



# Culture and Organization of International Business

Professor: Catalina Paya / José Luis Marín Arandia

Office hours: By appointment

Course Type: Compulsory

Credits: 3 ECTS

Term: 1st

#### 1. COURSE PRESENTATION

# **Course Description**

The Culture and Organization of International Business course focuses on individuals and organizations operating in an international context. The aim of the course is to enable students to properly analyze and understand opportunities and challenges that individuals and organizations face operating internationally and dealing with their international counterparts in the home markets. In other words, the course's objective is to answer the most fundamental questions in international business management: what determines the international success and failure of organizations? and; what are the factors that lead to business excellence of organizations operating internationally?

To answer these questions, in this course we study how to create, foster and manage international organizations in which people thrive and perform at their best. Our assumption is that individual and team thriving is the key to organizational excellence. The challenge in managing from this perspective is how do you architect contexts (jobs, organizational cultures, structures, processes) that enable individuals and teams to thrive? The challenge at a more personal level is how do you find and/or create a context in which you can thrive and manageat your best? Thus, the course maintains dual focus: 1) on your role as manager, designing and enabling contexts where others can thrive; and 2) on your personal quest to find and create contexts where you flourish and perform at your best.





The course places special attention upon different tools and analytic competences available to various managerial roles when doing business internationally. It aims to balance theoretical and practical approaches. While the theoretical part concentrates upon relevant theories, models, and tools relevant for multinational organizations, the practical part focuses on building insights from real life situations and on providing opportunities to apply theoretical knowledge. Students are expected to adopt a bird's-eye-view perspective and pay attention to both theoretical and practical aspects of the subject.

# **Objectives**

#### After successful completion of the course the students should have:

- a. An awareness of how culture at different levels impact organizational decision-making processes and outcomes.
- b. Deep understanding of how different factors such as motivation, informal institutions and resilience impact individual and team effectiveness in an international context.
- c. An in-depth knowledge of analytical frameworks used in the screening of national markets (defining the key factors in the organization's internationalization process by evaluating the international business environment, stressing particularly the economic and cultural dimensions).
- d. An enhanced understanding of what determines the success and failure of organizations around the globe.
- e. An ability to invoke different management theories (e.g., resource-based view, and stakeholder theory) to understand organizational performance.
- f. An understanding of the "other side" of international business, namely, local organizations that often compete and/or collaborate with foreign entrants, especially in emerging economies.
- g. An ability to recognize the tensions in adopting a global standardized action as opposed to a locally responsive action in international management and relate these to the overall corporate strategy of companies.
- h. A disposition to consider ethical and social responsibility issues in the development and implementation of an international management strategy.





## Co-dependences with other MScIB courses:

The knowledge and competences acquired in this course serve as fundamentals upon which you will continue to build in 'International Business Strategy' and 'International HR Management' 2<sup>nd</sup> term courses and 'Management Skills, Communication and Negotiation Techniques' and 'Business Game – Simulation of Strategic Decisions' 3<sup>rd</sup> term courses. Finally, this course will provide a tool set you are expected to apply in your master thesis.

This course is part of the subject **Organisation**, which has the following learning outcomes:

The student will be able to discriminate between the different types of business presence to implement business activities abroad during the resolution of practical cases proposed within the master's degree.

RA3. Mat.6.1 Integrate corporate social responsibility (CSR) policies of the company in the internationalization process.

The student will be able to decide the optimal way for the company to enter international markets by participating in international negotiation processes in a professional context.

RA4. Mat.6.2 Use synthesis and communication information tools for international business.

RA4. Mat.6.3 Organize the human resources of the company in an international environment.

RA4. Mat.6.4 Apply the tools and advanced skills to successfully develop an international negotiation taking into account the importance of the specific socio-cultural aspects of each region.

RA4. Mat.6.5 Recognize the different forms of organization of the international company.

The student will be able to develop the ability to assess gender and sex inequalities in order to design solutions in the different executions during the master's degree applied to international business management.

RA9. Mat. 6.6 Integrate equality policies (gender and sex) in the internationalization process of the company.

## Related SDGs

SDG 5: Gender equality

SDG 8: Decent work and economic growth

SDG 9: Industry, innovation and infrastructure

SDG 12: Responsible consumption and production





# 2. COURSE LEARNING PLAN

# Methodology

In this class, we will take an active learning approach. This approach requires students to prepare for the class EVERY time. In other words, you should watch the assigned video presentations, read assigned readings, think about the issues raised in the assigned presentations and readings, and be prepared to contribute to the class discussion. As your professor, my primary role is to facilitate the learning process. While you will have formal lectures, the main learning will be achieved through case and article preparations, classdiscussions, and work on assignments.

The course is composed of a mixture of theory classes, case and article analyses and discussions, web-based simulations, and individual and group project work. All class material will be available in English only. Students will be provided with the cases, video presentations, readings, exercises, and lectures before the class via the Intranet site.

#### Theory classes:

The objective of theory classes is to understand main issues related to cultural and organizational issues in international context and consider all relevant elements in developing and implementing effective international strategies and organizational policies. For each topic, I will provide a set of Power Point slides. These slides will be posted on the Intranet ahead of the class. While we will not discuss every single slide or spend equal time on each slide, you are expected to know all material covered in the slides.

#### Cases:

The objective of case discussions and analyses is to develop the necessary abilities to apply previously acquired concepts to specific situations. The case studies put you in the shoes of a decision maker, i.e., you must perform the appropriate analysis and then make a recommendation. In addition to allow you to study course topics, you benefit by improving your problem-solving ability, your ability to think on your feet and move others towards your point of view.

A case-study course involves continuous student-to-student and student-to-professor discussion. Much of the learning occurs during the class, as students work through what they prepared in advance, ask questions about it, and improve on it. To get the most out of the class you must prepare conscientiously and participate actively in class discussions. Failure to participate robs others of your perspective and increases the chances that the discussion will not be relevant to your interest and abilities. So please





## participate actively.

What makes a conscientious case preparation? Read the case thoroughly; identify the principalissues to be addressed in the case; attempt to analyze these issues using your common sense and any appropriate tools or techniques; and note any action recommendations implied by your analysis. Alternatively, if you find yourself hitting a roadblock, try to articulate what yourproblem is. Oftentimes, identifying roadblocks is as valuable as a complete analysis.

For each case assigned, I will provide one or more preparation questions. The questions play several roles depending on the case. Usually, the questions are simply to help you get started on your analysis. You should not feel constrained by them, nor should you assume that answering all preparation questions necessarily constitutes a complete analysis. My general advice is always to read the preparation questions, but do not feel overly constrained by them.

I tend to vacillate between asking for volunteers and calling on individuals. If you are not prepared, please notify me before the class, and we can both avoid some embarrassment. If you have read the case, spent time thinking of the questions and problems, but still feel unsure of your opinions, count yourself prepared. If you have made the effort, you should never feelembarrassed by the result.

While for the midterm and the final exam you do not need to know details about the case, you should know the principal learning from the cases, and you should be able to use frameworks and tools introduced or used during the case discussion.

#### Video presentations:

Video presentations will introduce specific topic and models which we will use during our classes, especially during case discussions. Your knowledge of the concepts covered in the video presentations will be tested in the midterm exam and the final exam.

#### Academic and practitioner articles:

Articles provide additional clarification of the topics that we will cover in this class. In addition, frequently, they will provide the latest thinking about specific issues and will enable you to further study topics if you so desire. My suggestion is to make a one-page summary of each article once you read it. Your knowledge of the concepts covered in the articles will be tested in the midterm exam and the final exam.

#### News articles and professional papers:

The objective of article discussions is to develop the ability to analyze current issues in International Management as well as to keep abreast of the recent socio-economic





developments and link them to the class material. While the course outline, provided at the end of this document, lists required articles, additional articles from various relevant sources (e.g., The Economist) will be posted on Aula and will serve to initiate discussions either in the classroom or on the Intranet site.

#### Simulations:

You will play several web simulations inside and outside of the classroom. The purpose of these exercises is to sharpen your analytical skills and apply and further your knowledge of the concepts introduced in the course in a "real-life" situation. The simulations are mandatory. Your team members will evaluate your contribution at the end of the course. Midterm and final exams will test your knowledge of the material covered in the simulations as well as the content of the simulations.

#### Individual and group project work:

Individual and group assignments in this course are combined. For all group assignments you will have to complete an individual activity to be able to accomplish a group task.

Working on these assignments should:

- Allow you to practice the concepts covered in class to help you learn and understand them better, prepare for the final exam, start with your master thesis work earlier, andwork more efficiently as a team.
- Motivate you to learn more about specific industries and sectors.
- Sharpen your analytical skills.
- Help you to become better at dealing with ambiguity.
- Encourage you to learn how to make recommendations and how to justify youropinions.
- Improve your group working skills.
- Give you an opportunity to improve your written and spoken English.

#### Number of hours and credits committed per type of activity:

Activity	Hours	Credits				
Directed and/or supervised						
Theory classes	10	0.40				
Case analyses	3	0.12				
Discussions	5	0.20				
In-class exercises	11	0.44				
Midterm exam	1	0.04				
TOTAL	30 hours	1.2				





The competences, the learning outcomes, the assessment elements and the quality of the learning process included in this Teaching Plan will not be affected if during the academic trimester the teaching model must switch either to a hybrid model (combination of face-to-face and on-line sessions) or to a complete on-line model.

# Evaluation criteria

#### Regular Term Evaluation

During the regular term you will be evaluated as indicated in the table below.

Assessment elements	Frequency Minimum grade required	Assessment agent		Type of	Grouping		Mainb4 (0/)		
		Prof	Self	360∘	activity	Solo	Group (#)	Weight (%)	
CONTINUOUS EVALUATION  Minimum 40% required on weighted average continuous evaluation grade to be allowed to take the final exam and pass the course. Continuous evaluation elements cannot be recuperated or compensated for.									
Individual Assignment		N/A	X	Х	Х	Analysis and application		TFM Groups	20%
Group Assigments		N/A	Х	Х	Х	Analysis and application		4/group	40%
	FINAL EXAM (Minimum 40% required to pass the course)								
Final Exam	1	Min. 40%	Х			Synthesis	Х		40%
BONUS EVALUATION (default 0%, maximum 10%)									
Individual Engagement Bonus Grade	Ongoing	N/A	Х	Х	Х	Analysis and application	Х		≤10% bonus

- a. Each assessment element (the first column) is scored with a grade between 0 and 10 with one decimal point precision. Zero is the lowest grade and ten is the highest.
- b. The final grade for the course is calculated as a weighted average by adding grades obtained in each element multiplied by their assigned weights (the last column).
- c. The final grade of the course is reported on the scale from 0 to 10 with one decimal point precision. The course will be considered as "passed" if the final grade is equal to or greaterthan 5.0 (50%). In addition to numeric final grades, students are also given descriptive grades:

No presentat ('no show')

0.0 - 4.9 Suspès ('fail')

5.0 - 6.9 Aprovat ('pass')

7.0 – 8.9 Notable ('pass with merits')

9.0 – 10.0 Excel.lent ('excellent')





#### Matricula d'Honor ('honors')

- d. The highest numeric course grade does not automatically imply an 'honors' grade. The 'honors' grade is a subjective evaluation of overall student's contribution and work during the term.
- e. 'Frequency' column in the table indicates the number of times assessment element is evaluated during the term.
- f. The "Minimum Grade Required" column indicates if an assessment element has a minimum. If an assessment element has no minimum grade required, a student can get zero grade in this element, and if other criteria are fulfilled, the student can obtain a passing grade for the course.
- g. To be allowed to take the final exam, the continuous evaluation grade (midterm exam + group assignment + simulations & simulations assignments) must be 4.0 or greater. If this condition is not met, a student will not be allowed to take the final exam and the continuous evaluation grade becomes the final course grade.
- h. Students must take the final exam. If a student does not take the final exam, the final course grade will be recorded as "No presentat" ("No show"), irrespective of other course grades.
- i. In case of a justified no-show to an exam, the student must inform the corresponding faculty member and the director(s) of the program so that they study the possibility of rescheduling the exam (one possibility being during the "Retake" period). In the meantime, the student will get an "incomplete", which will be replaced by the actual grade after the final exam is taken. The "incomplete" will not be reflected on the student's Academic Transcript.
- j. Students need to obtain a minimum of 4 in the final exam to pass the course. This condition applies to both the regular exam and the retake exam. The final course grade of students that do not obtain a minimum of 4 in the exam will be the minimum between the final exam grade and the final grade computed from the different evaluation elements (with the weights set above).
- k. There will be neither individual make-up work nor extra credit work assigned if a student fails any of obligatory grading elements, is unable to attend the final exam or the midtermexam, or if a student obtains a grade below expectations.
- I. No assignments are accepted after deadline without previous approval. Late assignments will be graded with grade zero.
- m. For the first group assignment, all students in a group receive the same group grade.





The individual grade can be adjusted and different from the group grade based on the group 360-degree feedback.

- n. Students are required to attend 80% of classes (16 out of 20 sessions). Failing to do so without justified reason will imply a zero grade in the Individual Engagement Bonus Grade (irrespective of the participation levels during the attended classes).
- o. Individual Engagement Bonus Grade in this course is evaluated as an extra credit that can contribute up to 10% ofyour final grade (default is zero). Thus, if you do not say a word during the class or have irregular attendance (below 80%), your participation grade will be zero, but you still may obtain a maximum final course grade. This grade is based exclusively on your contribution during class discussions. My experience is that in the courses that are evaluated on a continuous basis like this one, it is hard to fail but it is also hard to obtain avery high mark. So, if you are concerned with your average grade, take this element seriously as it can compensate for losses of grades in other elements. Furthermore, do notthink of this grade as an entitlement or a gift it must be EARNED. Do not confuse attendance with participation. A student can have a perfect attendance record and still have zero participation mark. Some of the behaviors that contribute to effective class participation are captured in the questions that follow:
  - 1. Is the participant a good listener?
  - 2. Are the points that are made relevant to the discussion? Are they linked to the comments of others?
  - 3. Do the comments add to our understanding of the situation?
  - 4. Do the comments show evidence of analysis of the case?
  - 5. Does the participant distinguish among different kinds of data (that is, facts, opinions, beliefs, concepts, etc.)?
  - 6. Is there a willingness to share?
  - 7. Is there a willingness to test new ideas, or are all comments "safe"? (For example, repetition of case facts without analysis and conclusions or a comment already made by a colleague.)
  - 8. Is the participant willing to interact with other class members?
  - 9. Do comments clarify and highlight the important aspects of earlier comments and lead to a clearer statement of the concepts being covered?

The questions above deal with both the process of class participation and (of equal or greaterconcern) the content of what you say. Please trust that both quality and frequency are important, but that quantity never can make up for low quality.





# Retake conditions

Students that fail the evaluation of the course will have a retake exam opportunity that will be programmed in accordance with the academic calendar. If a student must retake the exam, his maximal grade for the course will be a 5,0 (out of 10,0).

#### General Issues

Students are required to attend 80% of classes. Failing to do so without justified reason will imply a Zero grade in the participation/attendance evaluation item and may lead to suspension from the program.

Students who fail the course during the regular evaluation are allowed ONE re-take of the evaluation, in the conditions specified above. If the course is again failed after the retake, the student will have to register again for the course the following year.

In case of a justified no-show to an exam, the student must inform the corresponding faculty member and the director(s) of the program so that they study the possibility of rescheduling the exam (one possibility being during the "Retake" period). In the meantime, the student will get an "incomplete", which will be replaced by the actual grade after the final exam is taken. The "incomplete" will not be reflected on the student's Academic Transcript.

Plagiarism is to use another's work and to present it as one's own without acknowledging the sources in the correct way. All essays, reports or projects handed in by a student must be original work completed by the student. By enrolling at ESCI UPF BSM Master of Science and signing the "Honor Code," students acknowledge that they understand the schools' policy on plagiarism and certify that all course assignments will be their own work, except where indicated, by correct referencing. Failing to do so may result in automatic expulsion from the program."

Preparation and Rigor: You should expect the most up-to-date and rigorous materials to be covered in class.

Guidelines and Expectations: For all assignments, exams, and other course materials, I will state my expectations as clearly as possible.

If either of us finds that the other party has been violating expectations, it is our duty to inform the other party as promptly, and in as fair a manner as possible.





#### Calendar and Contents

#### Contents:

#### 1. The organizational structure of the company:

- a. Origin and evolution of the organizational structure.
- b. Implications of organizational forms.
- c. Control mechanisms.
- d. Principles of organizational design: phases.

# 2. Export departments in SMEs:

- a. Department organization. Main activities.
- b. Task distribution.
- c. Profile of the export executive.
- d. Examples of export structures.
- e. External management as a strategic alliance.

## 3. The born-global company vs. the company internationalized in stages.

#### 4. Culture in International Business

- a. Globalization and culture: their influence on the organization:
- b. Globalization in the strategy and culture of the organization.
- c. Culture and management practices:
- d. Origin and evolution of the concept of culture in business.
- e. Organization and culture.
- f. Cultural differences: managing diversity.
- g. Intercultural competencies.
- h. Interculturalism and multiculturalism.
- i. The global organization.

#### 5. International negotiation:

- a. Importance of culture in decision-making.
- b. Culture as a means of exerting influence.
- c. How does culture affect negotiation strategy?

#### 6. Considerations in international negotiation:

- a. Protocol and adaptation.
- b. The role of guest and host.
- c. Geographic situation and negotiation.
- d. Resilience
- e. Individuals, Teams and Organizations
  - i. Essential motivational theories
  - ii. Design and management of high-performance teams
- f. Positive Social Change and Shared Value Creation





- g. Strategies for sustainable development
- h. Alternative modes of organizing (social enterprises, cooperatives, B-corp, community enterprises)
- i. Sustainability directed business models





	TENTATIVE CLASS SCHEDULE					
Week	Date	Topics and required readings	Important Activity			
3	Oct.10 Thursday 9:30-13:00	Case Method Simulation: Benefits of trade	Prof. Marín			
4	Oct. 17 Thursday 9:30-13:00	Case: Go global or no (class discussion) Introduction to organizational structure, part I	Prof. Marín			
3	Oct. 25 Friday 9:00-12:30	Team exercise on organizational Chart Introduction to organizational structure, part I	Prof. Marín			
4	Oct. 31 Thursday 9:30-13:00	Introduction to organizational structure, part II Negotiation exercise	Prof. Marín			
5	Nov 8 Friday 9:00-12:30	Introduction to negotiation	Prof. Marín			
6	Nov 14 Thursday 9:30-13:00	Conflict resolution	Prof. Paya			
7	Nov. 21 Thursday 9:30-13:00	Culture in international negotiatons	Prof. Paya			
8	Nov. 28 Thursday 9:30-13:00	Born Global Companies Case: Mas d'en Gil	Prof. Marín			





11	Dec. 12		Compulsory Final Exam
	12:00-14:00	Before-exam to do:	i iidi Exaiii
		- Review and study PP slides, your class notes, articles, and cases	

Total student workload (including self-study): 75 hours

# 3. PROFESSOR

Catalina Paya

José Luis Marín Arandia

# 4. BIBLIOGRAPHY/RESOURCES/ READING MATERIALS

#### Course pack:

- Links to optional articles
- Video presentations
- Power point slides
- Access to the simulations

You are required to read all assigned cases and articles that are distributed to you in the coursepack. In the Tentative Class Schedule section, you may find a detailed schedule that specifies cases and articles you are required to read for each class.

#### Basic bibliography:

- Ahlstrom, D. and Bruton, G. D. (2010). **International Management: Strategy and Culture in the Emerging World** (1st ed.). South Western Cengage Learning.
- Osterwalder, A., Pigneur, Y. (2010). **Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers** (1st ed.). Wiley.
- Robbins, S. P. and Judge, T. A. (2019). **Organizational Behavior** (18<sup>th</sup> ed.). Prentice Hall.

#### Supplementary bibliography (alphabetical listing):

• Bartlett, C. and Ghoshal, S. (1998). Managing Across Borders: The





<u>Transnational Solution.</u> Harvard Business School Press.

- Dunning, J. (2008). <u>Multinational Enterprises and the Global Economy</u> (2<sup>nd</sup> ed.). Addison-Wesley.
- Ghemawat, P. (2018). <u>The New Global Road Map. Enduring Strategies for</u> TurbulentTimes. Harvard Business Review Press.
- Ghemawat, P. (2016). <u>The Laws of Globalization and Business Application.</u> CambridgeUniversity Press.
- Ghemawat, P. (2011). World 3.0: <u>Global Prosperity and How to Achieve It.</u>
   HarvardBusiness School Publishing.
- Ghemawat, P. (2007). Redefining Global Strategy: Crossing Border in a World Where Differences Still Matter. Harvard Business School Publishing.
- Hill, C. W. L. (2018). <u>International Business: Competing in the Global Marketplace</u> (12<sup>th</sup>ed.). McGraw-Hill.
- Ismail, S. (2014). Exponential Organizations. Why New Organizations are Ten Times Better, Faster, and Cheaper than Yours (and What to do About it). Diversion Books.
- Jones, G. (2005). <u>Multinationals and Global Capitalism.</u> Oxford University Press.
- Parker, G. G., Van Alstyne, M, W., Choudary, S. P. (2016). <u>Platform Revolution.</u> <u>HowNetworked markets Are Transforming the Economy and How to Make</u> <u>Them Workfor you</u>. W. W. Norton & Company Inc.
- Peng, M. W. (2017). <u>Global Business</u> (4<sup>th</sup> ed.). South Western Cengage Learning.
- Rogers, D. L. (2016). <u>The Digital Transformation. Rethink your Business for</u> the <u>Digital Age</u>. Columbia Business School.
- Van Tulder, R., Verbeke, A., & Piscitello, L. (2019). <u>International Business in the Information and Digital Age.</u> Progress in international Business Research. Volume 13. Emerald Publishing.
- Verbeke, A. (2013). <u>International Business Strategy</u> (2<sup>nd</sup> ed.). Cambridge UniversityPress.

Although the course will loosely follow two books listed in the basic bibliography section





above, there is no required textbook for this course. You will not need to buy or borrow any ofthese books to successfully complete the course. In the Tentative Class Schedule section, at the end of each class description, you may find the book and the chapter(s) that are related to the material covered during the class. Although you are not required to read these chapters, you may referrer to them if you need additional explanations.

If you choose, you may refer to other books listed in the supplementary bibliography section for further reading on the topics covered in the course.