

**Course:** BE 526: Competing in the Global Economy  
**Time/Loc:** Tue/Thu 10:30 – 12:20 on Zoom  
**Office Hours:** Tue/Thu 1:00 – 2:00, or by appointment

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**INTRODUCTION**

Markets are global in scope and you will increasingly need a global perspective to be competitive as a firm and as a professional. It is unlikely that suppliers, competitors, and customers will solely be domestic. Furthermore, regulations, constraints, and competitive landscapes continue to evolve and will face periods of rapid change, often without warning. Leaders of tomorrow will be prepared to identify and seize opportunities and overcome obstacles, and to do so quickly. We will explore how purely domestic operations differ from global ones and begin to develop the skills and traits that will help you be successful in the globalized business environment. These professional competencies are critical for high potential executives whether or not they aspire to positions in foreign locations. The course spans from the internationalization process to the operation of complex global operations. We will consider opportunity identification, the importance of monitoring regulatory and competitive environments, and the power of adaptability.

**LEARNING OBJECTIVES**

Students should emerge able to:

1. Apply knowledge/competencies learned in other courses in a global context.
2. MACRO: Identify, assess, and project global trends that (will) represent opportunities or threats.
3. MICRO: Recognize and estimate the importance and urgency of seizing opportunities or countering threats.
4. Use their (developing) competencies to plan, execute, manage, and monitor global operations.
5. Understand global business differences (cultural, market, regulatory, economic, etc.) that enable you to assess personal strengths and weaknesses, including potential plans for professional development or experiences.
6. Construct risk assessments of global actions (or inaction) and use them in decision making and risk mitigation.
7. Develop actionable plans. In the steps, identify-analyze-decide-act-monitor-adjust, too often we stop at “analyze”. I want you to (over-) emphasize the “act” part. What do you actually do, Monday 8 a.m.?

**LEARNING APPROACH**

The course must be highly interactive to work. One model of learning is: Watch one, do one, teach one. In classes that stop with the first step, students gain only a cursory understanding and short-lived knowledge. The second step pushes the student to apply and analyze using that knowledge. In the third step students anticipate questions and question individual assumptions/biases. It leads to the ability to reflect on (evaluate) the material and, it is hoped, to identify opportunities to generalize and integrate. In this class, we:

- Watch one: learn from articles and short lectures on various materials
- Do one: apply frameworks to cases, prepare answers/analyses
- Teach one: group work, case discussions, compose (write) your ideas to convince (teach) others

The approach in this course is intentionally designed:

1. Cases: We use cases. This allows you to apply what you learn.
2. Teams: In business, everything is done in teams. Get good at working in teams, learning from one another.

3. Cross-industry: Our cases many industries.
4. Cross-disciplinary: Business executives think about all disciplines and so must we.
5. New and old cases: Certain older cases illustrate timeless concepts. Others are new/timely.
6. Adaptable: We **will** change things to suit. When learning is sufficiently “complete”, we can move on. We will adapt and cover adjacent topics that are of interest. THIS IS INTENTIONAL – We are not “OFF TOPIC”.
7. Real-time: While cases are neatly packaged, in business you will be expected to conduct analyses in real-time, using real data, without preparation. We will have opportunities to do the same.
8. Participatory: Business (and life) is not a spectator sport. The “teach one” step involves you adding value to the class by participating, arguing, and conveying your ideas. Everyone must do so.
9. Preparation is necessary: Prepare or fail. Show up to a meeting unprepared and your boss will fire you.

### GRADING/ASSESSMENT

Grades are assessed per assignment and weighted as shown. If needed, final grades will be curved up or down to resemble Foster norms for the level of course. Assessment is intended to map to the learning objectives and to your contribution to the learning approach. In short:

Individual case write-ups (pick 1 from Lada, Mahindra, Schindler)	20%
Group case write-up (pick 2 from Li & Fung, Cemex, Blood Bananas)	40%
Professionalism/participation	20%
Final exam (written, individual, case)	20%

#### *Late assignments*

**If an assignment is from 0-24 hours late, it is -25%. After 24 hours, it is -50% from the assessed score.**

#### *Individual case write-ups*

This will be in the form of a professional memo, one-page max + exhibits (if you want guidance, ask in class). See Canvas. You must choose one. If you complete more than one, I will **average** the scores (not choose the best).

#### *Group case write-up*

This will be in the form of a professional memo, two pages max + exhibits. See Canvas. You must choose two. If you complete all three, I will **average** the scores (not choose the best two).

#### *Professionalism/participation*

**A CASE COURSE ON ZOOM is somewhat complex, but we'll make it work.** I create random call lists – “random draw, with replacement”, meaning you might be called several times in a class, or not at all. I generally use it to “open” the case and for the first few questions, but then will open the discussion to anyone who has value to add or good questions. **Each student gets one (per course) “get out of jail free” card. If you notify me (and the TA) before class, I will not call on you and you will not get a bad participation grade for not participating that day.**

The metric: your goal is to add value to the discussion when called upon **whether or not** you have the “right” answer (there may not be one). My recommendations:

1. Make it obvious that you prepared the case.
2. Answer the question as best you can or add something of value that might help the rest of us answer it.
3. Do not answer other (written) questions that others will be expected to address later.
4. Be concise, but thorough.
5. Be logical and structured. Good frameworks are MECE (ask me if you don’t know).

6. Be data/evidence-driven. Opinions are nice...data are sublime.
7. Be constructive and nice in addressing other students or their comments.
8. It is ok to differ/counter the analyses of others.

Grading works like this whether called upon or if you volunteer. I am (positively) biased when you volunteer:

- 4=(RARE) super value-added “aha” moment comments, creative and thorough evidence-based analyses
- 3=commentary/insights are the results of (correct) analyses beyond facts, adds value, incorporates readings
- 2=expected commentary, shows preparation, limited to factual evidence with some insightful analyses
- 1= wandering commentary, lack of evidence, shows shallow preparation
- 0=absent, unprepared, clueless answer, distracting, unprofessional, rudeness (esp. related to a peer), not engaged, no camera, clearly doing something else...
- Null=no grade, does not help or hurt average

Your grade is an average of your scores (0-4) received. These scores will be curved such that the best score = 100%.

#### *Final Exam*

This will be an individual written case analysis. It will be either be done in class or a take-home due on the scheduled final exam date/time and submitted online. To be discussed in class.

#### **PROFESSIONALISM/POLICIES**

I expect you to treat this class as you would a professional responsibility.

- **Communication.** Email is best. I try to answer emails quickly. If I do not answer within 24 hours, re-email me. Be professional and give me the context needed to answer you (e.g., enough data to answer the question). I rarely carry texts around with me on nights/weekends. However, I usually always have my HP 12C because it is a totally cool, all-powerful, tool for self-enlightenment that I often use to fight crime, leap tall buildings in a single bound, and solve world hunger.
- **Canvas.** Files will be posted and re-posted to Canvas as (and if) adjustments are made.
- **Syllabus/Dates.** Things will likely change. I want to adapt to suit your needs in case we need to spend more or less time on particular topics. The latest will be posted on Canvas.
- **Electronics.** DO NOT USE phones, other apps, or other electronics during class. Take them off the desk. Turn phones off altogether. Check it at break. There will be times that I ask you to use certain devices to get data, investigate things, read articles, etc. Nearly every study shows that devices whether for notes, viewing slides, etc. detract from learning. You will learn less...tuition wasted.
- **Attendance** is expected. You will learn less if you are not here and engaged. Notify me if you must miss/depart early. If you must be gone, **you should write up the case (one-page max, memo) and submit it before the class.** If this is one of the assigned write-ups, you must write up a different case on the subsequent day. If competently done, you get a 2.0 for participation for the missed class, otherwise, you get a zero (negative grade effect). You are only allowed a max of two of these make-up write-ups, then zeros. The late policy penalties apply.
- **Timing.** Show up on time. I will as well. Let's work together to identify appropriate break times and class end times. Sometimes we get on a roll (finance is ridiculously fun) and lose track. A heads-up is appreciated. If we achieve the learning objectives and have exhausted the materials, we might end early.
- **Office Hours.** (time are listed) Keep it brief, professional. I am here to help. If there are no other students waiting, and class-related topics are clear, etc., I am happy to discuss careers, etc. I want you to be employable and will offer advice/counsel to that end.

- **Plagiarism/cheating.** There is a code of conduct. Do not lie, cheat, steal, plagiarize, etc. Do not refer to or use case solutions (e.g., B cases). It is cheating and you will learn less. Violations will be reported and your reputation matters (at UW and in business).
- **Disabilities and DRS.** If there are accommodations that need to be made, notify DRS and we will address it.
- **RELIGIOUS ACCOMMODATION.** Washington state law requires that UW develop a policy for accommodation of student absences or significant hardship due to reasons of faith or conscience, or for organized religious activities. The UW's policy, including more information about how to request an accommodation, is available at Faculty [Syllabus Guidelines and Resources](#). Accommodations must be requested within the first two weeks of this course using the Religious Accommodations Request form available at: <https://registrar.washington.edu/students/religious-accommodations-request/>
- **CODE OF CONDUCT.** I will uphold the fundamental standards of honesty, respect, and integrity, and I accept the responsibility to encourage others to adhere to these standards.
  - HONESTY: I will be truthful with myself and others.
  - RESPECT: I will show consideration for others and their ideas and work.
  - INTEGRITY: I will be a leader of character. I will be fair in all relations with others.

**MATERIALS**

ARTICLES: Articles for the course will be posted on Canvas and/or accessible via Foster library.

CASES: EZ Copy has a printed coursepack. All cases are also available via HBS or IVEY electronically, but for more \$.

TEXT: Not required, but some good reference texts for many of the topics we cover are on reserve in Foster:

ON RESERVE (FOSTER LIBRARY or cheaply obtainable used):

Bartlett C., and Beamish P., *Transnational Management – Text and Cases in Cross-Border Management*, and edition).

Beamish, et al, *International Management, Text and Cases* (any Ed, (3 Ed in Foster library)).

**MODULES and DAY-BY-DAY TOPICS**

Date	Session
Mar 30 – T	1
Apr 01 – R	2
Apr 06 – T	3
Apr 08 – R	4
Apr 13 – T	5
Apr 15 – R	6
Apr 20 – T	7
Apr 22 – R	8
Apr 27 – T	9
Apr 29 – R	10
May 04 – T	11
May 06 – R	12
May 11 – T	13
May 13 – R	OFF
May 18 – T	14
May 20 – R	15
May 25 – T	17

May 27 – R	18
Jun 01 – T	19
Jun 03 – R	20
Jun 07 (registrar sets time/room)	FE

**Module 1: International Context**

S1	Introduction	<p><b>Article:</b> Global Competition and the Localization of Competitive Advantage  <b>Article: (skim)</b> Porter’s Competitive Advantage of Nations</p>
S2	Setting the Table	<p><b>Article:</b> The Retreat of the Global Company  <b>Article:</b> Globalization in the Age of Trump  <b>Case:</b> Asea Brown Boveri, HBS 9-192-139  Q: Evaluate Barnevik’s performance  Q: Evaluate his strategy  Q: Evaluate the org structure  Q: Describe working as a front-line manager at ABB</p>
S3	Global Strategy Issues/Trade-offs	<p><b>Article:</b> Glassman, “The Cultural Context of International Business”  <b>Case:</b> ABB Deutschland (Abridged), HBS: N9-394-019  Q: What should the German manager do?  Q: Describe the cultural differences.  Q: Is the issue more personality, history, or culture?</p>

**Module 2: National Business Systems/Economics/Rules**

S4	Japan – Change and Continuity	<p><b>Article:</b> Thrift and Enterprise  <b>Article:</b> Japanology  <b>Article:</b> Leaderless Japan  <b>Case:</b> Kinyuseisaku: Monetary Policy in Japan (A), HBS: 9-708-017  Q: Reasons for Growth: link the three theories from the ‘Thrift’ article to Japan’s growth (50s-80s).  Q: Explain Japan’s prolonged stagnation. Link this to the theories. How have these led to stagnation? Will it help or hinder a return to growth?  Q: What lessons are there from BOJ’s changes? Should they raise interest rates (at the end of the case)?</p>
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S5	Brazil – Profiting from Transition	<p><b>Case:</b> Lada do Brazil, HBS: 9-392-122</p> <p>Q: Evaluate Lada’s performance.</p> <p>What issues does Lada face in Feb 1992?</p> <p>Q: Evaluate threats to Lada.</p> <p>Q: What do you recommend?</p> <p>Q: What lessons are there from liberalization?</p>
S6	China – In the 21th Century	<p><b>Case:</b> China “Unbalanced”, HBS: 9-711-010</p> <p>Q: Summarize, characterize, assess (pro/con) Chinese government strategy for:</p> <ol style="list-style-type: none"> <li>1. During Deng Xiaoping</li> <li>2. Around WTO entry 2001</li> <li>3. During/following financial crisis 2008</li> </ol> <p>Q: Porter’s diamond: what aspects are helping or hindering China for each of:</p> <ol style="list-style-type: none"> <li>1. Factor conditions</li> <li>2. Demand conditions</li> <li>3. Related and supporting industries</li> <li>4. Firm strategy, structure, and rivalry</li> </ol> <p>Q: Which problems is China facing that threaten continued development?</p> <p>Q: What should China</p>
S7	China – Making mistakes	<p><b>Case:</b> CSFB’s China Unicom Incident, Center for Asia Business Cases, U Hong Kong, HKU187</p> <p>Q: Why did this incident happen?</p> <p>Q: Evaluate CSFB’s action.</p> <p>Q: What went well? What went wrong?</p> <p>Q: Implications for CSFB?</p> <p>Q: Implications for Taiwan?</p> <p>Q: Implications for China?</p>
S8	China and Hong Kong	<p><b>Article:</b> The controversy over Free Trade (Federal Reserve of St. Louis, Feb 2002, Vol 84, No 1, pp 1-21)</p> <p><b>Case:</b> Li and Fung (A): Beyond Filling the Mosaic, HBS: 398092.</p> <p>Q: How is L&amp;F able to maintain its margins?</p> <p>Q: Explain L&amp;F strengths vis-à-vis competitors.</p> <p>Q: Does L&amp;F have Chinese business cultural aspects?</p> <p>Q: Are these strengths?</p> <p>Q: What challenges do they face?</p> <p>Q: What issues must L&amp;F address to expand?</p> <p>Q: Recommend how/where/when it should expand.</p>
S9	India, Africa: Cracking the next growth markets	<p><b>Article:</b> Cracking the next growth market: Africa</p> <p><b>Case:</b> Mahindra and Mahindra in South Africa (Ivey)</p>

		<p>Q: Which options should Shah choose?</p> <p>Q: Assess M&amp;M's experience in S. Africa thus far.</p> <p>Q: Evaluate the attractiveness of S. African market.</p> <p>Q: What roles might M&amp;M's S. African sub play in the global network going forward?</p> <p>Q: Shah: Recommendations to M&amp;M's board?</p>
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**Module 3: The Strategic Imperative**

S10	Expanding Abroad: Motivations, Mechanisms	<p><b>Article:</b> The Cosmopolitan Corporation</p> <p><b>Case:</b> Cameron Auto Parts (A): Early Internationalization, Ivey 9B16M043</p> <p>Q: Should Cameron have licensed McTaggart or continued to export? Compare/contrast.</p> <p>Q: Was McT a good choice for licensee?</p> <p>Q: Evaluate the royalty rate. Reasonable? (do the math!)</p> <p>Q: What are alternatives to licensing?</p>
S11	Understanding the International Context: Responding to Conflicting Environmental Forces	<p><b>Article:</b> Distance Still Matters (HBR)</p> <p><b>Case:</b> IMAX Expansion in the BRIC Economics (Revised), Ivey 9B15M028</p> <p>Q: Assess competitive advantages underlie the success of IMAX. Are these sustainable?</p> <p>Q: What motivates the expansion? To BRICs?</p> <p>Q: Evaluate the international expansion to date.</p> <p>Q: If 400 of the remaining 1550 screens are allocated to BRICs, recommend a distribution plan. Within countries, how would you distribute among cities? How does this differ by country?</p> <p>Q: ID risks in expansion to BRICs. How can IMAX mitigate these risks?</p>
S12	Developing Transnational Strategies: Competitive Advantage	<p><b>Article:</b> Managing Differences: The Central Challenge of Global Strategy</p> <p><b>Article:</b> (opt) The New Rules of Globalization</p> <p><b>Case:</b> The Globalization of CEMEX, Ivey 701017 (HBS)</p> <p>Q: CEMEX benefits from globalization?</p> <p>Q: Other competitors...benefits from globalization?</p> <p>Q: How can cross-border activities add value in a "local" industry like cement?</p> <p>Q: How has CEMEX outperformed?</p> <p>Q: Compare Holderbank and CEMEX performance.</p> <p>Q: Exhibits 4-8: what do these suggest about competitive</p>

		<p>Games being played out by major players? (Hint: Compare returns/margins for most and least-competitive markets, and markets where CEMEX is)</p> <p>Q: Explain the sequencing of CEMEX foreign entries?</p> <p>Q: Compare the early entry markets vs the later?</p> <p>Q: Recommend CEMEX globalization going forward? (including which countries)</p>
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**Module 3: The Organizational Challenge**

S13	Developing Transnational Organization: Managing Integration, Flexibility	<p><b>Case:</b> ECCO A/S – Global Value Chain Management</p> <p><b>Article:</b> Tap Your Subsidiaries for Global Reach</p> <p><b>Article:</b> (opt) Re-shoring: Manufacturing for Global Success</p> <p>Q: Describe the competitive landscape and ECCO’s positioning to take advantage of industry changes.</p> <p>Q: Analyze the global value chain. Assess its fit with the industry (current and future?).</p> <p>Q: ECCO has vertically integrated value chain. What are pros/cons of that? What economic and strategic factors should be analyzed to answer this question?</p> <p>Q: Is ECCO following inside-out or outside-in strategic perspective? What are the implications? How can ECCO Increase its sale/marketing efforts?</p> <p>Q: How is family ownership affecting ECCO? Assess the corporate ownership structure and its implications for strategy-making and implementation? Alternatives?</p>
S14	Creating Competitiveness through Regional Strength	<p><b>Article:</b> Have you restructured for Global Success</p> <p><b>Case:</b> ING Insurance Asia-Pacific</p> <p>Q: As Kemp, size up ING Ins Asia/Pacific.</p> <p>Q: What changes do you propose? Justify.</p> <p>Q: What major challenges are you likely to encounter in implementing those changes? How will you overcome?</p>
S15	Cross-Border Collaboration	<p><b>Case:</b> Nora-Sakari: A Proposed Joint Venture in Malaysia</p> <p><b>Article:</b> Hofstede Cultural Dimensions (choose your own, or search various sites/videos – there are many, but the book is too long)</p> <p>Q: Why have negotiations failed to reach an end?</p> <p>Q: Is a JV the best option for both (to achieve their objectives)?</p> <p>Q: As Zainal, what steps can you take to ensure Nora fulfills the TMB contract? Should you monitor thereafter?</p> <p>Q: If Zainal decides to renegotiate (assuming Kuusisto</p>



		agreed), how should he restructure the deal?
S16	Worldwide Innovation and Learning	<p><b>Article:</b> Building Your Company’s Capabilities Through Global Expansion</p> <p><b>Article:</b> Boeh, “Contracting Costs and CBM&amp;A”</p> <p><b>Case:</b> No case...</p> <p><b>Topic:</b> I will present on cross-border M&amp;A, entry modes</p>

**Module 5: Managerial/Professional Implications**

S17	Transferring Global Management Capabilities and Values	<p><b>Article:</b> Managing Executive Attention</p> <p><b>Case:</b> Silvio Napoli at Schindler India (A), HBS: 9-903-086</p> <p>Q: Was Silvio the right choice for GM of the India ops?</p> <p>Q: As Luc Bonnard how would you evaluate Silvio’s first seven months as GM? Advise Luc, short and long term.</p> <p>Q: Advise Silvio on his decision about nonstandard glass wall elevator that has been ordered.</p> <p>Q: How should he deal with the challenges of transfer prices and limited tech support from Europe?</p>
S18	Business Ethics in the Global Context	<p><b>Article:</b> (opt) Strategic Integrity Management as a Dynamic Capability</p> <p><b>Case:</b> Blood Bananas: Chiquita in Colombia, Ivey A09100012</p> <p>Q: Explain root causes for Chiquita’s actions in Columbia that led to their conviction.</p> <p>Q: Did Chiquita managers have a choice? Why (not)?</p> <p>Q: What other companies should worry about Chiquita’s experience? Explain the impacts it has on YOUR perspective on doing business abroad?</p> <p>Q: What can current CEO Aguirre do now to restore Chiquita’s reputation and ensure future competitiveness?</p>
S19	Building Global Management Capabilities from Within	<p><b>Article:</b> Harnessing the Best of Globalization</p> <p><b>Case:</b> Joe and the Juice Crosses the Atlantic, Ivey 118039</p> <p>Q: What factors are critical to the success of J&amp;TJ?</p> <p>Q: Why would someone want to work at J&amp;T? Describe that person.</p> <p>Q: Does J&amp;TJ have appropriate span of control and accountability for managers? Juicers? How do fix this?</p> <p>Q: What challenges does J&amp;TJ face as it enters the U.S.? What advice do you give to management?</p>
S20	Course wrap-up	Any question, any case, any article, any framework. Boeh Protips: Careers, life, etc.

		Evaluations. FE handed out (if take home).
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**FINAL EXAM**

FE	Final exam	Case: to be distributed. Individual work, to be submitted by the end of the UW schedule final exam time period. If in-class, case to be done during UW scheduled exam.
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