ace institute OF MANAGEMENT

Masters of Business Administration

Term	:	**Spring 2011 MBA evening Term 4**
Course	:	**International Business**
Credits	:	**2**
Timing	:	**Section A : Thursday, 6:00 pm – 9:00 pm**
		Section B : Friday, 6:00 pm – 9:00 pm
Instructor	:	**Dr. Mahendra P. Shrestha, mpshrestha@mos.com.np**

Course Objectives

Main Objective:

This course aims to help the students in understanding of international business environment, and develop analytical skills required to compete effectively in this environment to enable the students to understand the interrelationships of the diverse and complex task of international business operations.

Enabling Objectives:

After completion of all the learning units and the requirements of the course, students will be able to:

1. Understand the dynamics of international business environment.
2. Understand the economics, politics and foreign exchange of international trade and investment with special reference to how and why countries differ.
3. Understand strategies and structures that firms adopt to compete effectively in international business environment.

Learning Units

Learning Unit One **Net contact hours–4**	**1. International Business Dynamics** International Business Environment: External Business Environmental Force Competitive, Distributive, Economic, Socio-cultural, Financial, Legal, Physical Political, Labor and Technological.
Learning Unit Two **Net contact hours–3**	**2. Differences in Political Economy & its impact** 2.1 Political system 2.2 Economic system 2.3 Legal system
Learning Unit Three **Net contact hours-3**	**3. Cultural Differences & its impact** 3.1 Social structure 3.2 Religion 3.3 Language 3.4 Education 3.5 Topography, climate and other factors
Learning Unit Four **Net contact hours-4**	**4. International Trade Theories** 4.1 Mercantilism 4.2 Absolute advantage theory 4.3 Comparative advantage theory 4.4 Heckscher-Ohlin theory 4.5 Raymond Vernon's PLC theory 4.6 New trade theory 4.7 Porter's diamond
Learning Unit Five **Net contact hours-3**	**1. Development of World Trading System** GATT and evolution of WTO WTO and Nepal
Learning Unit Six **Net contact hours - 3**	**2. Foreign Direct Investment** FDI Vs, FPI FDI in World Economy Acquisition Vs. Green-field investment Horizontal FDI Vertical FDI
Learning Unit Seven **Net contact hours – 3**	**3. Regional Trading Agreements** European Union SAFTA BIMSTEC Impact of regional groupings on Nepalese international trade
Learning Unit Eight **Net contact hours – 3**	**4. Global Monetary System** The foreign exchange market The international monetary system The global capital market
Learning Unit Nine **Net contact hours – 4**	**5. Strategy of International Business** Strategy and the firm Strategy in international business Profiting from global expansion Pressure for cost reductions and local responsiveness Strategic choices Case of strategy of international Business

Reading Materials

Text Books:

1. Sharan, Vyuptakesh .**International Business: Concept, Environment and Strategy.** New Delhi: Pearson Education (Singapore) Pte. Ltd. (Latest Edition)

2. Rao, P. Subba. **International Business- Text and Cases.** Mumbai: Himalayan Publishing House. (Latest Edition)

3. Taffart, O.H. and McDermott, M.C. (2002). **The Essence of International Business.** New Delhi: Prentice Hall of India Pvt. Ltd.

Reference Books:

1. Daniels, John D. and Radebaugh, Lee H. **International Business: Environments and Operations.** Delhi: Pearson Education (Singapore) Pte. Ltd. (Latest Edition)

2. Sundaram, Ananta K. and Black, J. Stewart (2000). **The International Business Environment.** New Delhi: Prentice Hall of India Pvt. Ltd.

3. Hill, Charles W.L. **International Business. New Delhi:** Tata McGraw Hill Publishing Company Ltd. (Latest Edition)

4. Hills, Charles W. L. (2009). **Global Business.** McGraw Hill Publishing. New Jersey.

5. Friedman Thomas. Lexus and the Olive Tree

International Business Cases:

Appropriate cases available with the instructor will be referred to, to complement and supplement the discussions. The objective is to ensure that the students understand the concepts better.

Evaluation Plan

Components	Weights
Assignments (at least 2)	20
Case Study (at least 1)	15
Mid Term Exam	15
End Term Exam	40
Attendance	10
	100