



MGMT 871: Advanced Global Strategy Q2, Fall 2019

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Course Description

This class is designed to develop world class, globally-minded managers. Many of the most important issues affecting businesses today are global in nature. Where it's macro phenomena such as nationalism, protectionism, and major demographic change (immigration, aging, low birth rates); or "micro" trends such as the rise of firms from emerging markets, the global distribution of talent and innovation, digitization and automation—what will determine the fate of firms and organizations is inherently international. This require managers to think, innovate, and organize with a global mindset.

The course is structured around three themes:

1. The formulation of global strategy: How do we win when competition is global?
2. The execution of global strategy: How do we manage people and structure the organization when our activities are geographically dispersed?
3. Current events: How do we formulate and execute a global strategy when governments and other institutions create threats such as nationalism, protectionism, and weak intellectual property rights?

This course builds on the global management portion of MGMT 611/612, but taking those classes is not a prerequisite for MGMT 871

NOTE: This syllabus is subject to change. The main approach and topics are set, but some of the specific assignments (readings, papers/projects) are still in flux.

Assignments and Grades

Based on pedagogical research and my own experience as a teacher, I'm convinced that we learn best when we have to apply and reflect on knowledge. Therefore, I've designed the class to reward preparation, application, and reflection. Your grade is composed of the following:

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| • Pre-class preparation (readings + quizzes) | 24 points |
| • Attendance | 24 points |
| • Two "op-eds" about global current events | 12 points |
| • A book review | 20 points |
| • Team project | 20 points |

Pre-class preparation: There will be a quiz due 1 hour before class every day (taken via Canvas), based on the readings for that day. The quiz will ask you to certify that you read the articles and cases for that day, and ask a mix of multiple choice and short answer questions that I will use to set up the discussion

for class. Each quiz is worth 2 points. You are allowed to skip 2 quizzes during the course without penalty, which means you must submit 12 quizzes, for a total of 24 points.

Attendance: There are 14 sessions of class, and attendance is mandatory. I understand that there may be occasions where personal or professional reasons prevent you from being in class, and thus you are excused from 2 class sessions without penalty. This means you will receive 2 points for each of 12 class sessions you attend, for a total of 24 points maximum.

Notice that I have chosen to reward preparation and attendance, but not participation. I believe that if you are well prepared and in class, you will naturally speak up and contribute to a lively discussion without feeling the need to speak up just to get points.

Op-eds about global current events: During this class, we will naturally be discussing several current events (e.g. protectionism, nationalism, IP rights, immigration, and more). You are required to write two brief (200-300 words) “op-eds” about how firms should deal with those issues, using at least one framework from class. Instructions on how to write an op-ed can be found on Canvas. You can select your own current event or choose one from among a list available on Canvas.

Book review: The purpose of the book review is to give you the chance to conduct independent reading on a global topic of your choice. I will offer a list of suggested readings on Canvas from which you can choose one, or you may select a book yourself as long as I approve it. The book must be clearly focus on global business issues and be of comparable length to the ones I have suggested. Your book review will be 1,000 words in length and should offer (1) a summary of the argument/ideas, (2) an assessment of the book’s strengths, and (3) an assessment of the book’s weaknesses or limitations. I will provide examples of good book reviews on Canvas.

Team project: You and your team will identify an international business opportunity and develop a global strategy to exploit that opportunity. You must cover the following points:

- A quantitative analysis of the opportunity, based on a DCF (or similar) methodology
- A discussion of how the opportunity will create value for the firm (e.g. increase revenue, lower costs, reduce global competition)
- A description of the kind of strategy (e.g. adapt, aggregate, arbitrate) and the entry mode (e.g. build, borrow, buy) appropriate to execute the strategy
- A description of how you would manage the people and structure the organization to exploit the global opportunity.

Groups of five will be **randomly** formed on Canvas . A 2,000-word memo (not including figures, tables, and references) is due by the end of the term.

To make sure that your project gets off to a good start, your group must submit a project proposal (1-page maximum!). I will approve or disapprove the proposal (and offer brief comments). More instructions about the project can be found on Canvas.

Course Schedule

#	Topic & Assignments
THEME 1: The Formulation of Global Strategy	
1	<p>Introduction: Developing a global mindset and overview of global strategy</p> <p>Readings:</p> <ul style="list-style-type: none"> • What is a Global Manager? (Christopher A. Bartlett and Sumantra Ghoshal) • How Global is Your C-Suite? (Pankaj Ghemawat and Herman Vantrappen) • A Primer on Global Strategy (Exequiel Hernandez)
2	<p>Quantifying international investment risk: from country- to firm-specific approaches</p> <p>Readings:</p> <ul style="list-style-type: none"> • Project Evaluation in Emerging Markets: Exxon Mobil, Oil, and Argentina (IESE Case F-803-E) • A Firm-Specific Approach to Quantifying Foreign Investment Risk (Exequiel Hernandez)
3	<p>Global competition: managing multi-market contact</p> <p>Readings:</p> <ul style="list-style-type: none"> • Global Gamesmanship (Ian C. MacMillan, Alexander B. Van Putten, Rita Gunther McGrath) • The Internationalization of the PGA Tour (David Pastoriza, Patrick Coulombe)
THEME 2: The Implementation of Global Strategy	
4	<p>Executing aggregation strategies (centralization)</p> <p>Readings:</p> <ul style="list-style-type: none"> • DeliverMeal Ivory Coast: Addressing Headquarters' Demands (HBS Case W17193-PDF-ENG) • The Structures Behind Global Companies (Julian Birkinshaw)
5	<p>Executing adaptation strategies (localization)</p> <p>Readings:</p> <ul style="list-style-type: none"> • Euro Disney: The First 100 Days (HBS Case 693013-PDF-ENG) • Navigating the Cultural Minefield (Erin Meyer)
6	<p>Executing arbitrage strategies (with a focus on innovation)</p> <p>Readings:</p> <ul style="list-style-type: none"> • BT Group: Managing Global Open Innovation (INSEAD case)
7	<p>Cross-border mergers & acquisitions</p> <p>Readings:</p> <ul style="list-style-type: none"> • Alibaba Group: Acquiring Lazada to Win the Southeast Asia E-Commerce Battle • Synergy in Mergers and Acquisitions: Typology, Lifecycles, and Value (Emilie Feldman and Exequiel Hernandez)
8	<p>Cross-border alliances</p> <p>Readings:</p> <ul style="list-style-type: none"> • Renault-Nissan Alliance (HBS Case 303023-PDF-ENG) • Managing International Alliances: Conceptual Framework (Benjamin Gomes-Casseres)

9	<p>Developing and managing talent across the MNC</p> <p>In-class activity: Global Collaboration Simulation: Tip of the Iceberg</p> <p>Readings:</p> <ul style="list-style-type: none"> • Language and Globalization: "Englishnization" at Rakuten (A) (HBS Case 412002-PDF-ENG)
10	<p>Global careers</p> <p>Today we will have a Q&A session with a panel of Wharton alumni who have had careers in global companies. We will discuss how to prepare for a global career, when and how to approach international (expat) assignments, and more.</p> <p>No reading for this class. Instead, submit questions for the panelists via Canvas.</p>
<p>THEME 3: Current Events</p>	
11	<p>Managing and protecting intellectual property</p> <p>Readings:</p> <ul style="list-style-type: none"> • Bayer in India: Intellectual Property Expropriation? (Bican and Truong) • Why Strong Intellectual Property Laws Matter in a Globalized World (Exequiel Hernandez, K&W podcast) • Spend a bit of time on https://www.internationalpropertyrightsindex.org/countries. What did you learn? What surprised you about property rights across different countries?
12	<p>Trade and protectionism</p> <p>Readings:</p> <ul style="list-style-type: none"> • A Primer on International Trade • From Washer Tariffs to Trade Showdown: Whirlpool lobbied for protection, but barriers ricochet through an economy in unexpected ways (Wall Street Journal, 17 July 2018) • Harley-Davidson: Internationalization in the Trump Era (Ivey Case W18315)
13	<p>Immigration and global talent</p> <p>Readings:</p> <ul style="list-style-type: none"> • Talent on the Move (William R. Kerr, Chapter 1 of "The Gift of Global Talent") • Mi Casa es Tu Casa: Immigrant Entrepreneurs as Pathways of Foreign Venture Capital Investment (Sarath Balchandran and Exequiel Hernandez)
14	<p>Conclusion</p> <p>Readings:</p> <ul style="list-style-type: none"> • The World I See (Jeff Immelt) • Multinationals Have a Bright Future, If You Know Where to Look (Anil Gupta and Haiyan Wang)