

**THE UNIVERSITY OF HONG KONG
FACULTY OF BUSINESS AND ECONOMICS**

STRA4702 – Global Corporate Strategy

GENERAL INFORMATION		
Instructor: Prof. Fabrice Lumineau Email: lumineau@hku.hk Office: KKL 1233 Phone: 3917-1023 Consultation times: by appointment		
COURSE DESCRIPTION		
This course provides students with in-depth learning on managing multinational corporations across various product, business, and geographic markets. Specifically, the course focuses on three central issues that are critical to the successful formulation of corporate strategy: (1) the decisions on which businesses bring resources together inside the company and how they could create value, (2) how the company can grow in different settings through acquisitions, partnerships, or internal development, and (3) how the company manages its business portfolio. Overall, this course will highlight the criticality of making profound decisions about the right pathways to firm growth. It will provide theoretical frameworks and guiding principles for analysing practical problems at the corporate or group level as experienced by managers.		
Pre-requisite(s): N/A Co-requisite(s): N/A Mutually exclusive: N/A		
Recommended book and course materials: <ul style="list-style-type: none"> - Optional textbook: Global Strategy (5th edition), Mike Peng, 2021, Cengage (ISBN: 9780357710043) - Lecture notes and supplementary readings will be distributed in class and/or posted on the course's website 		
COURSE OBJECTIVES		
1. To provide a detailed understanding of the concepts, frameworks, and tools of global corporate strategy. 2. To provide an understanding of the role of strategic resources and sources of competitive advantage. 3. To develop the ability to analyse and implement a firm's internationalization pathways. 4. To prepare students to work in, and eventually, lead international companies.		
FACULTY LEARNING GOALS (FLGs)		
FLG1: Acquisition and internalization of knowledge of the programme discipline FLG2: Application and integration of knowledge FLG3: Inculcating professionalism FLG4: Developing global outlook FLG5: Mastering communication skills FLG6: Cultivating leadership		
COURSE LEARNING OUTCOMES (CLOs)		
Course Learning Outcomes	Aligned Faculty Learning Goals (FLGs)	
CLO1. Explain the corporate strategy theories and concepts.	FLG1; FLG2; FLG4	
CLO2. Understand the impact of firms' internal and external environments on performance.	FLG1; FLG2; FLG4	
CLO3. Apply analytical frameworks to define and analyse strategic problems; and to formulate and implement corporate strategies.	FLG2; FLG3; FLG4; FLG5	
CLO4. Explain the complex business opportunities and problems in a global context.	FLG2; FLG3; FLG4; FLG5; FLG6	
CLO5. Demonstrate effective communication skills (oral and written).	FLG3; FLG4; FLG5; FLG6	
COURSE TEACHING AND LEARNING ACTIVITIES		
Course Teaching and Learning Activities	Expected Study Hours	Study Load (% of study)
T&L1. Interactive Lectures	30	25%
T&L2. Group-based study and analysis	40	33%
T&L3. Written assignments and self-study	50	42%
Total	120 hours	100%

Assessment Methods	Brief Description	Weight	Aligned Course Learning Outcomes
A1. Individual participation		20%	CLO1; CLO2; CLO3; CLO4; CLO5
A2. Individual case preparations (2x20%)		40%	CLO1; CLO2; CLO3; CLO4; CLO5
A3. Institutional analysis (group activity)		15%	CLO1; CLO2; CLO3; CLO4; CLO5
A4. Case analysis (group activity)		25%	CLO1; CLO2; CLO3; CLO4; CLO5
	Total	100%	

STANDARDS FOR ASSESSMENT

Course Grade Descriptors

A+, A, A-	Student has consistently demonstrated an excellent grasp of the concepts related to global corporate strategy, as evidenced by original or exceptionally astute analysis and synthesis of student work.
B+, B, B-	Student has demonstrated a substantial grasp of the concepts related to global corporate strategy, as evidenced by above average performance in analysis and synthesis of student work.
C+, C, C-	Student has demonstrated a fair grasp of the concepts related to global corporate strategy, as evidenced by average performance in analysis and synthesis of student work.
D+, D	Student has demonstrated limited grasp of the concepts related to global corporate strategy, as evidenced by barely satisfactory performance in analysis and synthesis of student work.
F	Student has demonstrated very limited grasp of the concepts related to global corporate strategy, as evidenced by poor performance in analysis and synthesis of student work.

Assessment Rubrics for Each Assessment

A1. Individual Participation

You are expected to actively participate in the class discussion. Fundamentally, a good contribution involves presenting a clear opinion, expressing it civilly, and supporting the opinion with sound logic. In addition, we all have the responsibility to create an environment where each member of the class feels comfortable offering his or her opinion; thus, knowing how to listen is also important. You can either raise your hand to jump into the discussion directly or you will be called randomly. Your contribution to the discussion will significantly influence your class participation grade.

In particular, each student must read each case and be ready to discuss it. Remember there are no right or wrong answers in analysing the complex business world. Your inputs of alternative views and critical thinking are crucial for the whole class's learning process.

To achieve our course objectives and for our learning to be effective, it is critical you diligently prepare for and actively participate in meaningful discussions and debates, exchange views, and make mutual contributions. We do not engage in these to provide a definite answer but rather to be aware of the issues and the various perspectives on them. Please do not read a case as you would read a book chapter or a magazine article; rather, put yourself in the role of the decision maker.

Thorough preparation means that you have read the materials, considered the issues raised by the case, and carried out appropriate analyses to arrive at a thoughtful position concerning the options that face the managers in the case. Participation grades will be positively influenced by comments that:

- Integrate concepts from course readings into class discussions
- Are supported with well-developed arguments
- Contribute pertinent and thoughtful insights
- Raise questions that constructively challenge others and/or
- Add to our knowledge by sharing personal experiences relevant to the course

In grading the class participation, I will use several criteria, most of which emphasize the quality of comments, including:

- *Class attendance* (including being on time).
- *Relevance* – Do your comments speak directly to the issues and concepts being addressed? Do they extend our understanding of those issues or concepts? Do they reflect your adequate preparation to participate in the discussion?
- *Additivity* – Do your comments reflect active listening to the comments of other class members? Have they incorporated insights introduced earlier and built upon them?
- *Substance* – Do your comments make a real contribution to the ideas being exchanged? Has anything new been gained from your contribution to the discussion?
- *Persuasiveness* – Have your points been well articulated, argued, and supported, such that others take note of the convincing nature of your points?
- *Questioning* – Have your comments reasonably questioned the comments of others or challenged their assumptions without disparaging the person who offered them?
- *Amount of participation* (this does NOT mean dominating the discussion, rather frequency of additive comments). Remember it is the quality of your participation, not the quantity (or “airtime”), that will lead to good performance in class discussion.

Class participation grades are at the discretion of the instructor and are not subject to debate, bargaining, or appeal. Absences, excessive tardiness, or leaving early will hurt your individual participation grade. Active participation is not possible if you are distracted. Therefore, the use of laptops for any purpose other than taking notes, and the use of mobile phones is not allowed in the classroom.

CLO	CLO1; CLO2; CLO3; CLO4; CLO5
Assessment criteria	<ul style="list-style-type: none"> - Voluntary and consistent participation - Attendance - Quality of comments - Analytical ability - Link to theory and concepts
A+, A, A-	Extremely well-prepared for class activities and very active in sharing views. All contributions are very clear, well-articulated and insightful and consist of relevant and helpful examples and analyses, creative and insightful solutions, showing outstanding ability to apply theory and concepts to practical examples.
B+, B, B-	Well prepared for class activities and active in sharing views. Most contributions are clear, well-articulated and insightful and consist of relevant and helpful examples and analyses, creative and insightful solutions, showing strong ability to apply theory and concepts to practical examples.
C+, C, C-	Partially prepared for class activities and only occasionally sharing views. Some contributions are clear, well-articulated and insightful and consist of relevant and helpful examples and analyses, creative and insightful solutions, showing moderate ability to apply theory and concepts to practical examples.
D+, D	Not well-prepared for class activities and no sharing of views. Few contributions are clear, well-articulated and insightful and consist of relevant and helpful examples and analyses, creative and insightful solutions, showing limited ability to apply theory and concepts to practical examples.
F	Not prepared for class activities and no sharing of views. Failed to participate voluntarily or simply repeated comments made by others.

A2. Individual case preparations

Each student is expected to submit an analysis for 2 cases (among the cases in this course – but excluding the case you will present in group in assignment A4). For a given case, you must answer all the questions. This is an individual assignment. The deadline is on the day of the class where we discuss the case you selected. Write-ups are to be submitted on Moodle and are due *before* the start of class. Late assignments will not be accepted and cannot be made up.

The most common difference between good and very good papers is the originality of the suggestions and the presence of sufficient data and quantitative analysis to support an argument. Do not focus on restating the information in the case. Rather, pay attention to why the firm(s) in the case succeeds or fails and as a result, what should it do next.

In the case write-up, each individual needs to follow the format:

- Title page with your name and the word count for the document
- 1.5 line spacing
- Times New Roman 12-point font

- 1-inch margin all around (i.e., top- bottom-, left- and right-hand margins)
- Use page numbers
- Insert footnotes if necessary
- References

Two separate submissions (from different students) that have common sections will be treated as violations of the academic honesty code and will be treated accordingly such as failure of assignment or failure of the course.

CLO	CLO1; CLO2; CLO3; CLO4; CLO5
Assessment criteria	<ul style="list-style-type: none"> - Ability to think analytically (conduct case analysis) - Ability to apply concepts and theory - Ability to clearly articulate a point of view and answer
A+, A, A-	<p>All the questions are clearly and accurately answered showing outstanding insights into the theoretical material and an outstanding ability to conduct case analysis and apply concepts and theory.</p> <p>All the responses are very well organized, clear, fluent, and with sufficient elaboration.</p>
B+, B, B-	<p>Almost all the questions are clearly and accurately answered showing good insights into the theoretical material and a strong ability to conduct case analysis and apply concepts and theory.</p> <p>Almost all the responses are well organized, clear, fluent, and with sufficient elaboration.</p>
C+, C, C-	<p>Some of the questions are clearly and accurately answered showing good insights into the theoretical material and a strong ability to conduct case analysis and apply concepts and theory.</p> <p>Some of the responses are well organized, clear, fluent, and with sufficient elaboration.</p>
D+, D	<p>Few of the questions are clearly and accurately answered showing good insights into the theoretical material and a strong ability to conduct case analysis and apply concepts and theory.</p> <p>Few of the responses are well organized, clear, fluent, and with sufficient elaboration.</p>
F	<p>Very few or none of the questions are clearly and accurately answered showing good insights into the theoretical material and a strong ability to conduct case analysis and apply concepts and theory.</p> <p>Very few or none of the responses are well organized, clear, fluent, and with sufficient elaboration.</p>

A3. Institutional analysis (group activity)

This is a group assignment (group size depends on final class size). The deliverables are (1) a set of 10 to 15 slides and (2) a 20-minute presentation about a country of your choice (including 5 minutes of interaction / Q&As with the other students). Each group should present a different country (first come, first serve).

Your guiding question is: "What should we know to do business in this country?" Your presentation should focus on practical recommendations (like if you had to brief a colleague going to do business for the first time in this country).

You will find below a list of *indicative* topics. However, do not try to cover everything. You should focus on what is the most relevant and specific to this country.

- Key industry clusters and sectors, primary types of business structures and ownership / governance approaches, national institutions, market requirements, etc.
- Political, regulatory, and legal environments (e.g., privatization, taxation, entry requirements, preferential trade agreements, etc.); government spending (e.g., % GDP), taxes, fiscal / monetary policy; capital controls (e.g., repatriation, currency flows, etc.); relationships with non-governmental organizations (e.g., IMF, Transparency International, UN, World Bank, etc.); public interest groups.
- Natural resources and basic materials (e.g., energy, food, minerals, etc.), physical and technical infrastructure (e.g., the ability to support its technology needs, access to computing technology, computer literacy, reliable power, etc.)
- Demographics and population characteristics (e.g., the age distribution and what effect trends will have on such future needs as retirements and education, education level and skills available, cost of living vs. wage structure, etc.)
- Social conditions (e.g., population density, wealth distribution, radicalism); social stability (e.g., conflicts, riots, demonstrations, crises, assassinations, guerrilla warfare, internal security forces, ethnic tension); social cultures (e.g., business etiquette), value expectations, ethical norms, moral issues, etc.

- Macroeconomic indicators (e.g., GNP, inflation, foreign debt, trade, FDI, etc.) and historical trends, timelines, and projections of key events and unique characteristics.

The best presentations tend to be more analytical than descriptive. For instance, it is not enough to list a set of economic or institutional factors without explaining their practical implications.

A4. Case analysis (group activity)

This is a group assignment (group size depends on final class size). The deliverables are (1) a set of 12 to 20 slides and (2) a presentation.

For each case, one group will play the role of consultants to solve the problem(s) that the case presents. The general approach is that your group will lead the class discussion by presenting the results of your analysis to the class.

You will have a total of 40 minutes. Your presentation should involve a substantial amount of interaction with the rest of the class (i.e., about 25 minutes for your case analysis and 15 minutes for interaction / Q&As with the other students). The presentation should include a detailed discussion of:

- Identification of the problem(s) facing the company along with the symptoms of the problem.
- Outline of the central issues confronting the company and analysing these issues using course concepts and models.
- Interactive discussion with the class: trying to determine where your fellow students agree and disagree with your team’s analysis. You should defend your position, but also be willing to incorporate good suggestions from the class.

Your role is to use the case to develop a set of recommendations derived from proper analysis. Each recommendation should be valid and tied to the analysis. Choosing a recommendation also implies students should consider risk, mitigation of risk, as well as implementation issues.

Several cases are a few years old. However, the path chosen by the company was not necessarily the only option and there is no evidence that it is the “right” option. We only know that for the path chosen, we can observe the outcome. We do not know the outcome of a path not chosen. Thus, it is not the recommendation which is most critical. The support of the alternatives and support for the recommendation are more important.

The grading will be based on the substance and clarity of the presentation as well as the use of visual aids, time management, and the ability to interact with the rest of the class and answer questions. Please do not review the case, we will always assume that everyone is familiar with it.

CLO	CLO1; CLO2; CLO3; CLO4; CLO5
Assessment criteria for A3 & A4	<ul style="list-style-type: none"> - Critical thinking: Identify relevant issues and analyse interrelationships. Explain the implications of the data and facts you present. The best presentations are insightful, going beyond the most obvious lessons to draw out the story behind the story. - Lessons learned: Appropriateness of practical recommendations. - Analysis: Qualitative and quantitative data, assessments, interpretations. - Creativity: Not stating the obvious, emphasizing the interesting and important, grabbing audience attention from introduction through takeaways. - Effectiveness of presentation (including speech posture, maintaining eye contact with the audience instead of reading off the script, use of visual aids). - Quality of interaction with the audience. - For the slides: readability, logical flow, and writing mechanics, such as free of grammatical and spelling errors, use of sections and headings, use of literature and attachments such as graphs, tables, and calculations, whenever applicable.

<p>A+, A, A-</p>	<p>Content of presentation:</p> <ul style="list-style-type: none"> - The presentation was highly successful at communicating the essential elements of the analysis and conclusions to the audience in a logical manner. - Concepts were thoroughly explained and clarified when necessary. - The presentation demonstrated a deep understanding and comprehension of the topic (theory and practical application). - There was clear evidence of independent and critical thinking. <p>Execution of presentation:</p> <ul style="list-style-type: none"> - The presenters displayed excellent verbal skills and delivered a highly interesting and coherent presentation. - Excellent interaction with the audience. - Visual aids were appropriately used and clear. - The presentation was completed within the time limit.
<p>B+, B, B-</p>	<p>Content of presentation:</p> <ul style="list-style-type: none"> - The presentation was successful at communicating the essential elements of the analysis and conclusions to the audience in a logical manner. - Most concepts were thoroughly explained and clarified when necessary. - The presentation demonstrated a sound understanding and comprehension of the topic (theory and practical application). - There was evidence of independent and critical thinking. <p>Execution of presentation:</p> <ul style="list-style-type: none"> - The presenters displayed very good verbal skills and delivered an interesting and coherent presentation. - Very good interaction with the audience. - Visual aids were appropriately used and clear. - The presentation was completed within the time limit.
<p>C+, C, C-</p>	<p>Content of presentation:</p> <ul style="list-style-type: none"> - The presentation adequately communicated the essential elements of the analysis and conclusions to the audience in a logical manner. - Most but not all concepts were thoroughly explained and clarified when necessary. - The presentation demonstrated an acceptable level of understanding and comprehension of the topic (theory and practical application). - There was limited evidence of independent and critical thinking. <p>Execution of presentation:</p> <ul style="list-style-type: none"> - The presenters displayed good verbal skills and delivered a somewhat interesting and coherent presentation. - Good interaction with the audience. - Visual aids were appropriately used and clear. - The presentation was completed within the time limit.
<p>D+, D</p>	<p>Content of presentation:</p> <ul style="list-style-type: none"> - The presentation communicated some of the essential elements of the analysis and conclusions to the audience in a logical manner. - Few concepts were thoroughly explained and clarified when necessary. - The presentation demonstrated limited understanding and comprehension of the topic (theory and practical application). - There was limited evidence of independent and critical thinking. <p>Execution of presentation:</p> <ul style="list-style-type: none"> - The presenters displayed weak verbal skills and the presentation lacked in coherence. - Limited interaction with the audience. - Visual aids were somewhat used and clear. - The presentation was completed within the time limit.

F

Content of presentation:

- The presentation failed to address the basic elements of the analysis and conclusions.
- The presentation did not demonstrate sufficient understanding and comprehension of the topic.

Execution of presentation:

- Verbal skills were inadequate.
- No interaction with the audience.
- Visual aids were inadequately used.
- The presentation was not completed within the time limit.

COURSE CONTENT AND TENTATIVE TEACHING SCHEDULE

[Book chapters in "Global Strategy" by Mike W. Peng as optional reading]

Class 1: *[Chapter 1]*

- Introduce ourselves
- Define what is global strategy
- Understand the nature of globalization
- Articulate the rationale behind studying global strategy
- Outline some of the fundamental questions in global strategy
- Introduce the assignments
- Play the International Negotiation Game
- Understand the notion of international distance
- Discuss the Hofstede Framework

Class 2: *[Chapter 4]*

- Discuss the CAGE Framework
- Explain the concepts of formal and informal institutions
- Appreciate the strategic role of culture
- Articulate the challenges of international communication
- Understand the influence of religious and ethical systems
- Discuss the diversity approach
- Think like a consultant and apply the 4S Method

Class 3:

- Assess country relative attractiveness
- Apply concepts through a group exercise

Class 4:

- Debate the winners and losers of globalization
- Analyze the political and legal environment
- Debate free trade
- Introduce the instruments of trade policy

Class 5:

- Introduce the main theories of international trade
- Understand the specific challenges and opportunities at the Base of the Pyramid
- Discuss successful BOP strategies
- Assess and mitigate institutional voids

Class 6: *[Chapters 3, 6, and 8]*

- Consider the different facets of the international entry decision
- Understand the necessity to overcome the liability of foreignness
- Analyze the different ways to enter foreign markets and draw implications for actions
- Articulate a comprehensive model of international entry modes
- Evaluate geographic diversification
- Discuss the BBB Framework
- Understand the role of resources and capabilities in your entry decision

Class 7: *[Chapter 7]*

- Explain transaction costs analysis
- Analyze your value chain and offshoring
- Understand international expansion via international alliances

Class 8: [Chapter 9]

- Prevent hold up and agency problems
- Understand international expansion via M&As
- Gain insights into the motives and challenges of international M&As
- Understand international expansion via franchising

Class 9:

- Further understand the tensions between adaptation and replication
- Leverage your marketing strategy for international success
- Adapt the 4Ps of your marketing mix

Class 10:

- Leverage your HRM strategy for international success
- Assess the culture shock
- Discussion of the W-curve model

Class 11: [Chapters 10 and 11]

- Articulate the main configurations of multinational strategies and structures
- Discuss the Integration-Responsiveness Framework
- Understand the implications of organizational design

Class 12: [Chapter 12]

- Articulate what a stakeholder view of the firm is
- Develop a comprehensive model of corporate social responsibility
- Identify the strategic role of ethics culminating in a strategic response framework
- Participate in debates concerning ethics and cultures
- Differentiate various ownership patterns around the world
- Acquire a global perspective on how governance varies around the world
- Take some critical distance with the implications of global strategy

REQUIRED/RECOMMENDED READINGS & ONLINE MATERIALS

The instructor will provide additional course materials on Moodle.

MEANS/PROCESSES FOR STUDENT FEEDBACK ON COURSE

- Conducting mid-term survey in additional to SETL around the end of the semester
- Online response via Moodle site
- Others: _____ SETL _____ (please specify)

COURSE POLICY

- Academic dishonesty is an assault upon the basic integrity and meaning of a University. Cheating, plagiarism and other forms of academic dishonesty are serious acts that erode the University's educational role and degrade the value of one's degree.
- All students should support and share responsibility for the academic integrity in the HKU community, as well as their own work. You are expected to:
 - Refrain from cheating, plagiarism or other forms of academic misconduct
 - Not to aid or abet others to commit any form of academic misconduct
 - Report to teacher or the Faculty Office about any incident of academic misconduct observed
- Plagiarism and cheating are extremely serious intellectual crime and will not be tolerated to any extent in HKU. Any act of plagiarism or cheating is a disciplinary matter that can result in serious consequences, including expulsion from the University.
- Please check the University Statement on plagiarism on the web: <http://www.hku.hk/plagiarism/>. Please also be familiar with the HKU regulations and policies on attendance, absence, examination, and copyright (e.g., HKU Undergraduate Student Handbook).
- Among the materials that may be protected by copyright law are the lectures, notes, and other material presented in class or as part of the course. Always assume the materials presented by are protected by copyright unless the instructor has stated otherwise. Students enrolled in the course are permitted to take notes, which they may use for individual/group study or for other non-commercial purposes reasonably arising from enrolment in the course or the University generally. Notes taken in class are, however, generally considered to be "derivative works" of the instructor's presentations and materials, and they are thus subject to the instructor's copyright in such presentations and materials. No individual is permitted to sell or otherwise barter notes, either to other students or to any commercial concern, for a course without the express written permission of the course instructor. As such, posting teaching materials online without a formal agreement represents a serious violation of legal copyright rules.