

Tribhuvan University  
Faculty of Management  
**School of Management**

**Master in Business Administration (MBA) Program**

Semester IV

May 2014

**Course:** International Business

**Credit hours:** 2

**Instructor:** Raj Kumar Bhattarai

**GENERAL DESCRIPTION**

This course is designed at 5 x 4 syllabus framework. The area of study consists the foundation of international business; foreign trade and investment; foreign exchange and instruments; regulations and documentation; and risk, negotiation; and dispute settlement. The study area covers the general awareness, business actors and environment, theories and systems as well as strategic and operational applications of the ideas, concepts, and models in the field of international business. Each study area forms a unit and each unit attempts to impart the knowledge and skills on its basic theme, context, theory, and practice as well.

**COURSE OBJECTIVES**

General objective of the course is to prepare the students able to analyze, synthesize, and operationalize the core concepts, institutions, theories, processes of international business. The specific objectives of the course are to:

- a. Make the students familiar about the basic theme/subject matter and contemporary issues in international business;
- b. Develop the students to be able to prepare descriptions of the international business environment and processes;
- c. Foster the diagnostic skills of the students in order to make them able to prepare explanations of the international trade theories as well as institutions and agreements; and
- d. Instill the capability of transfiguring concepts, descriptions, and explanations of international business to prescriptive business solutions.

**THE CONVICTIONS**

- a. The basic thematic sphere of the course shall introduce and discusses the nature of international market, importing and exporting, foreign exchange, international

business etiquette, and relations in order to make the students familiar about the basic theme/subject matter and contemporary issues in international business.

- b. The contextual sphere of the course shall reveal and describe international business environment, logistics and supply chain, trade and investment policies, balance of payment as well as risk and risk mitigation measures in order to develop the students to be able to prepare descriptions of the environment and underlying processes.
- c. The theoretical sphere of the course shall explain and examine the patterns and developments in foreign, foreign trade investment theories, global financial market, bilateral and multilateral institutions/agreements as well as insurance, reinsurance, and international arbitration to enhance the diagnostic skills of the students in order to prepare them able to analyze, synthesize, and explain the theories and agreements
- d. The practical sphere of the course shall demonstrates and discuss the structural changes, in the world economy, international market entry and exit strategies, regional integration and globalization, ownership and governance, risks mitigation measures and sustainability in order to instill the capability of transfiguring concepts, descriptions, and explanations of international business into prescriptive business solutions.

The course instructor shall deliver the entire course contents along with the teaching-learning aids to the class of about 30 students for 30 hours. The students shall take part actively and positively in all the classes and complete all the assignments as specified by the instructor. Evaluation and grading of the students shall be based on the performance shown by the students on their quiz, essay type question answer, business case study and analysis, and one project work report.

**The course instructor shall:**

- a. Design and structure the entire course and specify the teaching pedagogy
- b. Complete the entire course in 30 lecture hours and 2 tutorials of 2 hours each
- c. Provide the reading materials to the school/students as required by the course
- d. Gives assignments/project works to the students and facilitate them
- e. Bring live business cases/incidents into the class and makes the students familiar with the contemporary issues and changes and developments in the course area
- f. Conduct evaluation and grading of the students
- g. Others as specified by the school

**The students shall:**

- a. Attend the lecture regularly and takes part in the tutorials
- b. Utilize all learning materials as provided by the school/instructor
- c. Complete every assignment/project work/examination given by the instructor
- d. Exhibit positive learning attitudes inside and outside the class
- e. Not disclose the business case/incidents discussed and analyzed in the class to any others that may harm the image of concerned person or organization
- f. Others as specified by the school

**EVALUATION AND GRADING**

There shall be two parts of evaluation and grading of the students. On-going evaluation will contribute (50 marks) for the first part and end of the semester evaluation will contribute (50 marks) for the second part. Scores obtained in both parts of the evaluation shall be accumulated for a final grade in the subject.

The following scheme shall be applicable in order to meet the requirement of on-going evaluation.

- |                                     |     |
|-------------------------------------|-----|
| a. Quiz                             | 10% |
| b. Project work                     | 20% |
| c. Mid-term examination             | 30% |
| d. Case study analysis/presentation | 20% |
| e. Essay type question answer       | 10% |
| f. Attendance                       | 10% |

There will be an end of the semester examination just after completion of the course.

### COURSE STRUCTURE

There are five dimensions with four domains in the course structure. The four domains covers the thematic understanding, the context/structure, concept/theory, and practice/praxis of each dimension of the course. The structure demands outcomes, time and teaching aids, readings, assignment, and feedback concerning each domains.

#### UNIT 1: FOUNDATION OF INTERNATIONAL BUSINESS

| DOMAINS  |   |   |  |
|--|---|---|--|
| THEME  | CONTEXT/STRUCTURE   | CONCEPT/THEORY  | PRACTICE/PRAxis  |
| Global capitalism;<br>Globalization                            | Global business environment                                       | International mobility of the goods and services                | Corporations and structural settings in world economy              |
| MAJOR OUTCOMES   |   |   |  |
| Understanding the power and influence of business in the world | Identification of the driver of globalization                     | Determining the degree of global interdependence in business    | Knowledge of organization structure of multinational organizations |
| TEACHING METHODS AND TIME                                      |   |   |  |
| Lecture: 3 hrs.  |   | Students' presentation: 1 hr.; Lecture: 2 hrs.                  |  |
| READINGS AND RESOURCES   |   |   |  |
| (Buckley, 2003) Ch. 1  | (Rugman & Collinson, 2006) Ch. 4<br>(Johnson & Colin, 2003) Ch. 1 | (Czinkota, Ronkainen, & Moffett, 2011) Ch. 1<br>Library and www | (Buckley, 2003) Ch. 3  |
| STUDENT ASSIGNMENT   |   |   |  |
| Chapter/article reading  | Chapter/article reading   | Preparation for presentation                                    | Chapter/article reading  |
| MAJOR ROLE PLAYER  |   |   |  |

|            |          |
|------------|----------|
| Instructor | Students |
|------------|----------|

## UNIT 2: FOREIGN TRADE AND INVESTMENT

| DOMAINS   |   |  |   |
|---|---|--|---|
| THEME   | CONTEXT/STRUCTURE   | CONCEPT/THEORY   | PRACTICE/PRAxis   |
| Patterns of importing and exporting, Foreign Direct Investment [FDI], and balance of payment                                    | International logistics and supply chain management   | The theory of international trade and investment   | International entry and expansion of business   |
| MAJOR OUTCOMES  |   |  |   |
| Identification of the nature and trend of foreign trade, FDI and balance of payment by country (Nepal) and region and the World | Learning about the complexity of physical distribution, supply chain management, inventory and packaging, and international logistics | Understanding of the age of mercantilism and the classical theories, factor proportion, product life cycle, strategic trade and the theory of international investment | Assessing the modes and strategies of going abroad and corporate concerns/motivation of international expansion |
| TEACHING METHODS AND TIME   |   |  |   |
| Presentation: 1 hr.   | Lecture: 1.5 hrs.;<br>presentation 0.5 hrs  | Lecture + discussion: 3 hr.  |   |
| READINGS AND RESOURCES  |   |  |   |
| www; (Czinkota, Ronkainen, & Moffett, 2011) Ch. 4   | (Czinkota, Ronkainen, & Moffett, 2011) Ch. 16; national and regional statistical database   | (Czinkota, Ronkainen, & Moffett, 2011) Ch. 3   | (Czinkota, Ronkainen, & Moffett, 2011) Ch. 13   |
| STUDENT ASSIGNMENT  |   |  |   |
| Preparation for presentation  | Chapter/article reading; database exploration   | The discussant role  | Chapter/article reading   |
| MAJOR ROLE PLAYER   |   |  |   |
| Students  | Instructor  | Instructor   |   |

## UNIT 3: FOREIGN EXCHANGE AND FOREIGN EXCHANGE INSTRUMENTS

| DOMAINS   |   |                |  |
|---|---|----------------|--|
| THEME   | CONTEXT/STRUCTURE                       | CONCEPT/THEORY | PRACTICE/PRAxis                        |
| Foreign exchange determination and foreign exchange instruments | Institutional arrangements and policies | Global markets | Regional integration and globalization |
| MAJOR OUTCOMES  |   |                |  |

|  |  |   |   |
|--|--|---|---|
| Understanding of major foreign exchange instruments and developing idea of foreign exchange rate determination | Assessment of the role of Central Bank and International Monetary Fund (IMF) | Understanding of global capital markets, money markets, and commodity markets | Determination of the nature, form, and impact of regional economic grouping |
| <b>TEACHING METHODS AND TIME</b>   |  |   |   |
| Lecture  | Case studies analysis and discussion   | Lecture and discussion  | Debate  |
| <b>READINGS AND RESOURCES</b>  |  |   |   |
| (Daniels, Radebaugh, & Sullivan, 2007)   | (Czinkota, Ronkainen, & Moffett, 2011) Ch. 4                                 | (Czinkota, Ronkainen, & Moffett, 2011) and www                                | (Johnson & Colin, 2003) Ch. 2   |
| <b>ASSIGNMENT</b>  |  |   |   |
| Chapter reading  | Analysis of the case studies   | Chapter reading   | Preparation for debate  |
| <b>MAJOR ROLE PLAYER</b>   |  |   |   |
| Instructor   | Students   | Instructor  | Students  |

#### UNIT 4: REGULATION AND DOCUMENTATION

|  |  |  |   |
|--|--|--|---|
| <b>DOMAINS</b>   |  |  |   |
| <b>THEME</b>   | <b>CONTEXT/STRUCTURE</b>   | <b>CONCEPT/THEORY</b>  | <b>PRACTICE/PRAxis</b>  |
| Regulations of importing and exporting procedures and preparation of the documents   | International standardization; trade and investment policies   | Bilateral/multilateral agreements/agencies and their influence on international business | Certifications; taxation, repatriation of profit, and dispute settlement  |
| <b>MAJOR OUTCOMES</b>  |  |  |   |
| Determination of the entire process of importing and exporting; identifying the types and numbers of formalities and documents | Understanding of the role of certifications including quality; political ideology; diffusion of legal system, and intellectual property rights | Identifying the roles of UNCTAD, WTO, The World Bank Group, SAFTA, OPEC, etc.            | Evaluation of the quality and quantity certification process, taxation, exemption, and repatriation of profit provisions; and the procedures of international arbitration |
| <b>TEACHING METHOD AND TIME</b>  |  |  |   |
| Fieldwork: 1.5 hrs. presentation   | Lecture: 1.5 hrs. discussion   | Presentation   | Case study analysis and discussion: 1.5 hrs.  |
| <b>READINGS AND RESOURCES</b>  |  |  |   |
| www, importing and exporting firms   | (Daniels, Radebaugh, & Sullivan, 2007); (Czinkota, Ronkainen, & Moffett, 2011) Ch. 2   | www and library  | (Czinkota, Ronkainen, & Moffett, 2011) Ch. 10; case study reports   |
| <b>STUDENT ASSIGNMENT</b>  |  |  |   |

|                                       |                         |  |                                   |
|---------------------------------------|-------------------------|--|-----------------------------------|
| Field visits and documents collection | Chapter/article reading | Exploring websites of the agencies and preparing points for discussion | Reading chapter/article and cases |
| <b>MAJOR ROLE PLAYER</b>              |                         |  |                                   |
| Students                              |                         | Students   | Instructor                        |

#### UNIT 5: RISK MANAGEMENT AND INSURANCE IN INTERNATIONAL BUSINESS

|  |   |  |  |
|--|---|--|--|
| <b>DOMAINS</b>   |   |  |  |
| <b>THEME</b>   | <b>CONTEXT/STRUCTURE</b>  | <b>CONCEPT/THEORY</b>  | <b>PRACTICE/PRAxis</b>   |
| Risk and insurance classifications   | International trade in insurance: economics and policy  | Direct insurance and reinsurance   | Worldwide risk sharing and reinsurance demand and supply   |
| <b>MAJOR OUTCOMES</b>  |   |  |  |
| Understanding of the financial, operational and strategic risks as well as social-private, life-nonlife, personal-commercial, and direct insurance-reinsurance in international business | An analysis of fair trade in insurance and understanding the arguments for restricting trade in insurance | An assessment of insurance production process including underwriting and claims settlement in international business | Understanding worldwide risk sharing framework including the role of reinsurer, retrocessionaire, and retrocession in international business |
| <b>TEACHING METHOD AND TIME</b>  |   |  |  |
| Lecture and discussion: 3 hrs.   |   | Case study analysis and discussion: 3 hrs.   |  |
| <b>READINGS AND RESOURCES</b>  |   |  |  |
| (Skipper & Kwon, 2008) Ch. 1   | (Skipper & Kwon, 2008) Ch. 3  | (Skipper & Kwon, 2008) Ch. 20  | (Skipper & Kwon, 2008) Ch. 23  |
| <b>STUDENT ASSIGNMENT</b>  |   |  |  |
| Chapter/article reading  | Chapter/article reading   | Case study analysis  | Chapter/article reading  |
| <b>MAJOR ROLE PLAYER</b>   |   |  |  |
| Instructor   | Instructor  | Students   | Instructor   |

**Addendum:** One comprehensive project work shall be assigned to the students in addition to the regular activities. The project work shall be completed in group of 5-6 students. Performance evaluation of the students shall be based on the nature and type of the work i.e. individual ranking in case of individual work, group ranking in case of group work.

**Note:** This course structure detail is only a guideline. The school/instructor shall deserve the rights to amend, replace, and remove any contents/matter as their discretion.

#### References

## Selected readings

- Buckley, P. J. (2003). *The Changing Global Context of International Business*. New York: Palgrave Macmillan.
- Czinkota, M. R., Ronkainen, I. A., & Moffett, M. H. (2011). *International Business*. Hoboken, NJ: John Wiley & Sons.
- Daniels, J. D., Radebaugh, L. H., & Sullivan, D. P. (2007). *Enternational Business: Environment and Operations*. New Delhi: Pearson.
- Johnson, D., & Colin, T. (2003). *International Business: Themes adn issues in the modern global economy*. New York: Routledge.
- Rugman, A. M., & Collinson, S. (2006). *International Business* (4th ed.). London: FT Prentice Hall.
- Skipper, H. D., & Kwon, W. J. (2008). *Risk Management and Insurance: Perspective in a Global Economy*. New Delhi: Blackwell Publishing.