

BADM-2601: GLOBAL COMMERCE AND COMMUNICATION

Cuyahoga Community College

Viewing: BADM-2601 : Global Commerce and Communication

Board of Trustees:

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Academic Term:

Fall 2021

Subject Code

BADM - Business Administration

Course Number:

2601

Title:

Global Commerce and Communication

Catalog Description:

Overview of global commerce with examination of foreign environments (economic, cultural, and legal) in which global companies operate. Study of the history of global trade. Review of documents and procedures required to import and export goods; international transportation modes; and payments and collection. Review and application of cross-cultural communication theory and practice.

Credit Hour(s):

3

Lecture Hour(s):

3

Requisites

Prerequisite and Corequisite

BADM-1020 Introduction to Business or concurrent enrollment.

Outcomes

Course Outcome(s):

Define the nature of international business and its subsets.

Essential Learning Outcome Mapping:

Critical/Creative Thinking: Analyze, evaluate, and synthesize information in order to consider problems/ideas and transform them in innovative or imaginative ways.

Objective(s):

1. Explain the concept of globalization.
2. Explain the tendency of firms to select trade partners with similar stages of development.
3. Synthesize the four stages of the international product life cycle as they apply to a specific product category.
4. Interpret Porter's national competitive advantage theory in relation to a specific industry and global locale.
5. Examine the impact of high versus low-context cultures in the development of business materials and negotiation strategy.
6. Classify the various stakeholders involved in international business activities.
7. Identify economies by stage of development.
8. Illustrate the calculation of economic classification statistics such as GDP, purchasing power parity, the human development index and the TI corruption index.
9. Recognize the disparate forms and market entry methods which global business concerns assume and the risk and expense associated with each.
10. Contrast the four forms of regional economic integration and the evolution from free trade area to full economic union.
11. List the advantages and disadvantages of regional trade networks.
12. Describe the major components of the United Nations and its influence on global commerce.
13. Trace the evolution of the international monetary system from the gold standard to our current, post-Bretton Woods system.

14. Describe the role of the IMF and the World Bank.
15. Understand what is meant by currency and foreign exchange.
16. Explore the purpose of the foreign exchange market.
17. Perform foreign exchange rate calculations.
18. Differentiate between governmental and NGO operations.
19. Learn about the rationale and motivations for international expansion.
20. Identify the reasons that companies export.
21. Apply the CAGE, PESTEL and Scenario Planning frameworks to the assessment of a global marketplace.
22. Demonstrate the theories of absolute and comparative advantage.
23. Discuss the precepts of the mercantilist theory.
24. Identify the economic, social and political impacts of trade surpluses and deficits.
25. Apply the Heckscher-Olin factor endowment theory to disparate world markets to explain their favored export commodities juxtaposed with the Leontief Paradox.

Course Outcome(s):

Synthesize the concepts of exporting, importing and global sourcing.

Essential Learning Outcome Mapping:

Critical/Creative Thinking: Analyze, evaluate, and synthesize information in order to consider problems/ideas and transform them in innovative or imaginative ways.

Objective(s):

1. Synthesize the four stages of the international product life cycle as they apply to a specific product category.
2. Classify the various stakeholders involved in international business activities.
3. Explain the differences in economic and commercial requirements between developing, developed and emerging markets.
4. Recognize the disparate forms and market entry methods which global business concerns assume and the risk and expense associated with each.
5. Examine the impact of exchange rate fluctuations on individual transactions; the various forms of currency risk and translation.
6. Identify the reasons that companies export.
7. List the benefits and disadvantages associated with exporting.
8. Understand the nature of outsourcing and its hidden costs.
9. Identify the mechanics and stakeholders associated with import/export transactions.
10. Apply the CAGE, PESTEL and Scenario Planning frameworks to the assessment of a global marketplace.
11. Recognize the importance of tariffs, quotas and other trade obstacles to international business.

Course Outcome(s):

Assess the role of strategic human resource management in global business.

Essential Learning Outcome Mapping:

Written Communication: Demonstrate effective written communication for an intended audience that follows genre/disciplinary conventions that reflect clarity, organization, and editing skills.

Objective(s):

1. Classify the various stakeholders involved in international business activities.
2. Recognize key considerations in international staffing and placement.
3. Explain the factors to be considered when setting pay levels for expatriates and foreign employees including compensatory payment related to hardship posts, family relocation and differences in tax base, unionization, legal issues and cost of living.
4. Categorize the various sources of global talent when staffing an overseas division.

Course Outcome(s):

Describe the impact of the local, regional and global legal environment on global business activities.

Essential Learning Outcome Mapping:

Civic Responsibility: Analyze the results of actions and inactions with the likely effects on the larger local and/or global communities.

Objective(s):

1. Explain the concept of globalization.
2. Explain the tendency of firms to select trade partners with similar stages of development.
3. Enumerate the factors that influence a company's decision to invest.
4. Explain the development of greenfield and brownfield FDIs.
5. Illustrate the means by which governments encourage or discourage FDI.
6. Classify the various stakeholders involved in international business activities.
7. Recognize the disparate forms and market entry methods which global business concerns assume and the risk and expense associated with each.
8. Describe the major components of the United Nations and its influence on global commerce.
9. Describe the role of the IMF and the World Bank.
10. Differentiate between governmental and NGO operations.
11. Learn about the rationale and motivations for international expansion.
12. Understand the nature of outsourcing and its hidden costs.
13. Explain the factors to be considered when setting pay levels for expatriates and foreign employees including compensatory payment related to hardship posts, family relocation and differences in tax base, unionization, legal issues and cost of living.
14. Appreciate the complexity of the legal forces that confront international business.
15. Discuss enforcement of antitrust laws.
16. Recognize the importance of tariffs, quotas and other trade obstacles to international business.
17. Anticipate the need and methods available to protect intellectual property in a global context.
18. Define the role of international accounting standards.
19. Identify the economic, social and political impacts of trade surpluses and deficits.

Course Outcome(s):

Recognize the roles of finance and accounting in generating global competitive advantage.

Essential Learning Outcome Mapping:

Quantitative Reasoning: Analyze problems, including real-world scenarios, through the application of mathematical and numerical concepts and skills, including the interpretation of data, tables, charts, or graphs.

Objective(s):

1. Enumerate the factors that influence a company's decision to invest.
2. Classify the various stakeholders involved in international business activities.
3. Explore the purpose of the foreign exchange market.
4. Perform foreign exchange rate calculations.
5. Examine the impact of exchange rate fluctuations on individual transactions; the various forms of currency risk and translation.
6. Apply the CAGE, PESTEL and Scenario Planning frameworks to the assessment of a global marketplace.
7. Define the role of international accounting standards.
8. List various sources of financing available to global firms.

Course Outcome(s):

Examine the economic theories that rationalize global trade.

Essential Learning Outcome Mapping:

Critical/Creative Thinking: Analyze, evaluate, and synthesize information in order to consider problems/ideas and transform them in innovative or imaginative ways.

Objective(s):

1. Explain the concept of globalization.
2. Explain the tendency of firms to select trade partners with similar stages of development.
3. Synthesize the four stages of the international product life cycle as they apply to a specific product category.
4. Interpret Porter's national competitive advantage theory in relation to a specific industry and global locale.
5. Compare and contrast horizontal and vertical FDI.
6. Illustrate the means by which governments encourage or discourage FDI.
7. Illustrate the calculation of economic classification statistics such as GDP, purchasing power parity, the human development index and the TI corruption index.
8. Explain the differences in economic and commercial requirements between developing, developed and emerging markets.

9. Define the basic tenets of GATT and its successive agreement, the WTO.
 10. Contrast the four forms of regional economic integration and the evolution from free trade area to full economic union.
 11. List the advantages and disadvantages of regional trade networks.
 12. Describe the major components of the United Nations and its influence on global commerce.
 13. Trace the evolution of the international monetary system from the gold standard to our current, post-Bretton Woods system.
 14. Identify the reasons that companies export.
 15. Demonstrate the theories of absolute and comparative advantage.
 16. Discuss the precepts of the mercantilist theory.
 17. Identify the economic, social and political impacts of trade surpluses and deficits.
 18. Apply the Heckscher-Olin factor endowment theory to disparate world markets to explain their favored export commodities juxtaposed with the Leontief Paradox.
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Course Outcome(s):

Evaluate the advantages and disadvantages of foreign investment and market entry options.

Essential Learning Outcome Mapping:

Critical/Creative Thinking: Analyze, evaluate, and synthesize information in order to consider problems/ideas and transform them in innovative or imaginative ways.

Objective(s):

1. Synthesize the four stages of the international product life cycle as they apply to a specific product category.
 2. Interpret Porter's national competitive advantage theory in relation to a specific industry and global locale.
 3. Enumerate the factors that influence a company's decision to invest.
 4. Compare and contrast horizontal and vertical FDI.
 5. Explain the development of greenfield and brownfield FDIs.
 6. Illustrate the means by which governments encourage or discourage FDI.
 7. Explain the differences in economic and commercial requirements between developing, developed and emerging markets.
 8. Recognize the disparate forms and market entry methods which global business concerns assume and the risk and expense associated with each.
 9. Learn about the rationale and motivations for international expansion.
 10. Identify the reasons that companies export.
 11. Recognize key considerations in international staffing and placement.
 12. Apply the CAGE, PESTEL and Scenario Planning frameworks to the assessment of a global marketplace.
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Course Outcome(s):

Demonstrate an understanding of the components of culture and cross-cultural communication in business.

Essential Learning Outcome Mapping:

Cultural Sensitivity: Demonstrate sensitivity to the beliefs, views, values, and practices of cultures within and beyond the United States.

Objective(s):

1. Explain the tendency of firms to select trade partners with similar stages of development.
 2. Explain the various subsets of culture.
 3. Analyze Hofstede's cultural value dimensions as they pertain to personal and business experience.
 4. Examine the impact of high versus low-context cultures in the development of business materials and negotiation strategy.
 5. Explain and illustrate how differing attitudes toward time can influence the outcome of cross-cultural negotiations and implementation plans.
 6. Identify the elements of verbal and non-verbal communication.
 7. Illustrate techniques to accommodate different cross-cultural communication patterns.
 8. Practice cross-cultural accommodations in various business scenarios.
 9. Explain how culture impacts local business practices.
 10. Name data sources for country cultural expectations, business and social practices and local etiquette concerns.
 11. Appreciate the complexity of the legal forces that confront international business.
 12. Anticipate the need and methods available to protect intellectual property in a global context.
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Course Outcome(s):

Describe and classify alternate world economies.

Essential Learning Outcome Mapping:

Written Communication: Demonstrate effective written communication for an intended audience that follows genre/disciplinary conventions that reflect clarity, organization, and editing skills.

Objective(s):

1. Interpret Porter's national competitive advantage theory in relation to a specific industry and global locale.
2. Illustrate the means by which governments encourage or discourage FDI.
3. Identify economies by stage of development.
4. Illustrate the calculation of economic classification statistics such as GDP, purchasing power parity, the human development index and the TI corruption index.
5. Recognize the disparate forms and market entry methods which global business concerns assume and the risk and expense associated with each.
6. Describe the role of the IMF and the World Bank.
7. Learn about the rationale and motivations for international expansion.
8. Demonstrate the theories of absolute and comparative advantage.
9. Discuss the precepts of the mercantilist theory.
10. Identify the economic, social and political impacts of trade surpluses and deficits.

Course Outcome(s):

Examine the nature and objectives of global and regional economic cooperation agreements.

Objective(s):

1. Explain the concept of globalization.
2. Classify the various stakeholders involved in international business activities.
3. Explain the differences in economic and commercial requirements between developing, developed and emerging markets.
4. Define the basic tenets of GATT and its successive agreement, the WTO.
5. Recognize the disparate forms and market entry methods which global business concerns assume and the risk and expense associated with each.
6. Contrast the four forms of regional economic integration and the evolution from free trade area to full economic union.
7. List the advantages and disadvantages of regional trade networks.
8. Identify the major areas of regional economic integration and cooperation.
9. Discuss the influence of regional trade agreements on global business patterns.
10. Trace the evolution of the international monetary system from the gold standard to our current, post-Bretton Woods system.
11. Differentiate between governmental and NGO operations.
12. Identify the economic, social and political impacts of trade surpluses and deficits.

Course Outcome(s):

Evaluate the impact of the international monetary system on national and regional economies and global businesses.

Essential Learning Outcome Mapping:

Critical/Creative Thinking: Analyze, evaluate, and synthesize information in order to consider problems/ideas and transform them in innovative or imaginative ways.

Objective(s):

1. Explain the concept of globalization.
2. Enumerate the factors that influence a company's decision to invest.
3. Trace the evolution of the international monetary system from the gold standard to our current, post-Bretton Woods system.
4. Understand what is meant by currency and foreign exchange.
5. Explore the purpose of the foreign exchange market.
6. Perform foreign exchange rate calculations.
7. Examine the impact of exchange rate fluctuations on individual transactions; the various forms of currency risk and translation.
8. Identify the economic, social and political impacts of trade surpluses and deficits.

Course Outcome(s):

Comprehend and compute foreign exchange rates and their impact upon corporate profitability.

Essential Learning Outcome Mapping:

Critical/Creative Thinking: Analyze, evaluate, and synthesize information in order to consider problems/ideas and transform them in innovative or imaginative ways.

Quantitative Reasoning: Analyze problems, including real-world scenarios, through the application of mathematical and numerical concepts and skills, including the interpretation of data, tables, charts, or graphs.

Objective(s):

1. Enumerate the factors that influence a company's decision to invest.
2. Understand what is meant by currency and foreign exchange.
3. Explore the purpose of the foreign exchange market.
4. Perform foreign exchange rate calculations.
5. Examine the impact of exchange rate fluctuations on individual transactions; the various forms of currency risk and translation.

Course Outcome(s):

Assess alternate models and strategies for expanding global business.

Essential Learning Outcome Mapping:

Critical/Creative Thinking: Analyze, evaluate, and synthesize information in order to consider problems/ideas and transform them in innovative or imaginative ways.

Oral Communication: Demonstrate effective verbal and nonverbal communication for an intended audience that is clear, organized, and delivered effectively following the standard conventions of that language.

Objective(s):

1. Explain the tendency of firms to select trade partners with similar stages of development.
2. Synthesize the four stages of the international product life cycle as they apply to a specific product category.
3. Enumerate the factors that influence a company's decision to invest.
4. Illustrate the means by which governments encourage or discourage FDI.
5. Explain the differences in economic and commercial requirements between developing, developed and emerging markets.
6. Recognize the disparate forms and market entry methods which global business concerns assume and the risk and expense associated with each.
7. Differentiate between governmental and NGO operations.
8. Examine the impact of exchange rate fluctuations on individual transactions; the various forms of currency risk and translation.
9. Learn about the rationale and motivations for international expansion.
10. Identify the reasons that companies export.
11. Understand the nature of outsourcing and its hidden costs.
12. Categorize the various sources of global talent when staffing an overseas division.
13. Apply the CAGE, PESTEL and Scenario Planning frameworks to the assessment of a global marketplace.

Methods of Evaluation:

1. Examinations and quizzes
2. Participation
3. Case analyses
4. Research reports
5. Oral presentations
6. Community service learning initiatives

Course Content Outline:

1. The elements of international business
 - a. The nature of globalization
 - b. Global business stakeholders
 - c. The forms of global business organization
 - d. Government and non-government organizations
 - e. The culture, administration, geography and economic barriers to global trade (CAGE)
2. Classic and modern international trade theories

- a. Mercantilism
 - b. Absolute advantage
 - c. Comparative advantage
 - d. Heckscher-Ohlin
 - e. Leontief
 - f. Country similarity
 - g. International product life cycle
 - h. Global strategic rivalry
 - i. National competitive advantage
3. Political and legal impacts on global trade
 - a. World political systems
 - b. Civil, common and religious law
 - c. Government management and intervention in global trade
 - d. Governmental trade barriers
4. Foreign direct investment
 - a. FDI decision-making factors
 - b. Types of FDI
 - c. Encouragement and restriction of FDI
5. Cultural and its influence on global trade
 - a. Cultural dimensions
 - b. Hofstede's cultural values
 - c. Cultures and context
 - d. Attitudes toward time
 - e. Cross-cultural communication techniques
 - f. Ethnocentricity
 - g. Cross-cultural business negotiation
6. World economies
 - a. Economic classifications
 - b. Common economic measurements
 - c. Countries and their developmental classifications
7. Economic cooperation and integration
 - a. GATT
 - b. World Trade Organization
 - c. Benefits and disadvantages of economic integration
 - d. The US-Mexico-Canada Trade Agreement (USMCA)
 - e. Mercado Común del Sur (MERCOSUR)
 - f. Caribbean Community and Common Market (CARICUM)
 - g. The EU
 - h. Association of Southeast Asian Nations (ASEAN)
 - i. Asia-Pacific Economic Cooperation (APEC)
 - j. Gulf Cooperation Council (GCC)
 - k. African Economic Community (AEC)
8. The United Nations
 - a. Structure
 - b. Principles of global compact
 - c. Impact upon and involvement in global trade issues
9. The international monetary system
 - a. History of the international monetary system
 - b. The gold standard and its demise
 - c. Bretton Woods and its demise
 - d. The nature of exchange rates; fixed vs. floating
 - e. The International Monetary Fund (IMF) and special drawing rights
 - f. The World Bank and loan provisions
 - g. The Jamaica Agreement
10. Currency and foreign exchange
 - a. How foreign exchange is bought and sold
 - b. The raisons d'être of the foreign exchange market
 - c. Currency hedging

- d. Arbitrage and speculation
- e. Direct and indirect currency quotes
- f. Spot, forward and cross rates
- g. Currency exchange terminology
- h. Calculating transactions in foreign currency
 - i. Protecting against transaction risk
 - j. The impact of currency on capital asset valuations
- k. Protecting against translation risk
- 11. Finding global business opportunities
 - a. The rationale for international expansion
 - b. Researching foreign market requirements
 - c. Conducting a PESTEL analysis (Political, economic, sociocultural, technological, environmental and legal components)
 - d. Global market expansion modes
 - e. Market evaluation with the CAGE framework
 - f. Institutional voids
- 12. Export/import strategy and procedure
 - a. Benefits and risks of export
 - b. Direct and indirect exporting
 - c. Data sources for country export requirements and guidelines
 - d. Basic export shipment documentation
 - e. Global sourcing strategies
 - f. The hidden costs of imports and outsourcing
 - g. Import/export partners
 - h. Export/import financing
 - i. Countertrade
 - j. Global business online
- 13. Global human resources
 - a. Recruitment practices and global culture
 - b. Sources of international business personnel
 - c. Global perspective on organized labor
 - d. Managing expatriates
 - e. Compensation issues for global firms
 - f. Data sources for foreign market employment regulations
- 14. International legal issues
 - a. Enforcement of antitrust
 - b. Legal trade barriers
 - c. Wage and price controls and currency exchange
 - d. Where culture and law intersect
 - e. Intellectual property protection
 - f. Laws and ethics in global business
- 15. Finance and accounting in international business
 - a. International accounting standards
 - b. Translating financial statements between global markets
 - c. Finance sources for international firms
 - d. Managing political and economic volatility
 - e. Religion and finance
 - f. Taxes and global money management

Resources

S. Tamer Cavusgil, Gary Knight, John R. Riesenberger. (2020) *International Business: The New Realities*, London: Pearson.

John J. Wild, Kenneth L. Wild. (2019) *International Business: The Challenges of Globalization*, New York: McGraw-Hill.

Michael Geringer, Jeanne McNett, Donald Ball. (2020) *International Business*, New York: McGraw-Hill.

Charles Hill. (2021) *International Business: Competing in the Global Marketplace*, New York: McGraw-Hill.

