UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

SYLLABUS DEL CORSO

Global Management Decisions

2627-2-F5603M009

Learning objectives

The course in Global Management Decisions aims to provide students with a comprehensive understanding of the current trends and challenges in global business. We will explore how firms from both developed and emerging countries navigate the complexities of international markets. By analyzing various case studies, students will gain insights into the strategies employed by multinational corporations to expand their global footprint. Additionally, the course will examine the strategic challenges faced by businesses in navigating geopolitical tensions, such as those between major economies, and how these tensions influence corporate strategies and operations. Through these discussions, students will develop a nuanced understanding of the global business landscape, encompassing diverse regions and industries.

Understanding how to effectively organize and manage international businesses is critical in today's global economy. The course will delve into the strategies and structures that multinational corporations adopt to manage their global operations efficiently. We will explore the complexities of building and maintaining a global business empire, highlighting key strategies for success in the 21st century. Topics will include the management of cross-border teams, the integration of diverse corporate cultures, and the coordination of global supply chains. Case studies will illustrate how global companies structure their operations and leverage their core competencies to enhance their competitive edge. For example, in the semiconductor industry, companies must navigate intricate networks of suppliers and manufacturers across different countries, highlighting the importance of strategic supply chain management. These discussions will provide students with practical insights into the organizational dynamics of international businesses.

This course will guide students in developing strategies for successful global expansion and market entry. We will discuss strategic responses to domestic market challenges, such as the expansion of companies abroad to mitigate domestic regulatory pressures. A crucial aspect of this section will be understanding different market entry modes, such as exporting, licensing, franchising, joint ventures, and wholly-owned subsidiaries. We will explore the advantages and disadvantages of each mode and how companies decide on the best approach based on factors such as market potential, investment costs, control levels, and risk management. For example, the semiconductor industry's approach to managing chip shortages through various international partnerships will illustrate the importance of selecting the appropriate entry mode.

In today's rapidly evolving technological landscape, it is crucial for future managers to navigate and leverage technological advancements in global business operations. This course will prioritize the exploration of corporate R&D activities and the internationalization of R&D, highlighting their critical roles in driving innovation and maintaining competitive advantage. Students will examine how multinational corporations establish and manage global R&D networks, leveraging diverse talent pools and responding to regional market needs. The semiconductor industry, which faces unique challenges due to its complexity and the geopolitical tensions affecting it, will be used as a case study to demonstrate the importance of innovation and strategic management in maintaining supply chain resilience and efficiency in high-tech industries. These examples underscore the transformative potential of innovation in supply chain management and corporate operations, emphasizing the importance of staying abreast of technological advancements and international R&D efforts to maintain a competitive edge.

Contents

1. International business and global strategy
2. The strategy of international business
3. The organization of international business
4. Entering developed and emerging markets
5. Global production and supply chain management
6. The internationalization of R&D

Detailed program

1. International business and global strategy
a. (Benito et al., 2022; Buckley et al., 2017; Ghemawat, 2011; Werner, 2002)

2. The strategy of international business
a. What is Strategy? (Porter, 1996)
i. Operational effectiveness vs. strategic positioning
ii. Trade-offs between strategic positions
iii. Fit, competitive advantage, and sustainability
b. Measuring organizational performance (Katsikeas et al., 2016; Miller et al., 2013; Richard et al., 2009)
c. Global expansion, profitability, and profit growth
i. Expanding the market
ii. Location economies
iii. Experience effects
iv. Leveraging subsidiary skills
d. Cost pressures and pressures for local responsiveness
e. Choosing a strategy (Alexander & Korine, 2008; Frost et al., 2002; Gupta & Govindarajan, 2000; Rugman & Verbeke, 2004; Taussig, 2017)
i. International strategy
ii. Global standardization strategy
iii. Localization strategy
iv. Transnational strategy
f. The relationship between internationalization and performance (Hitt et al., 1997; Pedersen & Tallman, 2023)

3. The organization of international business
a. Organizational structure
i. Vertical differentiation (Birkinshaw, 1997; Birkinshaw et al., 1998; Björkman et al., 2004)
ii. Horizontal differentiation (Wolf & Egelhoff, 2002)

iii. Integrating Mechanisms (Hansen & Løvås, 2004; Washburn & Hunsaker, 2011)
b. Control system and incentives (Bloom & Reenen, 2007)
c. Organizational culture
d. Organizational change

4. Entering developed and emerging markets
a. Basic entry decisions (Boyen & Ogasavara, 2013; Isobe et al., 2000; Vermeulen & Barkema, 2002)
i. Which foreign market? (Bogner et al., 1996)
ii. Timing of entry (Bartlett & Ghoshal, 2000; Shaver et al., 1997)
iii. Scale of entry and strategic commitments
b. Entry modes (Schwens et al., 2011)
c. Selecting an entry mode
i. Core competencies and entry mode
ii. Pressures for cost reductions and entry mode
d. Greenfield venture or acquisition? (Ghemawat & Ghadar, 2000; Seth et al., 2002)
e. Strategic alliances (Spencer, 2003; Tsang, 2003)

5. Global production and supply chain management
a. Strategy, production, and supply chain management (Mukherjee et al., 2023; Powell, 1995; Tokatli, 2007)
b. Artificial intelligence and relocation of production activities (Kinkel et al., 2023)
c. Global supply chain functions (Farrell, 2004)
i. Global logistics
ii. Global purchasing
d. Managing a global supply chain (DeBerge, 2024)
i. The role of just-in-time (JIT) inventory
ii. The role of information technology (Sturgeon, 2021)
iii. Coordination in global supply chain
iv. Interorganizational relationships

6. The internationalization of R&D
a. Product development & R&D
b. Internationalization of R&D (Awate et al., 2015; Castellani et al., 2013; Kuemmerle, 1997)

Prerequisites

The course in Global Management Decisions adopts an approach to the investigation of real-world business phenomena that combines well established theoretical concepts with disciplined empirical investigation. Accordingly, it builds upon the bulk of knowledge that students accumulated while attending previous courses in microeconomics, macroeconomics, industrial organization, statistics, and econometrics.

Teaching methods

Classes are interactive and will be delivered in person. Each class includes a balanced combination of instructor-led teaching, short videos and business cases for discussion, and applied activities carried out in groups or subgroups, followed by plenary reporting and class discussion.
Students attending the course on a regular basis, namely those attending at least 80% of the classes, can participate in a comprehensive application project titled “My Firm Expands Abroad”. The application project asks students to develop a detailed plan for how an assigned company should address the strategic and marketing decisions connected with expansion into a foreign market. The project follows the structure of the course and

entails the application of the core frameworks and concepts of each part of the course to a real-life setting. The work involves the weekly application of these concepts and frameworks through the collection, analysis, and interpretation of secondary data, including data retrieved from sources such as FactSet. A separate briefing note will provide detailed information on the content of the project and the tasks to be performed.
For students attending the course on a regular basis, the application project will constitute the written component of the final exam, as described in the section of the syllabus titled “Assessment Methods”.

Assessment methods

The Global Management Decisions course does not include midterm exams. Students can take the final exam according to one of the alternatives described below.

METHOD #1
For students who regularly attend classes, performance assessment is based on a project work and an oral exam. To meet the attendance requirement, students must attend at least 80% of the classes and carry out the activities proposed during the course, such as quizzes, assignments, class discussions, and related activities.

Project work (50% of the final grade; group-level grade)
At the beginning of the course, students will be required to form a group and register it using the Excel file “Group work - registration form”, available on the e-learning platform. Each group may include a maximum of four members. The deadline for group formation will be communicated during the first class. After this deadline, it will no longer be possible to take the exam according to “Method #1”, and students will automatically be redirected to “Method #2”.

Each group will be assigned the task of writing a business report analyzing the management decisions that a “fictional” company makes with respect to its international strategy and marketing strategy, along with the implications of those decisions for its financial and non-financial performance.
The deadline for submitting the report and the date of the in-class presentation will be communicated at the beginning of the course.
Group members will be asked to deliver an in-class presentation to discuss the main findings emerging from the business report they have written.
The report and the presentation must be uploaded through the e-learning platform. Guidelines concerning the content and format of the report and the accompanying presentation will be communicated at the beginning of the course.

With reference to the business report and the in-class presentation, the following competencies will be evaluated:
i. the ability to critically analyze the major choices made by the company in crafting and implementing its international strategy;
ii. the ability to identify the challenges faced by the company in its international operations and propose viable solutions;
iii. the proficiency in gathering, cleaning, and organizing relevant data from credible sources;
iv. the capacity to question assumptions, evaluate evidence, and present balanced arguments;
v. the proficiency in writing clear, well-organized, and professional business reports;
vi. the proficiency in presenting findings clearly and concisely, using appropriate business terminology and report structure.

The assessment criteria used to evaluate the business report and the in-class presentation include:
i. Critical Thinking and Evaluation Skills: this criterion evaluates the critical thinking skills demonstrated in discussing the significance and implications of the analytical findings for the company’s strategy and performance. It considers the ability to critically evaluate alternative explanations, assumptions, and interpretations.
ii. Clarity and Organization: this criterion assesses the clarity, coherence, and organization of the assignment

structure, including the introduction, methodology, analysis sections, and conclusion. It evaluates the logical flow of ideas, the use of headings and subheadings, and the overall readability of the assignment.
iii. Insightfulness and Originality: this criterion evaluates the depth of the insights generated from the analysis and the originality of the interpretations and conclusions drawn. It considers the ability to offer fresh perspectives, innovative solutions, and forward-looking recommendations based on the findings.
iv. Integration of Additional Sources and Research: this criterion assesses the integration of additional sources of information, such as academic articles, industry reports, and online resources, to complement the analysis of the company's strategy and performance. It evaluates the relevance, credibility, and depth of the additional sources used.
v. Application of Descriptive Statistics and Data Visualization: this criterion evaluates the proficiency in applying descriptive statistics and data visualization techniques to present and analyze data effectively. It assesses the clarity, relevance, and appropriateness of the graphs, tables, and charts used to convey the analytical findings.
vi. Presentation and Formatting: this criterion assesses the overall presentation and formatting of the assignment, including adherence to formatting guidelines, proper citation of sources, and the use of clear and professional language.

Students can submit the business report constituting the project work only once, at the end of the course. The grade assigned to the project work will remain valid for all exam sessions within the corresponding academic year. If a student is not satisfied with the assigned grade, she/he may opt to take the exam according to "Method #2".

Oral exam (50% of the final grade; individual-level grade)
The objective of the oral examination in the Global Management Decisions course is to assess students' understanding and application of key concepts and theories related to the management of international businesses. The oral examination comprises a minimum of three questions and covers the topics discussed in the written report submitted as part of the project work.
Students who take the exam according to "Method #1" should be aware that their performance in the oral exam may result in a final grade that is lower than the grade obtained in the project work and, under certain conditions, may determine failure of the entire exam.

Plagiarism and inappropriate use of AI tools
It is imperative that all submitted work be original and that any sources or influences be properly cited. Plagiarism, including copying text or ideas from sources without proper attribution, is strictly prohibited and will result in academic penalties. In addition, while AI tools can be helpful for research and drafting, the use of AI-generated text must be transparent and limited to ensuring grammatical correctness and coherence. Submitting content generated or significantly altered by AI as one's own original work is unacceptable.
All submitted essays will undergo rigorous scrutiny for originality and compliance with academic standards. Advanced plagiarism detection software will be used, and mechanisms are in place to detect the inappropriate use of AI-generated content. Any violation of these guidelines will be taken seriously and will lead to the invalidation of the submitted essay, the dissolution of the group, and the requirement that the students involved take the exam individually, as specified under "Method #2".
Adhering to these standards is not only a matter of academic integrity but also a responsibility toward one's classmates. Engaging in plagiarism or misusing AI undermines the efforts of peers who are committed to producing original work and upholding the values of fairness and honesty within the academic community.
Students are therefore expected to approach their essay with integrity and diligence, as these are foundational to their academic growth and professional development.

METHOD #2
For students who do not attend classes, performance assessment is based on a two-part exam, comprising a written exam and an oral examination.

Written exam (50% of the final grade)
The written exam includes 20 (twenty) multiple-choice questions based on the selected chapters of the textbook and aims to assess students' preparation on the exam syllabus.

The chapters pertaining to the Global Management Decisions course are:

Chapter 1: Globalization
Chapter 3: National differences in Economic Development
Chapter 4: Differences in Culture
Chapter 6: International trade theory
Chapter 8: Foreign direct investment
Chapter 13: The strategy of international business
Chapter 14: The organization of International business
Chapter 15: Entering developed and emerging markets
Chapter 17: Global production and supply chain management

For each question, there is only one correct answer. Each correct answer is awarded 1.5 points, while no penalty is applied for incorrect answers. Students will be admitted to the oral exam only if they correctly answer at least 12 questions out of 20.
Students will have 30 (thirty) minutes to complete the written exam.

Oral exam (50% of the final grade)
The objective of the oral examination in the International Business course is to assess students' understanding and application of key concepts and theories related to the management of international businesses. The oral examination comprises a minimum of three questions and covers the topics presented in the selected chapters of the textbook.
This exam aims to evaluate students' ability to articulate their knowledge clearly and coherently, engage in critical discussion, and demonstrate analytical and strategic thinking skills in real time. In addition, the oral examination provides an opportunity to assess students' autonomous thinking and problem-solving abilities, as well as their capacity to integrate and apply theoretical knowledge to practical, real-world scenarios. Through this format, students will also be evaluated on their communication skills, including the ability to present their ideas effectively and respond to questions with confidence and clarity.

Honors (laude)
Irrespective of the exam method selected, namely "Method #1" or "Method #2", and provided that the student demonstrates excellent performance in the assessed components of the exam, the awarding of honors (laude) is contingent upon regular, proactive, and constructive participation in course activities and debates.

Textbooks and Reading Materials

Textbook
Hill, Charles W.L. 2025. International Business: Competing in the global marketplace, 2025 release. McGraw Hill, New York.

The specific chapters from the textbook required for this course are:
Chapter 1: Globalization
Chapter 3: National differences in Economic Development
Chapter 4: Differences in Culture
Chapter 6: International trade theory
Chapter 8: Foreign direct investment
Chapter 13: The strategy of international business
Chapter 14: The organization of International business
Chapter 15: Entering developed and emerging markets
Chapter 17: Global production and supply chain management

Articles in academic journals
The readings listed below are mandatory and must be studied for the oral exam.

Ghemawat, P. (2011). The Cosmopolitan Corporation. Harvard Business Review, 89(5), 92–99.
Ghemawat, P. (2007). Managing differences: The central challenge of global strategy. Harvard Business Review, 85(3), 58–68.
Washburn, N. T., & Hunsaker, T. B. (2011). Finding great ideas in emerging markets. Harvard Business Review, 89(9), 115–120.
Bartlett, C. A., & Ghoshal, S. (2000). Going global: Lessons from late movers. Harvard Business Review, 78(3), 132–142.
Farrell, D. (2004). Beyond offshoring: Assess your company's global potential. Harvard Business Review, 82(12), 82–90.
Wilson, K., & Doz, Y. L. (2012). 10 Rules for Managing Global Innovation. Harvard Business Review, 90(10), 84–90.

Semester

From April 2027 to June 2027

Teaching language

English

Sustainable Development Goals

INDUSTRY, INNOVATION AND INFRASTRUCTURE | RESPONSIBLE CONSUMPTION AND PRODUCTION | PARTNERSHIPS FOR THE GOALS