

MGT 522: International Business

Credits: 3

Lecture Hours: 48

Course Objectives

The purpose of the course is to provide students with an overview of the importance of international business and trade in the global economy. It explores the factors and environment the influence success in international markets and familiarizes students with the basic terminologies, key concepts and issues related to international business.

Course Description

This course focuses on key aspects of doing business globally, including the forces of globalization; how business conditions and practices differ from country to country; free trade and protectionism; exporting, licensing, and foreign direct investment; exchange rates and the complications that arise when dealing with multiple currencies; and strategic issues for firms operation in international markets. Students will learn about the techniques and strategies associated with different dimensions of marketing, financial management, and human resource management which arise in an international business context.

Course Details

Unit 1: Globalization and International Business

LH 4

Concept of globalization; Forms of globalization; Drivers of market globalization; concept of international business; Reasons for international business expansion; Domestic vs. international business. Case discussion.

Unit 2: Theories of International Trade and Investment

LH 6

Theories of international trade; Implications of international trade theories; current trend of global trade; Nepal's foreign trade: an overview; Theories of international investment; Implications of international investment (FDI) theories; current trend of Foreign direct investment; FDI and multinationals; Contemporary issues in international trade and investment. Case discussion.

Unit 3: Global Economy and Regional Economic Integration

LH 8

Structure of the global economy; the changing demographics of the global economy; Regional economic integration-concept, nature and stages; Nepal's participation in regional trading system: critical evaluation of SAFTA and BIMSTEC; Emerging foreign markets; Economic integration in different conditions; Implications of economic integration; Free trade policies and WTO: Principles of WTO; Nepal's participation in multilateral trading system of WTO: critical evaluation; Case discussion.

Unit 4: International Monetary and Financial Systems

LH 8

International monetary and financial environment- currencies and exchange rate systems; The nature of foreign exchange market; foreign exchange rate systems; Modes of payment in international trade; Currency risk management; International financial system; International financial institutions: an overview of the World Bank, IMF, ADB, and Asian Infrastructure Investment Bank .Case discussion.

Unit 5: International Business Environment and Strategic Management

LH 12

Nature and complexity of international business environment; Analysis of environment forces; Socio-cultural forces: complexity of doing business across cultures; Political forces: assessing

and planning political risks; Role of strategy in international business; Estimating market potential; Choosing an IB strategy; Entering and operating in international markets: exporting and importing, collaborative ventures and strategic alliances, licensing, franchising; Global sourcing; Case discussion.

Unit 6: Functional Areas of International Business

LH10

Global production; Global marketing strategies: global positioning, branding, product development, pricing, communication, distribution strategies, and E-marketing; Research and development (R&D); financial management: sources of fund for international operations; International human resource management: staffing policies, diversity management and labor relations; economic diplomacy: an overview. Case discussion.

Reference Books

Hill, C. & Jain, A.K. *International Business: Competing in the Global Marketplace*. Tata Mc Graw Hill, New Delhi.

Hill, J.S. *International Business: Managing Globalization*. Sage Publications. New Delhi.

J D Daniels,, L H Radegaugh, and D P Sullivan. *International Business: Environment and Operations*. Pearson Education. New Delhi.

Oded Shenkar and Y. Luo. *International Business*. Wiley Publications. New Delhi.

Alan Sitkin and Nick Brown. *International Business: Challenges and Choice*. Oxford University Press. New Delhi.

Sthapit, A. *International Business*. Taleju Prakashan. Kathmandu.

Gautam, M. *International Business*. Buddha Publications. Kathmandu.

Joshi, R.M. *International Business*. Oxford University Press. New Delhi.