

**THE OPEN UNIVERSITY OF TANZANIA
FACULTY OF BUSINESS MANAGEMENT**

**OGB 451: TOPICS IN GLOBAL BUSINESS
COURSE OUTLINE**

INTRODUCTION

A fundamental shift is occurring in the world economy. We are moving progressively further away from a world in which national economies were relatively isolated from each other by barriers to cross-border trade and investment, distance, time zones, language, and national differences in government regulation, culture, and business systems and toward a world in which national economies are merging into an interdependent global economic system. Commonly referred to as globalization, the trend toward a more integrated global economic system has been in place for many years. However, the rate at which this shift is occurring has been accelerating recently and it looks set to continue to do so during the early years of this millennium.

COURSE CONTENT:

1. LECTURE ONE

THE SCOPE AND DYNAMICS OF GLOBAL BUSINESS

In this lecture you start your journey of learning about the subject matter of this course its components and how the subsequent lecturers will proceed.

1.1 Learning outcomes

At the end of this lecture you should be able to:

- a) Understand what is meant by the term globalization
- b) Explain main causes of globalization
- c) Discuss the main reason why globalization is now proceeding at a rapid rate
- d) Understand how changing international trade patterns, foreign direct investment flows, differences in economic growth rates among countries, and the rise of new multinational corporations are all changing the nature of the world economy
- e) Discuss for and against over the impact of globalization on job security, income levels, Labour and environmental policies, and national sovereignty
- f) Understand the process of challenges and opportunities of globalization

1.2 Key topics

- 1.2.1 The concept of globalization
- 1.2.2 Globalization of Markets Vs Globalization of Production
- 1.2.3 Reasons for the emergence of Globalization
- 1.2.4 Changing World Output and World Trade Picture
- 1.2.5 Changing Foreign Direct Investment Picture
- 1.2.6 The Changing Nature of the Multinational Enterprise
- 1.2.7 The Globalization Debate (Prosperity or Impoverishment?)
- 1.2.8 Impact of Globalization on (jobs and incomes, Labour policies and Environment)
- 1.2.9 Challenges of Globalization

2.0 LECTURE TWO GLOBAL BUSINESS LEADERSHIP AND STRATEGIES

2.1 An Overview

In an intensely competitive international business environment, many factors are increasingly impacting on international business involvement. As a result, the importance of effective international management and leadership has increased dramatically, especially with regard to the increased levels of complexity, ambiguity, and anxiety as the business organization moves from being a "local player-cum-exporter", then a Multinational and finally a "transnational " or "global player".

It is clear that the international manager and leader have to master new concepts and theories, cultivate new insights, command new skills, and above all develop a global mindset conducive to global thinking and strategizing beyond those which have been successful in the past.

2.2 Learning Outcomes

At the end of this lecture you should be able to:

- a) Understand the concept of International management and Leadership
- b) Distinguish Local exporter from Multinational and Transnational exporter
- c) Explain differences in the meaning of leadership across cultures
- d) Discuss the extent to which the values of leaders vary across cultures
- e) Evaluate the main attribute and skills in cross-cultural leadership
- f) Discuss various leadership styles in international perspective
- g) Understand the rationale for global mindset

- h) Differentiate global mindset from personal characteristics
- i) Explain training for different types of global operations

2.3 Key topics

- 2.3.1 Concept of International management and Leadership
- 2.3.2 Concept of Local exporter, Transnational and Multinational
- 2.3.3 Cultural-leadership
- 2.3.4 Differences in the meaning of Leadership across cultures
- 2.3.5 Values of Leaders
- 2.3.6 Leadership attributes and skills in cross-cultural environment
- 2.3.7 Leadership behaviour and Styles in international context
- 2.3.8 Rationale for a global mindset
- 2.3.9 Developing global competencies
- 2.3.10 Training for different types of global operations

3.0 LECTURE THREE

STRATEGIC INTERNATIONAL HUMAN RESOURCE MANAGEMENT

3.1 An Overview

An essential component in implementing a global strategy of a company in the process of internationalizing, or having reached a multinational stage, is strategic International Human Resource Management. The interdependence of strategy, structure, and staffing in a multidomestic, multinational company, or multinational enterprise drives such a company to continually evaluate the fit of the Strategic International Human Resource Management with its international strategy and evolving headquarters and subsidiaries structures.

Strategic International Human Resource Management has been defined as human resource management issues, functions, and policies and practices that result from the activities of multinational enterprises and that impact the international concerns and goals of those enterprises. Strategic International Human Resources Management's development as field is related to the emergence of multinational corporations and understanding of the context in which they operate.

3.2 Learning Outcomes

At the end of this lecture you should be able to:

- a) Understand the concept of Strategic International Human Resource Management
- b) Discuss Strategic International Human Resources Management Model
- c) Explain the best practices model for expatriate and local staffing recruitment and planning
- d) Understand several approaches to compensation for expatriates
- e) Understand international compensation and its benefits
- f) Understand and explain compensation strategy for multinationals

3.3 Key Topics

- 3.3.1 Concept of Strategic International Human Resource Management
- 3.3.2 Strategic International Human Resources Management Model
- 3.3.3 Expatriate selection and staffing policies
- 3.3.4 International compensation systems
- 3.3.5 Approaches to compensation for expatriates

4.0 LECTURE FOUR GLOBAL MARKETING STRATEGY

An Overview

Marketing is a key ingredient in the success of any international enterprise. The strategy of the firm, whether global or multi- domestic, provide the overall frame of reference within which its international marketing strategy will have to be developed and implemented. The marketing strategy in turn, is based on and includes the four crucially important elements of the international firm's marketing mix, which comprise: the product strategy, distribution strategy, promotion and communication strategy and finally pricing strategy.

4.1 Learning Outcomes

At the end of this lecture you should be able to:

- a) Understand the concept of global marketing strategy
- b) Explain the strategic importance of global marketing
- c) Explain the environment of international marketing
- d) Discuss the organization and structure of international marketing
- e) Explain International market assessment
- f) Analyze market entry strategies
- g) Evaluate the alternative market entry modes

- h) Discuss the international marketing strategy
- i) Discuss international marketing strategies

4.2 Key Topics

- 4.2.1 Concept of global marketing strategy
- 4.2.2 Strategic importance of global marketing
- 4.2.3 Environment of international marketing
- 4.2.4 Organization and Structure of international marketing
- 4.2.5 International market Assessment
- 4.2.6 Market Entry strategies
- 4.2.7 Alternative market entry strategies
- 4.2.8 International marketing strategies
 - a) International product strategy
 - b) International pricing strategy
 - c) International promotion and communication strategy
 - d) International distribution strategy

5.0 LECTURE FIVE

E-COMMERCE STRATEGIES IN A GLOBAL CONTEXT

In a global environment where international businesses are competing with the best in the world, it is essential to ensure that every aspect of a company's activities is on a par with those of its best international competitors. In striving towards this global competitiveness, the internet is a powerful tool in the international firm's armoury. Generally internet represents the networking infrastructure and protocols that allow computers to communicate with each other, the World Wide Web represents the user-friendly, point-and-click environment that serves as an interface to the internet.

5.1 Learning Outcome

After the end of this lecture you should be able to:

- a) Understand the concept of internet, World Wide Web and E-commerce
- b) Analyze the advantages of using Internet in a global business
- c) Explain the concept of global e-commerce opportunities
- d) Discuss the Supply chain Management (SCM)
- e) Explain online transactions
- f) Understand E-commerce strategy in an international context
- g) Understand Challenges of adopting E-commerce in Tanzania

5.2 Key Topics

- 5.2.1 Concept of Internet, E-commerce and World Wide Web
- 5.2.2 Advantages of Using Internet in a global context
- 5.2.3 Global E-commerce opportunities
- 5.2.4 Supply Chain Management
- 5.2.5 Online Payments and billing
- 5.2.6 E-commerce strategy in an international context
- 5.2.7 Challenges of Adopting E-commerce in Tanzania

6.0 LECTURE SIX GLOBAL COLLABORATION AND STRATEGIC ALLIANCES

An Overview

Companies are forming international strategic alliances in response to the following demands these are: to seek out new markets as a way of sustaining or increasing sales and profit growth, to achieve lower development, research and marketing costs, to share resources, to access natural resource deposits in other countries, to do business in a politically more stable environment and to learn new skills from competitors.

6.1 Learning Outcomes

At the end of this lecture you should be able to:

- a) Understand the concept of strategic alliance
- b) Explain the advantages and disadvantages of entry modes
- c) Discuss the motivations for entering into strategic alliances
- d) Discuss factors to be considered when forming a strategic alliances

6.2 Key Topics

- 6.2.1 Concept of strategic alliance
- 6.2.2 Advantages and Disadvantages of entry modes
- 6.2.3 Motivations for entering into strategic alliances
- 6.2.4 Factors influencing the establishment of strategic alliances

COURSE EVALUATION

Two Assignments: Weight @ 7.5 marks

Two Timed Tests: Weight @ 12.5 marks

Final Examination: Weight 60 marks

TOTAL MARKS : 100 %

References

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Ian Brooks and Jamie Weatherston, (1997), The Business Environment, "**Challenges and Changes**", Pearson education Ltd, Great Britain

Note:

All of the above references are available at the Open University of Tanzania main Library