



University of Cologne

Department of Economics – Chair of Energy Economics – Prof. Dr. Marc Oliver Bettzüge

Global Strategy

- Instructor** Prof. Dr. Marc Oliver Bettzüge
University of Cologne
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- Time (course)** Sep 9th (14:00 – 18:00 hrs), @ Seminar building, room “Tagungsraum” (ground floor),
Get Together afterwards
Sep 11th (14:00 – 18:00 hrs) @ Philosophikum room S58, Get Together @ Wirtshaus
Sülz afterwards
Sep 13th (10:00 - 13:30 hrs) @ Philosophikum room S58
Sep 17th and Sep 19th (14:00 - 17:30 hrs) @ Philosophikum room S58
Sep 23rd (14:00 - 18:00 hrs) @ Philosophikum room S58
Nov 29th and Dec 2nd (14:00 – 18:00 hrs) @ Pohligstraße 1, room 3.02
Dec 5th (14:00 – 18:00 hrs) @ Hauptgebäude HS II
Dec 6th (14:00 – 18:00 hrs) @ @ Hauptgebäude HS XXI
- Time (exam)** Oct 21st (10:30-11:30) @ Wiso building, room HS XXIV
- Admission** CEMS students only
- Registration** Please make sure to register for the examination in Klips2 before Oct 7th.
- Credit points** 6 ECTS Cologne University/ 7.5 CEMS credits (optional: upgrade to 9 CEMS credits
with additional homework)
- Course
administration** Johanna Bocklet (M.Sc)
Johanna.bocklet@uni-koeln.de

Course description

This course provides the student with an understanding of how companies build and sustain competitive advantage in a global setting. In particular, the course examines the external conditions and challenges for multinational enterprises, including the current debate about the rise of Neo-Protectionism, and it discusses the strategic opportunities and needs arising from them. Particular emphasis is given to equipping students with the analytical capabilities to assess a corporation's global strategy from multiple angles, in particular the institution-based and the resource-based perspectives, respectively. Moreover, the course reviews strategic options for foreign market entry including varieties of strategic alliances.

Teaching draws from textbooks, research literature, and case studies. Students are encouraged to actively, creatively, and critically engage with the instructor and the group during the entire course. In-class discussions will be used extensively to clarify concepts and to discuss insights and implications from an interdisciplinary perspective.

Course structure

The course comprises lectures, review of research papers, case studies, guest speakers, intensive in-class discussions, as well as a research project (group-based). The course will follow the detailed course outline described below.

In general, the course will be organized in two phases:

Phase 1 (September) introduces the student to important *general concepts* from the global strategy literature. It is conducted in six 4-hour-time slots. In each of these slots, general concepts will be presented, followed by deep-dives, incl. more practice oriented discussions and guest lectures by practitioners.

Phase 2 (November-December) is devoted to students' research projects incl. optional in-class discussion sessions. Research projects will focus on *specific issues in global strategy* and on *practical applications*.

In the first session, groups of 4-5 students will be formed. These groups will be active throughout the course for preparing and reporting on homework, case studies, and the research projects.

Requirements

Students should have some familiarity with general concepts in business strategy. Those who have not should be prepared for some extra background study using the textbooks mentioned below.

Expectations

Since it is impossible to benefit from in-class discussions when absent, attendance is strictly required. Moreover, students are strongly expected to have read the required texts, and to have prepared the case studies indicated *before coming to class*. Additional homework will be required from time to time. There will be a written exam at the end of Phase 1.

In Phase 2, students are expected to conduct a research project within a predetermined group. Results of the individual parts of the group work have to be presented in-class, and written summaries of the presentations have to be handed in by the end of Phase 2.

Grading

Students' grades will be based on the results of the exam (40 percent), the quality of the research project presentation (30 percent), as well as on the final report (30 percent).

Exam

The exam will be a 60-minute exam covering questions on key concepts and case studies discussed during the course. No books, notes, or other material, and no consultations with other students will be allowed during the exam.

Answers to the questions will be graded according to the quality of the argument. In particular, this means that the richness, the depth, the clarity, and the style of the argument will be important criteria for its evaluation.

Research project

Topics for research projects will be allocated in the session on September 19th. Style guidelines for the report and the presentation will be provided at this point in time. Research projects have to be presented during the presentation days in November.

Presentations are scheduled for 10 minutes per person, allowing for further 10 minutes of in-class discussion per group. All group members have to present an individual piece of the group work.

Additionally, all students will have to submit a written report consisting of 1,000 – 1,500 words, summarizing the outcome of their individual part in the research project. Reports have to be handed in by December 13th, 24:00 hrs by email to Johanna Bocklet (Johanna.bocklet@uni-koeln.de).

In delivering their research project, students are expected to clearly structure the research question, put it into the context of the existing literature, develop a method, generate the data (if needed), conduct the analysis, and critically reflect upon the results. A particular emphasis should be given on a methodologically sound approach to the project.

Additional ECTS

Incoming students can sign up for 1.5 additional ECTS by giving written notice to ZIB by Sep 30th, 24:00 hrs. After signing up, they will receive an assignment for an essay comprising 1,000 – 1,500 words. Essays have to be handed in by December 15th, 24:00 hrs.

Course material

Slides and other material will be provided via the ILIAS learning platform (within the limits set by copyright law). Apart from research papers and case studies, the course will rely on (parts of) three standard textbooks:

Collis, D., 2014, *International Strategy*, Wiley, Parts 1 and 2

Peng, M.W., 2014, *Global Strategic Management (international Edition)*, Cengage, Chapters 1, 3-5, 7, 12

Peng, M., and K. Meyer, 2016, *International Business*, Cengage, Chapters 1-6, 9, 12

Course outline and reading material

Session 1 (Sep 9th)	Institutions and the global context for international business
Compulsory:	Peng/Meyer, Chapters 1-3, 9 Ghemawat, P., 2003, Semiglobalization and international business strategy, <i>Journal of International Business Studies</i> , 34 (2), 138-152
Supporting textbook:	Collis, Chapters 1, 3
Further suggestions:	Friedman, T.L., 2005, <i>The World is Flat: A Brief History of the 21st Century</i> , Farrar, Straus and Giroux, New York. Fukuyama, F., 1989, The End of History?, <i>The National Interest</i> , 16, 3-18 Porter, M., 1990, The competitive advantage of nations, <i>Harvard Business Review</i> 68 (2), 73-93
Guest lecture:	Daimler AG
Speaker:	TBD
Session 2 (Sep 11th)	Theory of the Multinational Enterprise (MNE)
Compulsory:	Peng/Meyer, Chapters 4, 6
Supporting textbook:	Collis, Chapter 2
Further suggestions:	 Dunning, J.H., and Lundan, S. M., 2008, Institutions and the OLI paradigm of the multinational enterprise, <i>Asia Pacific Journal of Management</i> , 25, 573–593 Fahy, J., 2002, A resource-based analysis of sustainable competitive advantage in a global environment, <i>International Business Review</i> , 11 (1), 52-77 Hennart, J.F., 2009, Theories of the Multinational Enterprise, in: <i>The Oxford Handbook of International Business</i> , edited by A.M. Rugman, 2nd edition, Oxford
Guest lecture:	DHL Consulting
Speaker:	Andreas Bicking
Session 3 (Sep 13th)	Dynamic view on internationalization
Compulsory:	Peng, Chapter 3 Palakh J., 2013, Economics behind the internationalization of Biocon India Ltd, <i>Emerald Emerging Markets Case Studies</i>
Further Suggestions:	Lessard, D., Lucea, R., and L. Vives, 2012, Building your company’s capabilities through global expansion, <i>Sloan Management Review</i> , 54 (2), 61-67 Mudambi, R., and T. Swift, 2011, Leveraging knowledge and competencies across space: the next frontier in international business, <i>Journal of International Management</i> , 17 (3), 186-189 Werr, A., and T. Stjernberg, 2003, Exploring Management Consulting Firms as Knowledge Systems, <i>Organization Studies</i> , 24 (6), 881-908

Session 4 (Sep 17th)	Generic strategies for Multinational Enterprises (MNEs)
Compulsory:	Collis, Chapters 4, 5 Bayer AG Annual Report 2017
Supporting textbook:	Peng/Meyer, Chapters 4, 6
Further suggestions:	Collis, Chapter 6 Lessard, D.R., 2003, Frameworks for Global Strategic Analysis, <i>Journal of Strategic Management Education</i> , 1 (1) Rugman, A. M., 1993, Generic Strategies in Global Competition, <i>Research in Global Strategic Management</i> , Vol. 4, 3-15
Session 5 (Sep 19th)	Market entry and strategic alliances
Compulsory:	Osegowitsch, T. and Sammartino, A., 2008, Reassessing (home-)regionalisation. <i>Journal of International Business Studies</i> , 39, 184–196. Rugman, A.M. and Verbeke, A., 2008, The theory and practice of regional strategy: a response to Osegowitsch and Sammartino. <i>Journal of International Business Studies</i> , 39, 326–332.
Further suggestions:	Rugman, A.M., and A. Verbeke, 2004, A perspective on regional and global strategies of multinational enterprises, <i>Journal of International Business Studies</i> , 35 (1), 3-18 Rugman, A.M. and Verbeke, A., 2007, Liabilities of foreignness and the use of firm-level versus country-level data: a response to Dunning et al. (2007). <i>Journal of International Business Studies</i> , 38, 200–205. Wolf, J., Dunemann, T., and W.G. Egelhoff, 2012, Why MNCs tend to concentrate their activities on their home region, <i>Multinational Business Review</i> , 20 (1), 67-91
Session 6 (Sep 23rd)	Global vs. Regional Strategies
Compulsory:	Peng, Chapters 5, 7 Al-Ali, H.A., and S.Z. Ahmad, 2014, Etihad Airlines: growth through successful strategic partnerships, <i>Emerald Emerging Markets Case Studies</i>
Supporting textbook:	Peng/Meyer, Chapter 12 Lasserre, Ph., 2012, <i>Global Strategic Management</i> , Palgrave MacMillan, Chapters 4, 7
Further suggestions:	Andersen, O., 1997, Internationalization and Market Entry Mode: A Review of Theories and Conceptual Frameworks, <i>Management International Review</i> , 37 (2), 27-42 Inkpen, A., 2003, Strategic Alliances, in: <i>The Oxford Handbook of International Business</i> , edited by Rugman, A.M., and T. Brewer, Oxford, 402-427 Kim, Ch., and P. Hwang, 1992, Global Strategies and Multinational Entry Mode Choice, <i>Journal of International Business Studies</i> , 23 (1), 29-53
Guest lecture:	Eurowings Aviation GmbH
Speaker:	Matthias Brazel

Further reading suggestions

- Textbooks:**
- Frynas, J.G., and K. Mellahi, 2011, *Global Strategic Management*, Oxford University Press, Chapters 1, 2, 5-9, 12
 - Lasserre, Ph., 2012, *Global Strategic Management*, Palgrave MacMillan
 - Verbeke, A., 2013, *International Business Strategy*, Cambridge University Press
- Monographs:**
- Dicken, P., 2007, *Global Shift*, 5th edition, especially Chapter 1
 - Ghemawat, P., 2007, *Redefining Global Strategy: Crossing Borders in a World where Differences Still Matter*, Harvard Business Review Press, Boston
 - Ohmae, K., 1985, *Triad power: The coming shape of global competition*. New York: The Free Press.
- Research papers:**
- Cantwell, J., 2009, Location and the Multinational Enterprise, *Journal of International Business Studies*, 40, 35-41
 - Cantwell, J., Dunning, J.H., and S.M. Lundan, 2010, An evolutionary approach to understanding international business activity: the co-evolution of MNEs and the institutional environment, *Journal of International Business Studies*, 41 (4), 567-586
 - Dunning, J., Fujita, M. and Yakova, N., 2007, Some macro data on the regionalisation/globalisation debate, *Journal of International Business Studies* 38(1)
 - Gande, A., Schenzler, C., and L. Senbet, 2009, Valuation Effects of Global Diversification, *Journal of International Business Studies*, 40 (9), 1515-1532
 - Prahalad, C.K., and S. Hart, 2002, The fortune at the bottom of the pyramid, *Strategy + Business*, 26 (1), 2-14
 - Qian, G., Li, L., and A.M. Rugman, 2013, Liability of country foreignness and liability of regional foreignness: their effects on geographic diversification and firm performance, *Journal of International Business Studies*, 44 (7), 635-647
 - Rockström, J. et al., 2009, A safe operating space for humanity. *Nature* Vol. 461 472–475.
 - Xu, D. and Shenkar, O., 2002, Institutional distance and the multinational enterprise. *Academy of Management Review*, 27, 608–618.
- Other:**
- Florida, R., 2005, The world is spiky, in: *The Atlantic*, 48-51
 - Smick, D.M., 2008, *The world is curved*, Penguin Portfolio, New York
 - United Nations Development Programme (UNDP), 2016, *Human Development for Everyone*, New York