo Pereira, Corporate Strategy, Bayer AG

Compulsory: Bayer AG, 2016, Annual Report

Session 8 (Nov 21st) Student presentations and discussion; guest lectures (tba)

Session 9 (Nov 22nd) Student presentations and discussion; guest lectures (tba)

Session 10 (Nov 24th) Student presentations and discussion; guest lectures (tba)