

MANAGING GLOBALIZATION

MGPO 469

Tue & Thu 11:35- 12:55 (001)

Tue & Thu 1:05-2:25 (002)

Instructor:	Professor Elena Obukhova	Assistant:	Darlene Fowler
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Office hours:	Tue 3:00-4:00 or by appointment.		

Course Description:

The primary goal of this course is to develop a critical understanding of strategic challenges and opportunities posed by globalization. The course explores how globalization affects existing actors in the global business, including nation-states, clusters, and industries. We will also discuss new actors that play an increasingly prominent role in shaping global strategies, including Diasporas, late mover firms, and consumer activists. We will conclude with deep dives into emergent challenges for global business, including economic protectionism, human rights and climate change.

Objectives:

By the end of this course, students will learn conceptual tools necessary to understand the global strategic landscape. They will also develop skills in critical information consumption and in professional writing in different format and for distinct audiences. In addition, they will acquire specific knowledge of various firms, industries and countries.

Method:

The class uses a combination of analytic readings, cases, assignments, and students' presentations. The instruction method is based on classroom discussion. Students' preparedness and active participation in classroom activities is important to make this class work. The class will also require students to work in pairs or in groups, but all written assignments must be individually prepared.

Evaluation:

10%	Mid-term quiz
30%	Final exam
15%	Assignment 1: Strategy memo (work individually)
15%	Assignment 2: Blog post (work in pairs)
15%	Assignment 3: Position statement (presentation in groups)
15%	Class participation

DELIVERABLES

Mid-term quiz & final exam (10% and 30%) Feb 16th and TBA

The mid-term quiz will take place on a Friday outside of regular class hours, as scheduled by the BCom office. The final exam will take place during the university final exam period, as scheduled by the University. Both exams will cover theories and cases from the course. The exams will have multiple choice and short-answer questions. No make-ups for missed mid-term quiz will be offered. The final exam is cumulative. To apply for a final exam deferment, the student must contact the BCom office.

Assignment 1: Strategy memo (15%) Due dates: Feb 1st, Feb 13th, Feb 20th, or Feb 27th

You will write a strategy memo outlining a strategic recommendation for the firm described in the case. You should assume that you are hired as a strategy consultant addressing the firm's management. You will be assigned cases for which you will prepare a strategy memo (these cases are marked with * in the syllabus). The strategy memo should be less than 700 words (including all tables and figures). The assignment should be turned in at the beginning of the class in which the case is discussed.

Assignment 2: Blog post (15%) Due March 26nd

You will write a blog post evaluating accuracy of one news article. You should assume that you are working as a policy expert for the Canadian Minister of International Trade and part of your job is to educate Canadian public about the possible consequences of policies that the Minister puts forward. You will work with an assigned partner. Partners should discuss their work, but each student is responsible for writing up his or her own assignment. Some students will be asked to present their work in class. Blog post should be less than 700 words (including all tables and figures).

Assignment 3: Position statement (15%) Due April 10th or April 12th

You will develop a set of presentation outlining key points supporting your position on a contentious issue involved in a case. You should assume that you are making a presentation to McGill Board of Governors about a student-led initiative to divest from a firm described in the case. I will assign you a specific role for this assignment. You will work with an assigned group. The presentation can be no longer than 11 slides and should include at least one graphic. You will present your ppt in class on the assigned date and also turn in a printed copy of your ppt. The assignment should be turned in at the beginning of the class in which the case is discussed.

Class Participation (15%)

Spirited, informed discussion of the readings, cases and exercises is a critical component of the course and of everyone's learning. Attendance for all classes and presentations is mandatory (attendance will be randomly taken throughout the course). In addition, students are expected to come to class prepared and ready to participate actively in the discussion. I will occasionally "cold call" students in class. The point of the "cold calls" is not to embarrass anyone, but to ensure that all students are invited to contribute, and to keep the discussion from becoming unbalanced, with a few students doing most of the talking. I will take notes throughout each class regarding student participation and assess the overall quality of your participation.

I will post additional details about assignment on mycourses.

Music quizzes are not graded.

Some tips on what constitutes a quality comment for class participation

(by Prof. Lisa Cohen):

- An “exceptional” comment provides some fundamental structure to the conversation either by distilling an underlying theme from disparate comments or by critiquing a set of comments. An exceptional comment will change the way people view some important part of the case or conversation.
- A “good” comment advances the conversation, by making an analytical point and referring to supporting data, by asking a good question, by offering a thoughtful critique of previous comments, or by expanding on previous comments. Supporting data may come from readings, from other cases, or from personal experience.
- A “fine” comment provides some information that adds to the discussion.
- A “poor” comment is one that seems to indicate a lack of preparation and/or a lack of attention to the “flow” of the conversation (for example, making a point that has already been covered earlier).

COURSE POLICIES

Assignment submission guidelines

You will need to submit your assignments in print and online. The submissions should be typed, double-spaced, single-sided, and use size 12 font. At the top right hand corner, write your name, section number and word count for the assignment. Assignments that exceed the word limit will receive reduced grades. Late assignment policy: A reduction of 10% of the grade for each day the assignment is late.

To make sure participation is accurately recorded, students are strongly encouraged to use a name tag in each class.

No electronic devices (except dictionaries) can be used during class.

RIGHT TO SUBMIT IN ENGLISH OR FRENCH WRITTEN WORK THAT IS TO BE GRADED

In accord with McGill University’s Charter of Students’ Rights, students in this course have the right to submit in English or in French any written work that is to be graded.

Conformément à la Charte des droits de l’étudiant de l’Université McGill, chaque étudiant a le droit de soumettre en français ou en anglais tout travail écrit devant être noté (sauf dans le cas des cours dont l’un des objets est la maîtrise d’une langue

ACADEMIC INTEGRITY STATEMENT

McGill University values academic integrity. Therefore, all students must understand the meaning and consequences of cheating, plagiarism and other academic offences under the Code of Student Conduct and Disciplinary Procedures (see www.mcgill.ca/students/srr/honest/ for more information).

L’université McGill attache une haute importance à l’honnêteté académique. Il incombe par conséquent à tous les étudiants de comprendre ce que l’on entend par tricherie, plagiat et autres infractions académiques, ainsi que les conséquences que peuvent avoir de telles actions, selon le Code de conduite de l’étudiant et des procédures disciplinaires (pour de plus amples renseignements, veuillez consulter le site www.mcgill.ca/students/srr/honest/).

COURSE OUTLINE

INTRODUCTION

1. Introduction to the course

2. Globalization. Are we there yet?

Music Quiz 1

- Thomas Friedman, "It's a Flat World, After All," *The New York Times Magazine*, April 3, 2005 (*mycourses*).
- CASE: CJ E&M: KCON Goes Global (*coursepack*).

GLOBALIZATION: LEVELS

3. Wither the nation state? - I

- Michael Porter (1990) "The Competitive Advantage of Nations." *Harvard Business Review* 90(2) (March-April), pp. 73-93 (*mycourses*).
- Peter Evans and James Rauch (1999) "Bureaucracy and Growth: A Cross-National Analysis of the Effects of 'Weberian' State Structures on Economic Growth," *American Sociological Review*, 64(5):748-765. Focus on 748-753 & Figure 1 (*mycourses*).

4. Whither the nation state? - II

- CASE: Singapore Inc. (*coursepack*)

5. Does geography still matter? – I

Music Quiz 2

- Michael Porter (1998). "Clusters and the New Economics of Competition," *Harvard Business Review*. 76(6) Nov/Dec, pp. 77-90. (*mycourses*).
- Jason Owen-Smith and Walter Powell. "Knowledge Networks as Channels and Conduits: The Effects of Spillovers in the Boston Biotechnology Community," *Organization Science* 15(1): 5-21. Focus on p. 5-9 and Figure 1 (*mycourses*).

6. Does geography still matter? - II

- CASE: The Dutch Flower Cluster. (*coursepack*)

7. What happened to my value chain? – I

- Gereffi, Gary. 1999. "International Trade and Industrial Upgrading in the Apparel Commodity Chain." *Journal of International Economics* 48:37-70 (*mycourses*).
- Thomas L. Friedman 2005. Supply-Chaining: Eating Sushi in Arkansas. Pp. 151-166 in *The World is Flat: A Brief History of the Twenty-First Century*, Picador: New York (*mycourses*).

8. What happened to my value chain? – II

- CASE: Li & Fung* (*coursepack*)

9. In-class review exercise.

GLOBALIZATION: NEW ACTORS & NEW RULES

10. Diasporas - I

Music Quiz 3

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- Diasporas: Causes and Effects (*coursepack*)
 - Saxenian, AnnaLee and Jinn-Yuh Hsu. 2001. "The Silicon Valley-Hsinchu Connection: Technical Communities and Industrial Upgrading." *Industrial and Corporate Change* 10:893-920. Focus on 893-910 (*mycourses*).

11. Diasporas - II

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- CASE: ICICI *(*coursepack*).

12. Who creates the new rules? – I

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- READING: Locke et al. (2009). "Virtue out of Necessity? Compliance, Commitment, and the Improvement of Labor Conditions in Global Supply Chains." *Politics & Society*, September 2009, vol. 37 (3): 319-351. (*mycourses*)

13. Who creates the new rules? – I

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- CASE: Hitting the Wall: Nike and International Labor Practices * (*coursepack*).

14. Global innovation- Seriously? – I

Music Quiz 4

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- READING: Jose Santos, Yves Doz, and Peter Williamson (2004) "Is Your Innovation Process Global?" *MIT Sloan Management Review* 45, no. 4. (*mycourses*)
 - READING: C. K. Prahalad (2004) "The Invisible Market." *Across the Board* 41, no. 5: 23. (*mycourses*)
 - READING: First Break All the Rules (*Economist* 2010). (*mycourses*)

15. Global innovation- Seriously? – II

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- CASE: GE healthcare. * (*coursepack*)

16. How to compete with late movers? – I

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- READING: Christopher Bartlett and Sumantra Ghoshal (2000). "Going global: Lessons from Late Movers." *Harvard Business Review* (Mar-Apr): 133-142. (*mycourses*)
 - READING: Tarun Khanna and Krishna G. Palepu. (2010). "Spotting and Responding to Institutional Voids: Identifying Opportunities in Emergent Markets." Ch 2 in *Winning in Emerging markets: A Road Map for Strategy and Execution*. (*mycourses*)

17. How to compete with late movers? - II

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- CASE: Orange/MTN in Cameroon. (*coursepack*)

DEEP DIVE: TRADE AND ECONOMIC NATIONALISM

18. Is trade free? Should it be? – Introduction - I

- READING: Stalemate at the WTO (*coursepack*).
- GUEST SPEAKER

19. Is trade free? Should it be? - II

- Group work on assignment 2.

20. Is trade free? Should it be? - WTO dispute resolution - III

- CASE: The U.S. – China Wind Power Dispute. (*coursepack*)

21. Is trade free? Should it be? - WTO and patents – IV

- CASE: Glaxosmithkline and AIDS Drugs in South Africa. (*coursepack*)

22. Is trade free? Should it be? - NAFTA in the News - V

- Presentations and explain assignment 3.

DEEP DIVE: GLOBALIZATION’S GRAND CHALLENGES

23. What does S in CSR stand for?

Music Quiz 5

- READING: Michael Porter and Mark Kramer (2006). “Strategy and Society: The Link between Competitive Advantage and Corporate Social Responsibility,” *Harvard Business Review*. Dec. (*mycourses*)

24. What does S in CSR stand for? Key questions - I

- Work on assignment 3.

25. What does S in CSR stand for? Human rights. – I

- CASE: The Burma Pipeline. (*coursepack*)

26. What does S in CSR stand for? Climate change. – II

- CASE: BP PLC: Going “Beyond Petroleum”? (A&B) (*coursepack*)

ASSIGNED READINGS

This course has two types of reading:

- A **coursepack**, which consists of articles and cases can be purchased in the basement of the Bronfman Building. Readings in the coursepack are marked in the course outline as (*coursepack*).
- Some articles and cases are posted on **mycourses**. These are marked in the course outline as (*mycourses*).