MANA 5331
MANAGEMENT OF MULTINATIONAL ENTERPRISES
UTA PROFESSIONAL MBA
FT WORTH
Spring 2018

Days: Mondays and Saturdays
Class times: 1800 -2200 hrs (Mondays); 0830-1230 hrs (Saturdays)

Dr. Deepak K. Datta
Professor and
James and Eunice West Endowed Chair of Business
College of Business
University of Texas at Arlington
Ph: 817-272-5493
e-mail: ddatta@uta.edu
Faculty Profile: https://mentis.uta.edu/explore/profile/deepak-datta

COURSE DESCRIPTION

This class focuses on the international dimensions of strategy and organization and provides a framework for formulating strategies in an increasingly complex global economy. The course seeks to provide students with an understanding of the cultural, political, competitive, technological, legal, and demographic environments in which multinational firms operate. It then examines the nature of global competition by exploring the characteristics of global industries and strategies that have been successful in an international context. Also covered are issues related to organizational design and strategic control in the management of multinational enterprises.

The primary objective of this course is to help you think like a manager in the international context--one who recognizes and understands the important interlinkages that exist in the conducting of business in a global environment. Case studies used in the course will help you develop your analytical and decision making skills and also highlight the reality of environmental uncertainties influencing decision making in the international context. Cases also seek to develop your capacity to identify issues, to reason carefully through various options and improve your ability to manage the organization process by which decisions get formed and executed.
POLICIES ETC.

Drop Policy: Students may drop or swap (adding and dropping a class concurrently) classes through self-service in MyMav from the beginning of the registration period through the late registration period. After the late registration period, students must see their academic advisor to drop a class or withdraw. Undeclared students must see an advisor in the University Advising Center. Drops can continue through a point two-thirds of the way through the term or session. It is the student’s responsibility to officially withdraw if they do not plan to attend after registering. Students will not be automatically dropped for non-attendance. Repayment of certain types of financial aid administered through the University may be required as the result of dropping classes or withdrawing. For more information, contact the Office of Financial Aid and Scholarships (http://wweb.uta.edu/ses/faq).

Americans with Disabilities Act: The University of Texas at Arlington is on record as being committed to both the spirit and letter of all federal equal opportunity legislation, including the Americans with Disabilities Act (ADA). All instructors at UT Arlington are required by law to provide “reasonable accommodations” to students with disabilities, so as not to discriminate on the basis of that disability. Any student requiring an accommodation for this course must provide the instructor with official documentation in the form of a letter certified by the staff in the Office for Students with Disabilities, University Hall 102. Only those students who have officially documented a need for an accommodation will have their request honored. Information regarding diagnostic criteria and policies for obtaining disability-based academic accommodations can be found at www.uta.edu/disability or by calling the Office for Students with Disabilities at (817) 272-3364.

Academic Integrity: All students enrolled in this course are expected to adhere to the UT Arlington Honor Code:
I pledge, on my honor, to uphold UT Arlington’s tradition of academic integrity, a tradition that values hard work and honest effort in the pursuit of academic excellence.
I promise that I will submit only work that I personally create or contribute to group collaborations, and I will appropriately reference any work from other sources. I will follow the highest standards of integrity and uphold the spirit of the Honor Code.

Student Support Services: UT Arlington provides a variety of resources and programs designed to help students develop academic skills, deal with personal situations, and better understand concepts and information related to their courses. Resources include tutoring, major-based learning centers, developmental education, advising and mentoring, personal counseling, and federally funded programs. For individualized referrals, students may visit the reception desk at University College (Ransom Hall), call the Maverick Resource Hotline at 817-272-6107, send a message to resources@uta.edu, or view the information at www.uta.edu/resources.

Electronic Communication: UT Arlington has adopted MavMail as its official means to communicate with students about important deadlines and events, as well as to transact university-related business regarding financial aid, tuition, grades, graduation, etc. All students are assigned a MavMail account and are responsible for checking the inbox regularly. There is no additional charge to students for using this account, which remains active even after graduation. Information about activating and using MavMail is available at http://www.uta.edu/oit/cs/email/mavmail.php.

Final Review Week: A period of five class days prior to the first day of final examinations in the long sessions shall be designated as Final Review Week. The purpose of this week is to allow students sufficient time to prepare for final examinations. During this week, there shall be no scheduled activities such as required field trips or performances; and no instructor shall assign any themes, research problems or exercises of similar scope that have a completion date during or following this week unless specified in the class syllabus. During Final Review Week, an instructor shall not give any examinations constituting 10% or more of the final grade, except makeup tests and laboratory examinations. In addition, no instructor shall give any portion of the final examination during Final Review Week. During this week, classes are held as scheduled. In addition, instructors are not required to limit content to topics that have been previously covered; they may introduce new concepts as appropriate.
CASES AND TEXT

REQUIRED CASES/READINGS
• HBS cases and readings (buy directly from HBS Publishing using the following coursepack link): http://cb.hbsp.harvard.edu/cbmp/access/78248371 (please register on the HBS site and then purchase the course pack)

OPTIONAL TEXT

GRADES
Individual grades will be decided based on the following:
Exam I: 20 %
Exam II (includes case analysis): 45 % (20%+25%)
Team Project: 20 %
Class participation: 15 %

A: 90-100; B: 80-89; C: 70-79, D: 60-69; F: <60

There will be no make-up exams

Attendance: Class participation will be judged based on the quality and frequency of your contributions to class discussions (especially, in the context of case discussions). Attendance is expected and required – please note that absences will have a significant negative impact on your class participation grade. Use of smartphones is prohibited when class is in session.

DAY 1 (April 7)
INTRODUCTION
Topics:
• Administrative affairs
• Globalization, Global Institutions, Pros and Cons of Globalization
• Traditional versus Emerging Motivations for International Diversification
• Changing Demographics of a Global Economy; Challenges - Managing in a Global Marketplace

Reading(s):

MINICASE: The Globalization of Health Care
Issues for Discussion:
• What environmental trends have facilitated the globalization of health care?
• Is the globalization of health care good or bad for patients?
• Is the globalization good or bad for the American Economy?
• Who benefits from the globalization of health care? Who loses?
• Do you think that the U.S. government should restrict the outsourcing of medical procedures to developing nations?
DAY 2 (April 9)
THE INTERNATIONAL MACROENVIRONMENT

Topics:
• The Economic Environment
• Protectionism, Arguments for and against Protectionism
• Political Risk and Political Risk Management
• Regional Economic Integration
• Cultural Environment, Determinants of Culture, Cultural Change, Implications of Cultural Differences for International Strategy

Readings:
• Trompenaars, F. and Wooliams, P. “Lost in Translation”, Harvard Business Review, April 2011
• Tarun Khanna, “Contextual Intelligence,” Harvard Business Review, September 2014

MINICASE: Apple's Foxconn dilemma
ISSUES:
• Is Apple responsible for the problems at Foxconn? Does Apple's corporate social responsibility extend to Foxconn?
• What can Apple do to combat the problem? What are its options?
• What leverage does Apple have to implement the option you are suggesting?
• What control mechanisms should Apple put in place control mechanisms to ensure that the problem does not recur?

DAY 3 (April 14)
REGIONAL INTEGRATION AND NATIONAL COMPETITIVE ADVANTAGE

Topics:
• Legal and Demographic environments
• Porter’s Diamond Model – Determinants of National Competitive Advantage, Implications for Business

Readings:

CASE DISCUSSION: Jollibee Foods Corporation (A): International Expansion (399007-PDF-ENG)
Issues for Analysis:
• How was Jollibee able to build its dominant position in fast food in the Philippines?
• What sources of competitive advantage was it able to develop against McDonalds in its home market?
• How would you evaluate Tony Kitchner’s effectiveness as the first head of Jollibee’s international division? Does his broad strategic thrust make sense? How effectively did he develop the organization to implement its priorities?
• What are the challenges facing Noli Tingzon as he becomes the head of the international division?
• How would you deal with the three options described at the end of the case?
Day 4 (April 16)

INTERNATIONAL BUSINESS STRATEGIES

Topics:
• Firm Value Chain, Core Competencies, Routes to Competitive Advantage, Location and Coordination issues
• International Export, Multinational and Global Strategies, Pressures for Global Efficiency, Pressures for Local Responsiveness
• Transnational strategies
• Organization Structures -- International, Worldwide Area, Global Product Division, Matrix and Network structures

Readings:

CASE DISCUSSION: Wal-Mart’s African Expansion (W13491)

Issues:
• Why is Wal-Mart interested in pursuing international expansion into Africa?
• What are the environmental challenges that Wal-mart faces in Africa?
• What organizational factors facilitates international expansion by Wal-Mart?
• What should do to succeed in Africa?

Day 5 (April 21)

TRANSNATIONAL STRATEGY AND GLOBAL KNOWLEDGE MANAGEMENT

Topics:
• Transnational strategies
• Building a Global Knowledge Machine
• Impediments to Knowledge Creation and Mobilization

MID-TERM EXAM
Approx 75 minutes
Day 6 (April 23)
ENTRY STRATEGIES

Topics:
• Direct and Indirect Exporting
• Contract manufacturing/outourcing
• Licensing and Franchising
• Wholly-Owned Subsidiaries
• Greenfield Investments – Pros and Cons

Readings:

CASE DISCUSSION: Philips versus Matsushita: The Competitive Battle Continues
(910410-PDF-ENG)

Issues for Analysis:
• How did Philips become the leading consumer electronics company in the world in the post-war era? What distinctive competencies did they build? Were there any weaknesses?
• How did Matsushita succeed in displacing Philips as No 1? What were its distinctive competencies?
• How would you compare the strategies of Philips and Matsushita in the 1980s?
• What do you think of the change each company has made to date – the objectives, the implementation, the impact? Why is the change so hard for both of them?
• What recommendations would you make to Gerald Kleisterlee? To Kunio Nakamura?

Day 7 (April 28)
CROSS BORDER ACQUISITIONS AND STRATEGIC ALLIANCES

Topics:
• Cross-Border Acquisitions
• Creating value in cross-border acquisitions
• Management of cross-border acquisitions

Readings:

CASE DISCUSSION: Mattel and the Toy Recalls (A & B)
(908M10-PDF-ENG/908M11-PDF-ENG)

Issues for Analysis:
• The toy industry is often characterized as a “difficult” industry from the standpoint of players. What forces make it difficult for industry incumbents to generate significant returns?
• What motivates companies such as Mattel to offshore/outsource their manufacturing? What are the benefits and challenges?
• What are Mattel’s core competencies? What contributed to the quality problems faced by Mattel?
• What can Mattel do to enhance product quality?
• How would you characterize Mattel’s recall strategy in 2007? What are the consequences of such a recall? How should it be framed?
• What went wrong? Did Mattel make a mistake by laying the entire blame on the Chinese manufacturers for the problem?
Day 8 (April 31)
STRATEGIC ALLIANCES

Topics:
• Why Strategic Alliances?
• Types of Strategic Alliances
• Pitfalls in Strategic Alliances; Managing Strategic Alliances

Readings:

CASE: DaimlerChrysler – Gaining Global Competitiveness (A) and The DaimlerChrysler Merger (B): Shaping a Transatlantic Company

ISSUES:
• Why was Daimler Benz interested in the merger (i.e., why was Daimler Benz motivated to undertake the merger)? Why was Chrysler interested in the merger?
• At the time the merger was contemplated the CEOs of both firms were positive that the merger would result in significant value creation. What were some of the reasons for their optimism? At the same time, there were skeptics who felt that the merger might result in value destruction. What might be some of the factors that led them to believe that way?
• What do you see as being the key challenges facing Daimler Chrysler as they move ahead with implementing the merger? What do you think of the integration approach used by the management at Daimler Chrysler? What are the pros? Cons? What would you have done differently?
• What recommendations would you have had for DaimlerChrysler management (as the case ends) to make the merger work?

Day 9 (May 5)
EXPORT PLAN PROJECT PRESENTATIONS

Assignment:
Identify an industry with an exportable product or service, choose a firm in that industry and then identify a country where the firm can export its products/services. Your challenge is to prepare a detailed export market entry strategy/plan, building on what you learned in this class and other supplementary material provided to you.

The deadline for submitting the Export plan document (Word or pdf format) is May 3.

Each team will be required to make a professional classroom presentation (max 25 minutes) on May 5.
Day 10 (May 7)

FINAL EXAMINATION
Approx 3 hours