

## Questions and Discussion

### Session 1

1. What global forces have contributed to the growth of the cruise-line industry?
2. What specific steps has Carnival Cruise Lines taken to benefit from global social changes?
3. What are some of the national differences that affect the operations of cruise lines?
4. What threats exist for the future performance of the cruise-line industry and, specifically, of Carnival Cruise Lines? If you were in charge of Carnival, how would you (a) try to prevent these threats from becoming reality, and (b) deal with them if they were realized?
5. Divide students into small groups and ask them to explore the costs of the globalization process. What are the major issues? What companies seem to promote corporate responsibility in all aspects of their businesses? What can and/or should be done to encourage seemingly less-than-responsible businesses and governments to change their ways?

### Session 2

1. Collectivism and individualism, democracy and totalitarianism, rule of law and rule of man: What do these concepts say about the intellectual property rights of software and the legitimacy of its protection?
2. What is the relationship among governments, institutions, organizations, and companies in developing legal means to fight software piracy?  
Can the software industry control software piracy without government help?  
Why would the software industry dislike greater government regulation?
3. How do you think customers in wealthier countries versus those in poorer countries justify software piracy?
4. Can you envision a scenario where companies and consumers reach a relationship that eliminates the profitability of piracy—whether it is for software, music, movies and other digital products?

### Session 3

1. Describe Ugandan cultural attributes that might affect the operations of a foreign company doing business there.
2. How would you describe the respective attitudes of Martin and Green: ethnocentric, polycentric, or geocentric? What factors do you suspect of having influenced their respective attitudes?

3. Who was right, Green or Martin, about Martin's more controversial actions in facilitating the project? How might things have turned out if Martin had not been a member of the project team?
4. In the next phase of the project—running the power plant—should HG employ someone whose main function is that of a liaison between its corporate culture and the culture of its host country? If so, is Martin the person for the job?
5. Ask students to outline the reasons why the various elements of culture (social structures and control systems, language and aesthetics, religion and other belief systems, educational systems, etc.) might increase the cost of doing business in a country. Be sure that the students illustrate their ideas with concrete examples of both cultural elements and specific countries.

#### **Session 4**

1. Conduct a CAGE analysis, comparing the Chinese market to the U.K. market.
2. Using Hofstede's Model, identify the cultural differences between British and Chinese consumers.
3. Using the product-communication strategy matrix, identify the best strategy for the Chinese market.
4. In terms of the standardization versus adaptation dilemma, what variables are important for M & S to consider in the Chinese market?

#### **Session 5**

1. What theories of trade help to explain Russia's position as an oil exporter? Why? Which ones don't? Why not?
2. How do global political and economic conditions affect global oil markets and prices?
3. Discuss the following statement as it applies to Russia and LUKOil: "Regardless of the advantages a country may gain by trading, international trade will begin only if companies within that country have competitive advantages that enable them to be viable traders—and they must foresee profits in exporting and importing."
4. Reviewing the opening case of this chapter, compare the role assumed by the Costa Rican government in using trade to meet national economic objectives with that of the Russian government.

#### **Session 6**

1. Should the United States seek to tighten its economic grip on Cuba? If so, why?
2. Should the United States normalize business relations with Cuba? If so, should the United States stipulate any conditions?
3. Assume you are Cuba's leader. What kind of trade relationship with the United States would be in your best interest?
4. As a result of the many rounds of the General Agreement on Tariffs and Trade (GATT) and other trade negotiations, both tariff and nontariff barriers have been significantly reduced on a worldwide basis. However, given recent shifts in

productive assets and employment from many industrialized countries to emerging economies such as India and China, cries for protectionist measures can be heard from many quarters. Ask students to debate the possibility that governments in industrialized countries will once again implement some form of protectionist

### **Session 7**

1. What are the major factors that caused the peso to fall in value against the dollar? What did the government of Argentina do to reverse the decline in the economy?
2. How has the fall in the value of the peso affected business opportunities for companies doing business in Argentina and in exporting and importing? Should the government allow the peso to fall even farther to stimulate exports? Why or why not?
3. What do you think the future of HSBC should be in Argentina?
4. Take copies of the most recent editions of The Wall Street Journal and the Financial Times to class. Explain to students where to find foreign exchange rates, forward rates, cross rates, commodity prices, etc. Select the home countries of various students in your class. Use the forward rates to engage the students in a discussion as to which currencies appear to be stronger. Explore the possible underlying reasons for a given currency's strength or weakness.

### **Session 8**

1. What sorts of conditions and motivations best explain how companies see themselves developing strategies that create sustainable value?
2. Dynamism creates opportunity as well as constraints. Identify the most promising opportunities facing companies from advanced markets. Then do the same for firms from developing markets. How are they similar? How are they different?
3. If given the option to work for a company in a particular market, would you choose to work for a Western MNE such as IBM, moving into a developing country such as India or would you choose to work for a company from an emerging economy, such as Safaricom, moving into a Western market such as France? Why?
4. What sorts of management skills and executive perspectives do you believe would make you an attractive candidate for a Western company expanding into emerging economies? Would they differ, and if so how, for a company expanding from its home base in an emerging economy into a Western economy?
5. Have the students perform a value chain analysis on Zara. Which of Zara's value chain activities create the most value for the company? What are Zara's core competencies?

### **Session 9**

Share your finding on the company we just visited with your fellow students.

### **Session 10**

1. Should Cameron have licensed Mc Taggart or continued to export?
2. Was McTaggart a good choice for licensee?
3. Was the royalty rate reasonable?
4. What about the alternatives to licensing?

### **Session 11**

1. What have we learned so far about McTaggart?
2. What is your appraisal of the Australia joint venture proposal?
3. What about the Michelard proposition?
4. What then should Cameron do about the EU?

### **Session 12**

1. List, in separate columns, the benefits and costs of using sites like Alibaba to trade internationally. What does your analysis say to companies like Grieve (our opening case) as they think about their export strategy?
2. Is it reasonable to speculate that eventually most trade SMEs might take place in the context of sites like Alibaba.com?
3. How transparent do sites like Alibaba.com make the import-export transaction? Would you still worry about fraud?
4. How might the global financial crisis create opportunities and threats for Alibaba.com?
5. Research has shown that although the largest firms in the world also tend to be the world's largest exporters, export intensity is not positively correlated with the size of a firm. Begin a discussion by asking students to explore the reasons for this. Then, ask students to discuss the levels of export intensity they would expect to find with respect to a variety of industries. Be sure they explain their reasoning and compare differences across industries.

### **Session 13**

1. Why have the negotiation failed to result in an agreement? Is the formation of the JV between Nora and Sakari the best option for both companies to achieve their respective objectives?
2. As Zainal, what would you do to ensure that Nora fulfills the TMB contract?
3. If Zainal decides to renegotiate (and assuming that Kuusisto agreed), how should he restructure the terms of the deal?

#### **Session 14**

1. What do you think was the key event in the organizational evolution of Infosys? What do you think the Infosys organization will look like in 2020?
2. Can Infosys continue at this rate of growth in sales and employees and still retain its founding values? What approaches and tools would you recommend it do so?
3. What organizational problems do you think will prove particularly troublesome to executives at Infosys?
4. Given what you have read, do you think you would like to work for Infosys? Why or why not?
5. A recent trend among MNEs is to replace expatriates in foreign subsidiaries with local managers. Ask students to debate the implications of that policy from the standpoints of (a) the development and implementation of global strategies, (b) the control of foreign subsidiaries and (c) the development of managers with significant international experience and expertise. Does it mean decision making will necessarily be decentralized?

#### **Session 15**

1. The chapter describes different marketing orientations. Discuss the applicability of each to Avon's international operations.
2. Discuss socioeconomic and demographic changes that could affect Avon.
3. How might a global recession, such as the one that began in 2008, impact Avon's operations?
4. What are the major competitive advantages that Avon has? How easily might other companies duplicate these advantages?
5. While many firms have moved to develop globally standardized products, others have moved toward more product differentiation across countries. Ask students to discuss the types of products for which they would expect to see more global standardization, and those for which they would expect to see more local differentiation. Be sure they consider both goods and services.