IBUS 705
Sustaining the Global Enterprise
Fall 2010, Friday 9:30PM-12:15PM, BA 434

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COURSE DESCRIPTION:
Welcome to the Moore School of Business, the leading international business school in the world, and welcome to the Masters of International Business, the leading program in international business. After graduation, when you work in a multinational company, you need to understand how to deal with the big-picture demands placed on the multinational company by the diverse environments in which it operates. By operating across countries, the multinational company has to address governance issues from that may jeopardize its ability to achieve a profit, environmental issues from the unintended impact that its actions have on nature, and social issues from the interaction of the multinational company with diverse societies.

In the course Sustaining the Global Enterprise you will learn how the multinational company addresses this triple bottom line of profits (governance issues), people (social issues) and planet (environmental issues). Although the triple bottom line affects all types of firms, these issues are heightened in multinational company because it operates in multiple countries with very diverse conditions. By analyzing these big-picture topics we will learn how to create, transfer and adapt business models across countries that enable the multinational company to achieve a sustainable competitive advantage.

The course is organized into three parts. In the first one, we study how the multinational company solves governance issues to sustain its profitability. The analysis of governance issues will emphasize accounting, finance, security and negotiations in a multinational firm. In the second part we analyze social issues that affect the operations of the firm abroad. The study of social issues will highlight technology, innovation and human resource management in a multinational firm. In the third part we study environmental issues that the multinational company needs to solve. The evaluation of environmental issues will bring to light business models, production and marketing in multinational firms All these issues are not only challenges that the multinational company has to address, but also opportunities for creating new sources of competitive advantage.

COURSE MATERIALS:
This is an advanced course on international strategy. Since there are no textbooks that cover the topics we study, materials will be available from blackboard. As background to the topics we will read chapters in Bjorn Lomborg (ed.) (2009) Global Crises, Global Solutions. Cambridge: Cambridge University Press.

REQUIREMENTS:
Class attendance and participation (20%). To benefit from this course you need not only to come to class, but also actively participate in the discussions. I want you to understand the readings and learn how to analyze information and distill the best actions. You will have to present your ideas and understand the assumptions upon which you are building your arguments. Quality rather than quantity of comments will get you a good grade.

Exams (45%). We will have three very short exams that will test basic knowledge of previous readings and class discussions.

Report (30%): Sustaining the global enterprise. You will analyze one of the challenges that we study and how a real multinational company is facing or has faced it in its global operations. This report will be similar to reports that you will write when you work for a multinational company or a consulting firm. I will
assign the challenge and you will find a company that has faced such challenge abroad, gather and analyze information on the company and challenge, and provide recommendations on how best to tackle it.

The report has two parts. In the first part you will describe the company, its current operations, and the challenge it has faced or is facing abroad (10 pages, single-space). In the second part you will analyze the challenge, its causes, and the potential solutions that the firm can take, providing recommendations on what to do now and in the future (5 pages, single-space). Be careful in acknowledging the sources of information and present them in a list of references. Place as much supporting material at the end of the reports as you want.

The reports will be graded on two main areas: The quality of the analysis and the strength of the argument, and the clarity of the presentation. Please take special care with the manner in which you write the reports, including spelling, syntax, and grammar, to provide a persuasive argument.

Please send me the reports via e-mail. Late reports will get zero points.

Presentation of the reports (5%). You will present the reports in class. This will provide you with experience on how to present the analysis and recommendations in a concise and professional manner, and defend ideas in public. The presentation will be graded by the audience in terms of interest, thoroughness, and clarity of the analysis and presentation.

LOGISTICS:

Ethical behavior: You have to behave ethically and follow the Moore School Code of Conduct for undergraduate students, as well as the University of South Carolina Honor Code (http://www.sc.edu/academicintegrity/)

Class notes: Class notes represent the intellectual property, either direct or borrowed, of faculty members. The unauthorized distribution or sale of class notes by students is prohibited.

Grading: Point grades are curved and the final letter grade is determined in relationship to the class average. You can only get A if your final grade is above the class average.

Re-grading policy: If you want to dispute the grade assigned to a report or exam, you must do so via e-mail within 48 hours after the report or exam has been returned. You must include a specific rationale. "I think I deserve a better grade" does not constitute a rationale.

CLASS SCHEDULE (subject to change):

I. Introduction
   1. Aug 20. Multinationals and sustainability

II. Profit: Governance issues in multinational firms
   5. Sep 3. Crime (security in multinational firms)
   3. Sep 10. Controls (negotiations and government relationships in multinational firms)
   4. Sep 17. Crisis (finance in multinational firms)

III. People: Social issues in multinational firms
   Sep 24. Exam 1: Profit
   6. Sep 24. Education (technology in multinational firms)
   Oct 15. Fall break
   9. Oct 22. Living conditions (innovation in multinational firms)

IV. Planet: Environmental issues in multinational firms
   Oct 29. Exam 2: People
   10. Oct 29. Climate change (business models in multinational firms)
   11. Nov 5. Pollution (production in multinational firms)

V. Conclusions
   Nov 26. Thanksgiving recess
   Dec 3. Exam 3: Planet

   Dec 10. Reports due