



Texas BFP - Business Foundations Certificate Program

## **FOUNDATIONS OF INTERNATIONAL BUSINESS**

### **IB 320F**

Fall 2012 -- Unique # 04850  
T/TH 3:30 – 5:00 pm; UTC 2.102A

#### **Instructor Information:**

Instructor: Susan Barker Snyder  
Office: GSB 5.176G  
Office Hours: Tuesdays and Thursdays (1:30 – 3:00 pm) and anytime by appointment (e-mail for appointment time)  
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#### **Prerequisites:**

This course is an upper division course offered to those in upper division standing (completion of a minimum of 60 credit hours). Please note that a grade point average of 2.0 or better is required for Business Foundations Certificate.

#### **Textbook:**

*Global Business Today, 7<sup>th</sup> edition*, Charles W.L. Hill, Irwin McGraw-Hill, 2011 (ISBN: 978-0-07-813721-1) <http://www.mhhe.com/hillgbt7e>. The text is available at the Co-op and other text locations. An on-line version can be purchased at <http://www.coursemart.com>.

Additional course materials will be posted on Blackboard. Please check Blackboard regularly.

## **Course Description:**

Business today is by all measures -- global. No business or industry of any size is immune from the global environment. Even small businesses that purchase and sell only in the U.S. are subject to competition from products coming into the U.S. from overseas or from global issues when their suppliers or consumers become global. Therefore, even employees of such companies are affected by the global environment. Understanding the global economy, therefore, is necessary for all engaged in business and careers regardless of the size or type of business or career endeavor.

This course is designed for non-business majors who will ultimately be engaged in the business of their chosen careers. Although the students are not business majors, a basic understanding of the global business environment is essential in the students working in their area of expertise. Given the diverse majors of the students, this course will consist of the basic areas of international business. The course explores the interrelation of government and business across borders and the economic dynamics between countries/regions, including a general overview of the international monetary system, international trade and foreign direct investment. The class also will discuss the strategy of international business and review a few cases studies that epitomize the issues involved in today's global world. In general, the major topics of global business will be discussed to give students a working vocabulary and basic level of knowledge and skills involved in today's global business.

This course is "macro" in nature in that it will look at international business from a general focus with emphasis on the impact and overriding theories and will not focus extensively on individual management decisions. This is an introductory course with a very large class size and, therefore, a significant portion of the class will be taught through lectures, but we also will include guest speakers, video clips, class discussion and readings on current issues. The students, therefore, must keep up with readings and participate to the extent able with general discussions on the theories and material presented in class.

## **Course Objectives:**

The primary objective of this Course is to introduce the students to the global economy to obtain a basic introduction regarding this subject matter and the major issues involved therein. The course will cover basic terminology and theoretical structure as well as practical implications. In particular, this Course has the following specific objectives:

1. To give students the knowledge and understanding of the unique aspects involved doing business internationally on a business, legal and political level.
2. To give students a basic understanding of the global monetary system and the evolution of the system. To understand the factors involved in currency

exchange rates (which influences international costs and profits) and economic conditions.

3. To give students a basic understanding of international trade including:
  - a. An understanding of trade rules and free trade agreements;
  - b. An understanding of the policies and government dynamics between the two;
  - c. An understanding of imports/exports and the international system of tariffs and duties; and
  - d. An understanding of international rules governing abuses and sanctions.
4. To increase an awareness and understanding of the different governmental and non-governmental bodies involved in international business including: IMF, UN, WTO (and GATT), OECD, NATO, and OPEC.
5. To understand strategies used by business in the international market on a competitive basis.
6. To understand the cultural effect on business and to analyze the ethics involved in cross border transactions and to understand the dynamics with differing legal systems.
7. To learn and apply skills learned in the class to current on-going issues involved in today's world, including the monetary issues in Europe, the status of the Euro, new trade agreements and platforms and positions taken by the Presidential candidates in this political election year.
8. The students will learn the issues involved in entering foreign markets, global production and outsourcing as well as logistics and supply chain issues.
9. To understand the issues involved in developing economies and the business and political issues surrounding the business and market dynamics.
10. Most importantly, the students hopefully will create a general awareness of global issues that will allow them deeper insight in world issues and will allow them to keep on top of issues that may affect them as individuals and as part of a larger entity.

### **Grading Policy:**

Grades will be determined by the percentages listed below.

Exams (3 at 30%)	90%
Surprise Quizzes (3 of 4)	6%
Class Participation	4%

**Exams** – Ninety percent of your grade in the course will consist of three exams. The exam dates are listed on the syllabus (but may be changed with advance notice on Blackboard if needed). Each exam will be worth 30%. Each exam will be multiple choice and will include reading material (textbook and that placed on Blackboard), material presented and discussed in class and any material presented by guest lecturers. The final exam is OPTIONAL. If you choose to take the final exam, it will replace the lowest test score that you have obtained and, therefore, will be worth 30%. The final exam will be comprehensive and will be given on the date scheduled for the final exam in this class. You cannot lower your grade by taking the final exam. Test grades will be posted on Blackboard. If you have questions regarding an exam, you must make an appointment and meet with me prior to the next exam. Make-up exams will not be offered due to the ability to take the final to replace one of the exams. No grades will be changed unless there is a computational error. All tests and Scantrons will be reviewed in the Professor's office and will not be removed from such office. The following rules apply to exams:

1. Make a notation of the exam dates. You **must** take the exam on the dates indicated on the class calendar. The **only** exceptions are students who have a letter of accommodation from the Dean of Students SSD office. You will need to come to class ten minutes early on exam days and bring your student ID card.
2. No technology, notes, books or other material will be allowed out during an exam. You must turn off all cell phones, PDAs, pagers or any other personal technology. No headphones, tools, books or notes are allowed. Do not have these materials visible during an exam.
3. If you do not bring an ID to the exam, you will receive a 0 for the exam.
4. Bring a pencil to bubble in the exam (ink cannot be read and will result in a 0). You must bubble the exam type (A or B) and also your EID and full name.
5. No food or drinks will be allowed during an exam.
6. When time is called, stop writing. No exceptions. Stay in your seat until you are ready to turn in your exam. You must stay in your seat until you have turned in your exam (i.e. please visit the restroom before the exam).
7. Do not leave in a hurry, you must turn in your Scantron, your test and show your ID before you leave.
8. Students who have English as their second language may bring a language book dictionary that has been approved prior by the instructor. It cannot contain any notes or handwriting.
9. Please make sure you do not engage in any behavior that may appear to be cheating. For instance, keep your Scantron in front of you at all times, keep eyes on your test and do not wear baseball caps or other distracting items.
10. The professor reserves the right to ask certain students to move seats (this is not an accusation, but merely a preventive measure when so

desired). Suspicions of academic dishonesty will be referred to the Office of the Dean of Students for review.

**Surprise Quizzes** – Four times during the semester, a surprise quiz will be given in class. The best three of the four quizzes will be counted. Each of these three quizzes will be assigned 2%. The topics will consist of reading materials and material covered in class. The quizzes will be relatively short (no more than 6 questions) and the results will be posted on Blackboard.

**Class Participation** – Given this is a large class, class participation points will be based on general class attendance, contribution in class and compliance with the class rules delineated below. Poor class attendance, little contribution in class or non-compliance with class rules will result in a poor class participation grade. Below are class rules:

1. Arrive on time and be seated and ready to begin when the class begins. If you do arrive late, you are requested to enter the class through the rear doors only. Note that this class is intended for registered students only. Guests may attend with prior approval of the professor.
2. Come prepared – read the readings assigned. Be sure to check Blackboard regularly to assess the materials.
3. Do not leave class unless absolutely necessary. If you do need to leave, please sit close to the door and make your exit as inconspicuous as possible.
4. Turn off cell phones and computers -- NO TEXTING AND NO COMPUTERS WILL BE ALLOWED DURING CLASS (you may be asked to leave class for that day if you are found to be texting in class).
5. Video or audio taping of the class is strictly prohibited. Also, note takers who are not registered in the class are not allowed in the class.
6. Do not engage in individual discussions (persistent individual conversations will result in the participants being asked to leave class for that day).
7. Participate by contributing comments and questions during the discussions. The instructor will call on students during the class if participants do not volunteer.
8. Please use common courtesy and polite manners in class, during discussions and in any emails or communication related to the class in a business-like tone.
9. Keep items you bring to a class minimal. For instance, noisy newspapers and food with odors are not acceptable. Small snacks are allowed and any additional materials should be kept in your backpack.
10. I have no tolerance for acts of academic dishonesty (such matters may be treated as listed below).

(Please note that these class rules are meant to minimize disruptions. In a large class, we need to minimize distractions to allow others to concentrate on the material being presented. These rules also bring common respect to others including the students seated next to you.)

By UT Austin policy, you must notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment, or a project in order to observe a religious holy day, you will be given an opportunity to complete the missed work within a reasonable time after the absence.

## **Grades**

Course grades will be based on the following (there will be no rounding of grades):

A	93.0 and above
A-	90.0 - 92.9
B+	87.0 – 89.9
B	83.0 – 86.9
B-	80.0 – 82.9
C+	77.0 – 79.9
C	73.0 – 76.9
C-	70.0 – 72.9
D+	67.0 – 69.9
D	63.0 – 66.9
D-	60.0 – 62.9
F	59.9 and below

To be fair to all students, grade changes or additional extra credit opportunities will not be considered. The only discussions on grades will be verification of the grade. The professor will not tolerate requests to increase grades or any excuses regarding grades. The system of an option final exam provides for any “second chances” for any issues arising during the semester.

## **Communication:**

Studies show that students who engage in one-on-one discussions with the instructor about the course receive better grades. I, therefore, encourage your discussion with me. You can communicate during office hours, email or in class discussions. You also are welcome to make separate appointments. I will be available before and after class, but only for short questions. I also encourage feedback on the classes, lectures, teaching and reading material. We enhance the class every semester and your thoughts are valuable in the process.

## **Accommodations/Equipment:**

Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 512- 471-6259, <http://www.utexas.edu/diversity/ddce/ssd/>.

Password-protected class sites will be available for all accredited courses taught at The University. Syllabi, handouts, assignments and other resources are types of information that may be available within these sites. Site activities could include exchanging e-mail, engaging in class discussions and chats, and exchanging files. In addition, class e-mail rosters will be a component of the sites. Students who do not want their names included in these electronic class rosters must restrict their directory information in the Office of the Registrar, Main Building, Room 1. For information on restricting directory information see: <http://www.utexas.edu/student/registrar/catalogs/gi02-03/app/appc09.html>.

**No electronic devices (laptops, cell phones etc.) may be on or used during class unless medically necessary and approved.**

### **Campus Safety:**

Occupants of buildings on The University of Texas at Austin campus are required to evacuate buildings when a fire alarm is activated. Alarm activation or announcement requires exiting and assembling outside. Familiarize yourself with all exit doors of each classroom and building you may occupy. Remember that the nearest exit door may not be the one you used when entering the building. Students requiring assistance in evacuation should inform their instructor in writing during the first week of class. In the event of an evacuation, follow the instruction of faculty or class instructors. Do not re-enter a building unless given instructions by the following: Austin Fire Department, The University of Texas at Austin Police Department, or Fire Prevention. Further information regarding emergency evacuation routes and emergency procedures can be found at: [www.utexas.edu/emergency](http://www.utexas.edu/emergency).

### **Academic Integrity:**

The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the **BBA Program's Statement on Scholastic Dishonesty** at <http://www.mcombs.utexas.edu/BBA/Code-of-Ethics.aspx>.

By teaching this course, I have agreed to observe all faculty responsibilities described in that document. **By enrolling in this class, you have agreed to observe all student responsibilities described in that document.** If the application of the statement on Scholastic Dishonesty to this class or its assignments is unclear in any way, it is your responsibility to ask me for clarification.

Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students,

and the integrity of the University, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at <http://deanofstudents.utexas.edu/sjs/> to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

### Intellectual Property:

All materials presented in class lectures including PowerPoint presentations and those materials on the website are intellectual property of the instructor unless otherwise copyrighted. Any reproduction or publication of this material without prior written permission is strictly forbidden.

### Final Thoughts:

International Business 320F can be demanding, difficult and quick paced. You will get out of this class what you put into it. Given that the size of this class will necessitate primarily a lecture format, it is up to the students to become actively engaged. I am here to help the students navigate the process and concepts and am more than happy to assist as the student learns these concepts. The subject matter also is in the news constantly and, therefore, the schedule of classes below is just an estimate of the material to be discussed and may be changed as the class progresses. Last, I hope that this class helps the students gain insight into the global world and most importantly I hope that the students enjoy the class and the material covered. This subject matter is as interesting and fun as it is difficult.

Schedule of Classes <sup>1</sup>			
DATE	TOPIC	ASSIGNED READINGS	OTHER PREPARATION
<b>Thurs Aug 30</b>	<b>FOUNDATIONS FOR A GLOBAL ECONOMY</b>	Introduction Ch. 1, pp. 2 - 11	
<b>Class 1</b>	Introduction to Course - Globalization		
<b>Tues Sept 4</b>	Drivers of Globalization Healthcare	Ch. 1, pp. 11 - 41	Closing Case – Healthcare – Ch. 1
<b>Class 2</b>			

<sup>1</sup> Subject to change. Changes will be posted on Blackboard

<b>Thurs Sept 6</b>	Political, Economic & Legal Forces	Ch. 2, pp. 42 – 61	
<b>Class 3</b>			
<b>Tues Sept 11</b>	Determinants of Economic Development	Ch. 2, pp. 61 – 88	Closing Case – Egypt – Ch. 2
<b>Class 4</b>			
<b>Thurs Sept 13</b>	Ethics in International Business	Ch. 4, pp. 128 – 143	
<b>Class 5</b>			
<b>Tues Sept 18</b>	Ethical Approaches	Ch. 4, pp. 143 - 159	Listen to: At Siemens, Bribery Was Just a Line Item; and Closing Case – Siemens – Ch. 4
<b>Class 6</b>			
<b>Thurs Sept 20</b>	<b>GLOBAL MARKET</b> International Trade Theories	Ch. 5, pp. 160 – 185	
<b>Class 7</b>			
<b>Tues Sept 25</b>	Competitive Advantage	Ch. 5, pp. 185-196	Closing Case - Logitech
<b>Class 8</b>			
<b>Thurs Sept 27</b>	Balance of Payments	Ch. 5, pp. 197 - 201	
<b>Class 9</b>			
<b>Tues Oct 2</b>	<b><i>EXAM 1 – Chapters 1, 2, 4, and 5. Any guest speakers, additional reading, closing cases and listening material also will be included in the exam.</i></b>		
<b>Class 10</b>			
<b>Thurs Oct 4</b>	Political Economy of International Trade	Ch. 6, pp. 202 – 221	
<b>Class 11</b>			
<b>Tues Oct 9</b>	Trade Wars/WTO	Ch. 6, pp. 221 - 239	Closing Case – Why did Global Food Prices Rise – Ch. 6
<b>Class12</b>			

<b>Thurs Oct 11</b>	Foreign Direct Investment	Ch. 7, pp. 240 – 256	
<b>Class 13</b>			
<b>Tues Oct 16</b>	Policy and Foreign Direct Investment	Ch. 7, pp. 256 - 273	Institute for International Economics – Semiconductors Chips and Automobile Parts
<b>Class 14</b>			
<b>Thurs Oct 18</b>	Entering Foreign Markets	Ch.12, pp. 416 - 431	
<b>Class 15</b>			
<b>Tues Oct 23</b>	Mode of Entry	Ch. 12, pp. 431 – 441	Closing Case – General Electric’s Joint Venture – Ch. 12
<b>Class 16</b>			
<b>Thurs Oct 25</b>	Regional Integration – General and Europe	Ch. 8, pp. 274 - 293	Readings on Blackboard
<b>Class 17</b>			
<b>Tues Oct 30</b>	Regional Integration – Americas & Elsewhere	Ch. 8, pp. 293 – 309.	
<b>Class 18</b>			
<b>Thurs Nov 1</b>	<i><b>EXAM 2 – Chapters 6, 7, 8, and 12. Any guest speakers, additional reading, closing cases and listening material also will be included in the exam.</b></i>		
<b>Class 19</b>			
<b>Tues Nov 6</b>	<b>GLOBAL MONEY</b> Global Money System	Ch. 9, pp. 310 - 320	
<b>Class 20</b>			
<b>Thurs Nov 8</b>	Exchange rate Determination and Forecasting	Ch. 9, pp. 320 – 341.	Closing Case – Caterpillar Tractor – Ch. 9
<b>Class 21</b>			
<b>Tues Nov 13</b>	The International Monetary System	Ch. 10, pp. 342 - 358	
<b>Class 22</b>			
<b>Thurs Nov 15</b>	Exchange rates in Practice and Crisis Management	Ch. 10, pp. 358 – 377.	Closing Case – Argentina – Ch. 10
<b>Class 23</b>			

<b>Tue Nov 20</b>	Strategy of International Business	Ch. 11, pp. 378 - 397	
<b>Class 24</b>			
<b>Thurs Nov 22</b>	<b>THANKSGIVING – NO CLASS</b>		
<b>Tues Nov 27</b>	Cost Pressures/Strategic Alliances	Ch. 11, pp. 397 - 415	Closing Case – IBM – Ch. 11
<b>Class 25</b>			
<b>Thurs Nov 29</b>	<b>GLOBAL ATTRIBUTES</b> Cultural Issues	Ch. 3, pp. 90 - 115	
<b>Class 26</b>			
<b>Tues Dec 4</b>	Culture in the Workplace	Ch. 3, pp. 115 – 127.	
<b>Class 27</b>			
<b>Thurs Dec 6</b>	<i><b>EXAM 3 – Chapters 3, 9, 10, and 11. Any guest speakers, additional reading, closing cases and listening material also will be included in the exam.</b></i>		
<b>Class 28</b>			

**OPTIONAL FINAL (CUMMULATIVE) – FINAL DAY POSTED**